

United in Integrity
Growing Sustainably

Annual Report 2024

UCB

LETTER OF TRANSMITTAL

To

The Shareholders

Bangladesh Bank

Bangladesh Securities and Exchange Commission

Dhaka Stock Exchange PLC.

Chittagong Stock Exchange PLC.

Registrar of Joint Stock Companies & Firms

Subject: Annual Report of United Commercial Bank PLC for the year ended December 31, 2024

Dear Sir(s),

We are pleased to present the Annual Report 2024 of United Commercial Bank PLC together with the Auditor's Report, Directors' Report, and Audited Financial Statements as of December 31, 2024 for your kind information and record.

Sincerely Yours,



Pulak Chaudhuri

Company Secretary (Acting)



TABLE OF CONTENTS



Table of Contents

01 Letter of Transmittal

07 Organizational Overview
08 Forward Looking Statement
09 Vision, Mission & Core Values
10 Strategic Priorities
11 Profile of the Company
12 Corporate Directory
14 Products & Services
18 Code of Conducts & Ethics
20 Five Years' Financial Summary
22 Horizontal Analysis
24 Vertical Analysis
26 Graphical Presentation of Financial Ratios

29 Board of Directors
31 Profile of the Directors
39 Directors' Qualification & Experience

40 Committees of the Board of Directors
40 Executive Committee
41 Audit Committee
42 Risk Management Committee
43 Senior Management

51 Stewardship
53 Message from the Chairman
57 Managing Director & CEO's Round Up
59 Awards and Recognition

61 Directors' Report
74 Divisional Overview
136 Management Discussion and Analysis

139 Governance Reports
140 Corporate Governance
165 Report of the Executive Committee of the Board of Directors
167 Report of the Audit Committee of the Board of Directors
171 Report of the Risk Management Committee of the Board of Directors
175 Statement of Directors' Responsibility
177 Status of compliance on Corporate Governance Code 2018 Issued by Bangladesh Securities and Exchange Commission
192 Bangladesh Bank Corporate Governance Guidelines: Our Compliance Status
211 Governance Disclosure Towards the Process for Holding the Last Annual General Meeting
212 Dividend Distribution Policy
214 Disclosure of the Shareholding Structure of United Commercial Bank PLC
217 Disclosure of Related Party Transaction
218 Disclosure of Entities Where Directors
219 Certificates
221 Declaration by the CEO and the CFO

225 Risk Management of the Bank
226 From the Desk of the Chief Risk Officer
231 Report on Risk Management Framework
240 Report on Risk Mitigation Methodology
253 Disclosure of Risk Reporting
265 Disclosure on Risk Based Capital (Basel III)

293 Sustainable Finance
294 Introduction to the Sustainable Finance Section
309 Spirit of Aspiring for a Word of Three (03) Zeros



Table of Contents

313 Corporate Social Responsibility
314 Report on Corporate Social Responsibility

317 UCB Taqwa-Islamic Banking
318 Report on UCB Taqwa-Islamic Banking

323 Report on Service Quality Department (SQD)

333 Financial Statements
334 Independent Auditor's Report

433 Subsidiary Companies of UCB

435 UCB Stock Brokerage Limited
436 Company Profile
439 Board of Directors
440 Profile of the Board of Directors
443 Directors' Report
450 Management Discussion & Analysis
452 Independent Auditor's Report
454 Financial Statement of UCB Stock Brokerage Limited

461 UCB Asset Management Limited
462 Company Profile
463 Board of Directors
464 Profile of the Board of Directors
469 Directors' Report
472 Independent Auditor's Report
474 Financial Statement of UCB Asset Management Limited

481 UCB Investment Limited
482 Company Profile
485 Board of Directors
486 Leadership The Trailblazing Dreamers and Leaders
490 Directors' Report
497 Management Discussion & Analysis
499 Independent Auditor's Report
501 Financial Statement of UCB Investment Limited

507 UCB Fintech Company Limited
508 Company Profile
509 Leadership
510 Directors' Report
511 Independent Auditor's Report
513 Financial Statement of UCB Fintech Company Limited

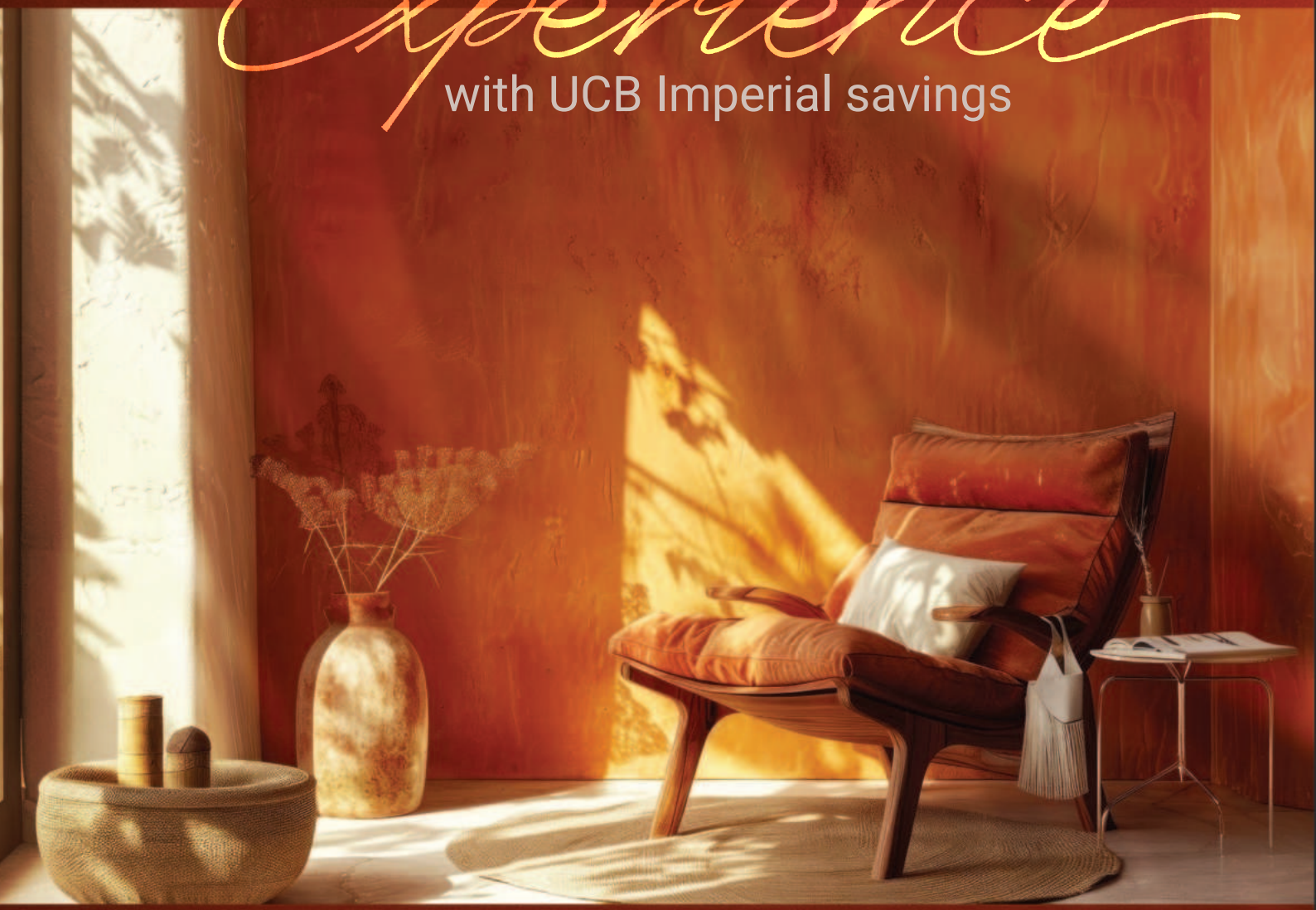
531 UCB Exchange (SG) PTE Limited
532 Company Profile
533 Board of Directors
535 Independent Auditor's Report
537 Financial Statement of UCB Exchange (SG) PTE Limited

541 Supplementary Information
542 Branch Network of UCB
561 Redressal of Investors' Complaint
562 Notice of the 41st Annual General Meeting
565 Proxy form

567 Glimpse of Last AGM
568 Glimpse of UCB 41st Annual General Meeting

UCB
IMPERIAL
PRIORITY BANKING

Upgrade Your Experience with UCB Imperial savings



- Priority Banking with a dedicated Relationship Manager
- Access to Imperial Banking & Airport Lounges
- Complimentary Airport Meet & Assist
- Lifetime fee waiver on Platinum Credit Card & 2 Supplementary Cards
- Year-round offers on UCB Cards
- Preferential locker allocation with discounted charges & many more

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16419



ORGANIZATIONAL
OVERVIEW

FORWARD LOOKING STATEMENT

Forward-looking statements, by their nature, are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors.

This announcement constitutes forward-looking statements about the Bank including financial projections and estimates and their underlying assumptions and statements regarding plans, objectives, and forecasts.

These statements include our intent, belief, or current expectations regarding our customer base, estimates regarding future growth in our different business lines and our overall business, market share, financial results and other aspects of our activity and situation relating to the Bank. The forward-looking statements in this document can be identified, in some instances, by the use of words such as "expects," "anticipates," "intends," "believes," and similar language or the negative thereof or by the forward-looking nature of discussions of strategy, plans or intentions.

Such forward-looking statements, by their nature, are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors.

Neither this presentation nor any of the information contained herein constitutes an offer of purchase, sale, or exchange, nor a request for an offer of purchase, sale, or exchange of securities, or any advice or recommendation with respect to UCB. Moreover, be informed that this document may contain summarized information or information that has not been audited. In this sense, this information is subject to and must be read in conjunction with all other publicly available information, including, if it is necessary, any disclosure documents published by the Bank.

Finally, we caution that the preceding list of essential factors that may affect future results is not exhaustive. When relying on our future-oriented statement, investors and others should carefully consider the preceding aspects, other uncertainties, and potential events to make any decision with respect to the Bank. We do not undertake to update any future-oriented statement, whether written or oral, that we may make from time to time on our behalf.



Vision

To be the Bank of the first choice through maximizing value for our clients, shareholders & employees and contributing to the national economy with social commitments.

Mission

To offer financial solutions that create, manage and increase our clients' wealth while improving the quality of life in the communities we serve

Core Values

- We put our customer's first
- We emphasize professional ethics
- We maintain quality at all levels
- We believe in being a responsible corporate citizen
- We say what we believe in
- We foster participative management

STRATEGIC PRIORITIES

Enjoyable Experience
To make all the stakeholders pleasant and make the entire banking process an enjoyable experience for everyone

Compliant
To be compliant with all the rules and regulations applicable in Bangladesh

Innovation and Diversity
To foster creativity, innovation, and diversity with the view to sustainable business growth

Needs of the Future Generation
Continuous development without compromising the needs of the future generation

World-class IT infrastructure
To ensure the satisfaction of all the UCB's customers through delivering services with the implementation of world-class IT infrastructure

Good Governance
To establish good governance

Risk Management
Ensuring an effective risk management system within entire phases of activities

Corporate Social Responsibilities
Focusing on Corporate Social Responsibilities (CSR) in a responsible manner

Image
To build and enhance brand image

PROFILE OF THE COMPANY

UNITED COMMERCIAL BANK PLC STARTED ITS HUMBLE JOURNEY IN MID 1983 WITH A FIRM COMMITMENT TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF BANGLADESH AND HAS BEEN ABLE TO ESTABLISH ITSELF AS ONE OF THE LARGEST PRIVATE COMMERCIAL BANKS OF THE COUNTRY TODAY.

To keep the promise unbroken, we dedicatedly spent more than four glorious decades and today we stand as one of the largest private commercial banks of Bangladesh. From the very inception, UCB had a steadfast determination towards ensuring optimum services and assistance. Aligned with our commitment to best financial services, we are continuously coming up with a number of diverse and customer friendly initiatives and products. UCB has played a pivotal role in creating, nourishing and establishing leading entrepreneurs of the country and without these very special people (entrepreneurs) we wouldn't have the economically strong Bangladesh we have today. UCB is listed with Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. and in all parameters UCB is considered as one of the top listed companies in Bangladesh. UCB offers a wide range of banking products and financial services to corporate, SME and retail customers through a variety of delivery channels and through its subsidiary companies. With a vast network of 231 branches along with Off-shore Banking Unit, Unet, Uclick, E-Commerce, Agent Banking, Islamic Banking, Sub Branches, Priority Banking (UCB Imperial), remittance services, credit card business and with dedicated human capital of 5,693; the Bank has already made a distinct mark in the realm of private sector banking through boutique service, innovative practices, dynamic problem solving approach and efficient management. The bank has very special focus on RMG, import-export, agriculture, SME sector and retail business with a view to leading nationwide financial inclusion and green banking initiatives. The Bank has four fully owned subsidiaries namely i.e. UCB Stock Brokerage Limited (provides brokerage services in the capital market), UCB Investment Limited (aims to carry out full-fledged merchant banking activities in Bangladesh), UCB Asset Management Limited (incorporated for both institutional and individual fund management) and UCB Fintech Company Limited (Mobile Financial Services known as Upay). UCB's Board members include eminent individuals with industrial, financial and operational expertise. The Board consists of 5 members including 3 independent Directors and Managing Director & CEO. There are three committees under the Board which are Executive Committee, Audit Committee and Risk Management Committee. There is also a Shariah Supervisory Committee for Islamic Banking services. Our innovative banking services have been recognized and rewarded even in the global arena. UCB has gone through a massive transformation in the recent past. Our transformation is reshaping the client experience. The Board and the Management of the Bank clearly realize that multiple forces have reshaped the banking business in the country and UCB has to be ready to grab untapped potentials of the country. Moving forward, the Bank has a clear strategy to rationalize our portfolio, managing risks while accelerating the delivery of consistently strong results with special focus on people, planet and profit to embrace sustainability. The foundation of our business is the commitment to excellence in everything we do. Our competitive advantage lies on Sustainable Development based on continuous diversification of business. UCB's core competencies may be classified into two segments interest earning activities in the form of providing loans and advances and investment activities. We are committed to provide our clients with the highest level of service for managing their wealth effectively by adopting international best practices and operating ethically and transparently. Our branding concept gives practical expression to the bank's aspiration to position the customer, and the customer's needs and financial well-being, as central which is depicted in our motto –

"United in Integrity
Growing Sustainably"

CORPORATE DIRECTORY

Key Corporate Information	
Name of the Company	United Commercial Bank PLC
Legal Form	Public Limited Company
Type of Business	Banking
Key Business Segments	Corporate Banking, MSME Banking and Consumer Banking
Date of Incorporation	26 June 1983
Date of Certificate of Commencement of Business	27 June 1983
Date of Bangladesh Bank Approval to Carry on Banking Business	28 June 1983
Bangladesh Bank License Number	BRPD/(LS-1)/745(17)/2023-462
Number of Branches	Branch -231, Sub Branch-177 (As on 31.12.2024)
Number of ATM & CRM Booths	716 (As on 31.12.2024)
Number of Agent Banking Outlets	855 (As on 31.12.2024)
Number of Off-Shore Banking Units	01 (As on 31.12.2024)
Number of Foreign Correspondents	614 (As on 31.12.2024)
Number of Employees	5693 (As on 31.12.2024)
Subsidiaries	UCB Stock Brokerage Limited UCB Asset Management Limited UCB Investment Limited UCB Fintech Company Limited UCB Exchange (SG) PTE. Limited
Dedicated CSR Wing	UCB Foundation
Tax Identification Number (ETIN)	458548597820
VAT Registration Number/BIN Number	000875839-0101
Credit Rating	Long-term: AA, Short-term: ST-2, Valid till: May 6, 2026 Outlook: Negetive
Stock Exchange Listing	Dhaka Stock Exchange PLC. (DSE) Chittagong Stock Exchange PLC. (CSE)

Key Members of the Board of Directors & its Assistive Committees	
Chairman, Board of Directors	Mr. Sharif Zahir
Vice Chairman, Board of Directors	Mr. Md. Shazzad Hossoin
Chairman, Executive Committee	Mr. Md. Tanvir Khan
Chairman, Audit Committee	Mr. Obaidur Rahman, FCA
Chairman, Risk Management Committee	Mr. Md. Yusuf Ali
Managing Director & CEO	Mr. Mohammad Mamdudur Rashid
Company Secretary (Acting)	Mr. Pulak Chaudhuri

Officials Two-tier below the Chief Executive Officer (CEO)	
Additional Managing Director	Mr. Nabil Mustafizur Rahman Mr. Abul Alam Ferdous Mr. Adnan Masud
Deputy Managing Director	Mr. Abdullah Al Mamoon Mr. Md. Shah Alam Bhuiyan Mr. Faruk Ahammad, FCA Mr. S M Mainul Kabir

Officials holding Key Positions	
Chief Risk Officer (CRO)	Mr. Nabil Mustafizur Rahman
Chief Operating Officer (COO)	Mr. Md. Abdullah Al Mamoon
Chief Financial Officer (CFO)	Mr. Faruk Ahammad, FCA
Chief Anti Money Laundering Compliance Officer (CAMLCO)	Mr. Kazi Aktarul Islam
Head of Internal Control & Compliance	Mr. Champak Barua
Company Secretary (Acting)	Mr. Pulak Chaudhuri

Auditors, Consultants & Rating Agency	
Auditors for the year 2024	ACNABIN, Chartered Accountants
Compliance Auditor for the year 2024	Itrat Hossain & Associates
Tax Consultant for the year 2024	Snehasis Mahmud & Co. Chartered Accountants
Cash Incentive Auditor for the year 2024	Hoda Vasi Chowdhury & Co. Chartered Accountants Islam Jahid & Co. Chartered Accountants
Credit Rating Agency for the year 2024	Emerging Credit Rating Limited

Contact	
Registered/Head Office	Bulus Center, Plot - CWS(A)-1, Road No - 34 Gulshan Avenue, Dhaka-1212, Bangladesh
Corporate Office	Bulus Center, Plot - CWS(A)-1, Road No - 34 Gulshan Avenue, Dhaka-1212, Bangladesh
Investors Relation Office	Bulus Center, Plot - CWS(A)-1, Road No - 34 Gulshan Avenue, Dhaka-1212, Bangladesh
Telephone	+88-02-55668070, +88-09610999999
SWIFT	UCBLBDDH
24/7 Contact Center	16419, Overseas +88-09610016419, +88-09612316419
Email address	info@ucb.com.bd
Website	www.ucb.com.bd

PRODUCTS & SERVICES

A. Retail Banking (Liability)

CASA (including FC)

- Retail Current Deposit AC
- Retail Savings Deposit AC
- Retail Saving Deposit Non-Interest AC
- Corporate Executive Package Salary AC
- Retail UCB Youngsters Savings AC
- Retail UCB NRB Savings AC
- Retail UCB AYMA Savings AC
- Retail UCB Imperial Savings AC
- UCB Retail Diganta Salary Account
- Retail Shomota Account
- Dynamic Benefits Savings AC
- Sabuj Sanchay AC
- UCB Retail Pensioner Savings AC
- Employee Benefit Savings Account
- Convertible Taka AC
- Non-Convertible Taka AC
- Non-Resident Investor's Taka AC (NITA)
- Resident Foreign Currency Deposit (RFCD) AC
- Retail Private FC AC
- UCB Swadhin Account
- Retail Offshore Banking Foreign Currency Account
- Retail International Banking Foreign Currency Account (Current)

Fixed Deposit (including FC)

- Retail Fixed Deposit (General)
- Retail Fixed Deposit (Special)
- Retail Fixed Deposit (Exclusive)
- Retail UCB Money Maximizer Double
- Retail UCB Earning Plus
- Retail Non-Resident FC Deposit (NFCD) AC
- Retail Offshore Banking Foreign Currency Account (Term Deposit)
- Retail International Banking Foreign Currency Account (Term Deposit)
- Retail ERQ Term Deposit

Scheme Deposit

- Retail UCB Multi-Millionaire DPS
- Retail AYMA DPS Plus
- Retail UCB Youngster DPS
- Retail NRB DPS Plus
- UCB Super Flex DPS

B. SME Banking (Liability)

CASA (including FC)

- SME Current Deposit AC
- Sabolombi Easy Account
- Sabolombi Digital Account
- SME Hajj Deposit
- SME ERQ Account
- Special Notice Deposit Account

Fixed Deposit (including FC)

- SME Fixed Deposit (General)
- SME Fixed Deposit (Special)
- SME Fixed Deposit (Exclusive)
- SME Offshore Banking Foreign Currency Account (Term Deposit)
- SME ERQ Term Deposit

Scheme Deposit

- Prottoyi Monthly Deposit
- AYMA Prottoyi Monthly Deposit

Corporate Banking (Liability)

CASA (including FC)

- Corporate Current Deposit AC
- Corporate Current Deposit (Power)
- Corporate Current Deposit (Flexi)
- Corporate ERQ Account
- Special Notice Deposit Account
- Corporate Dynamic SND Account

Fixed Deposit (including FC)

- Corporate Fixed Deposit (General)
- Corporate Fixed Deposit (Special)
- Corporate Fixed Deposit (Exclusive)
- Corporate Offshore Banking Foreign Currency Account (Term Deposit)
- Corporate ERQ Term Deposit

Retail Banking (Asset)

Retail Continuous Loan

- Retail Secured Overdraft
- Retail Bangladesh Air Force Overdraft
- Credit card Products:
  - Classic Credit
  - Gold Credit
  - Platinum Credit
  - Signature/world Credit
  - Business Credit

Retail Term Loan

- Retail Personal Loan
- Retail Doctors Loan
- Retail Marriage Loan
- Retail Education Loan
- Retail Hospitalization Loan
- Retail Home Mortgage Loan
- Retail Advance against Salary
- Retail Travel Loan
- Retail CNG Conversion Loan
- Retail House Hold Durable Loan
- Retail Term Loan
- Retail Pension Commutation Loan
- Retail Auto Loan
- Retail Home Loan

SME Banking (Asset)

Funded facilities

- Retail Secured Overdraft
- Retail Bangladesh Air Force Overdraft
- Credit card Products:
  - Classic Credit
  - Gold Credit
  - Platinum Credit
  - Signature/world Credit
  - Business Credit

Retail Term Loan

SME_Continuous Loan

- SME Cash Credit (Hypo)
- SME Cash Credit (Pledge)
- SME Overdraft General
- SME Secured Overdraft

SME Demand Loan

- SME Payment against Document (PAD)
- SME Loan against EDF
- SME Loan against Trust Receipt (LTR)
- SME Loan against Imported Merchandize (LIM)
- SME Work Order Finance
- SME Earnest Money Finance
- SME Packing Credit
- SME Export Credit
- SME Loan under Cash Assistance
- SME Time Loan (General)
- SME Revolving Short Term Loan
- SME Loan against Inland Bill
- SME Inland Documentary Bills Purchased
- SME Foreign Documentary Bills Purchased

SME Term Loan

- SME Term Loan
- SME Hire Purchase Loan
- SME Lease Finance
- SME Transport Loan
- SME House Building Loan (Commercial)
- SME UCB SHOPNO
- SME UCB Thikana
- SME USIL
- SME UCB Suchana
- SME Exit Facility Term Loan
- SME Digital Nano Loan

Agriculture Credit

- Agro Overdraft
- Agro Time Loan
- Agro Short Term Loan
- Agro Term Loan
- Agri & Rural Fast Term Loan
- Agri & Rural Fast Time loan

Corporate Banking (Asset)

Funded facilities

Corporate Continuous Loan

- Corporate Overdraft (General)
- Corporate Cash Credit (Hypo)
- Corporate Cash Credit (Pledge)
- Corporate Secured Overdraft

Corporate Demand Loan

- Corporate Payment against Document (PAD)
- Corporate Loan against EDF
- Corporate Loan against Trust Receipt (LTR)
- Corporate Loan against Imported Merchandize (LIM)
- Corporate Work Order Finance
- Corporate Payment against Document (BC)
- Corporate Earnest Money Finance
- Corporate Packing Credit
- Corporate Export Credit
- Corporate Loan under Cash Assistance
- Corporate Time Loan (General)
- Corporate Export Bill Discounting in FC
- Corporate Loan against Inland Bill
- Corporate Inland Documentary Bills Purchased
- Corporate Foreign Documentary Bills Purchased
- OBU Bills Purchase and Discount
- Corporate Pre-Shipment Credit Refinance Scheme

Corporate Term Loan

- Corporate Term Loan
- Corporate Hire Purchase Loan
- Corporate Lease Finance
- Corporate Transport Loan
- Corporate House Building Loan (Commercial)
- Corporate Bridge Financing Loan
- OBU Corporate Term Loan
- Corporate Stimulus Package Export Loan
- Corporate Green Transformation Financing under GTF of BB

Corporate and SME Non-Funded Facilities

- Letter of credit (L/C)
- Acceptance
- Bank Guarantee (BG)
- Bid bond (BB)
- Performance Guarantee (PG)
- Advance payment guarantee (APG)
- Retention money guarantee/retention bond (RMG)
- Payment guarantee/supplier credit guarantee
- Guarantee against Counter Guarantee of other Bank/NBFI (Foreign or Local)

UCB TAQWA- Islamic Banking

A. Deposit products

CASA

- UCB Taqwa Al-Wadiah Current Account-IB
- UCB Taqwa Al-Wadiah Freedom Current Account-IB
- UCB Taqwa Mudaraba Savings Account-IB
- UCB Taqwa Islamic Ayma Savings Account
- UCB Taqwa Mudaraba Imperial Savings Account-IB
- UCB Taqwa Mudaraba Probashi Savings Account-IB
- UCB Taqwa Mudaraba Young Star Savings Account-IB
- UCB TAQWA Mudaraba CEP Savings Account and payroll card
- UCB Taqwa Mudaraba Short Notice Deposit Account-IB
- UCB Taqwa Mudaraba SND Plus Account-IB

SCHEME

- UCB Taqwa Mudaraba Hajj Deposit Scheme-IB
- UCB Taqwa Mudaraba Monthly Deposit Scheme-IB

TERM

- UCB Taqwa Mudaraba Term Deposit-IB
- UCB Taqwa Mudaraba TD Plus

B. Investment products

1. Retail Investment

- Retail Murabaha Finance Against Salary-IB
- Retail Murabaha Doctors Finance-IB
- Retail Murabaha Other Professionals Finance-IB
- Retail HPSM Home Finance-IB
- Retail HPSM Auto Finance-IB

2. SME Investment

- SME Murabaha Local Purchase-IB
- SME Murabaha Trust Receipt-IB
- SME Murabaha Import Bill-IB
- SME Murabaha EDF Finance-IB
- SME Salam Working Finance-IB
- SME Salam Packing Finance-IB
- SME Musharaka Local Documentary Bill-IB
- SME Murabaha Unsecured Finance-IB
- SME Murabaha Refinancing Schemes Term-IB
- SME HPSM Finance-IB
- SME HPSM Refinancing Schemes-IB

3. Corporate Investment

- Corporate Murabaha Local Purchase-IB
- Corporate Murabaha Trust Receipt-IB
- Corporate Murabaha Import Bill-IB
- Corporate Murabaha EDF Finance-IB
- Corporate Salam Working Finance-IB
- Corporate Salam Packing Finance-IB
- Corporate Salam Packing Re-Finance-IB
- Corporate Foreign Documentary Bill Purchase-IB
- Corporate HPSM Finance-IB

Prepaid card

- Dual currency Prepaid card
- Payroll prepaid card
- Upay co-branded prepaid card
- UCB TAQWA Islamic Travel Prepaid Card
- Hazz Prepaid Card

Services

- Student File
- Locker Services
- SMS Banking
- 24x7 Customer Service

CODE OF CONDUCTS & ETHICS

UCB EMPHASIZED THE IMPORTANCE OF AN EFFECTIVE CODE OF CONDUCT AND ETHICS POLICY FOR THE PROMOTION OF FAIR AND ETHICAL PRACTICES BY ALL INDIVIDUALS INVOLVED WITHIN THE BANKING INSTITUTION AS THE POLICY IS A FUNDAMENTAL BASIS TO SUPPORT THE BANK'S MISSION AND ITS BUSINESS OPERATIONS.

Our employee Code of Conduct and Ethics Policy applies to everyone who works at UCB including employees (both permanent and on probation). As we grow our business and expand our network, it is essential that our employees understand and act upon our Code of Conduct and Ethics Policy. All employees of UCB are required to comply with our Code of Conduct and Ethics Policy and any breach of conduct could lead to termination of employment in serious cases and employees' declaration is obtained at the time of joining UCB. Furthermore, to help our employees in understanding and apply the principles of our Code of Conduct and Ethics Policy, a course is included in FTC.

Confidential information about United Commercial Bank PLC's business or business plans, products and services, marketing methods, technology, or systems must never be disclosed to a third party except pursuant to a statute or regulations, or valid court order. The Bank owes a strict suttee of confidentiality to their customers.

Conflicts of Interest

All employees of United Commercial Bank PLC should be scrupulous in avoiding any action or interest that conflicts or gives the appearance of a conflict with the Bank's interests.

Outside Pressure

The employees must refrain from bringing in outside pressure or influence to attain personal gains within the organization; any such attempt will be subject to disciplinary action.

Gifts and Entertainment

Employees are not permitted to accept gifts, entertainment, or other favours from existing or prospective customers of the Bank. This is essential to keep the employees of the Bank from being prejudiced or influenced or showing a lenient attitude keeping aside the Bank's interest.

United Commercial Bank PLC is an equal opportunity employer in hiring and promotion practices, benefits, and wages. The Bank will not tolerate discrimination against any person based on race, religion, colour, gender, age, citizenship in recruiting, hiring, placement, promotion, or any other condition of employment.

Accuracy of Records and Reporting

Bank's books, records, accounts, and reports must accurately reflect its transactions, and must be subject to an adequate system of internal controls and disclosure controls to promote the highest degree of integrity.

Fraud, Theft, or Illegal Activities

Employees are to be alert and vigilant concerning fraud, theft, or significant illegal activity committed within the office. If any such activity comes to the employee's attention, he/she must immediately report the same to his/her immediate superiors who will arrange for appropriate follow-up action to be taken. Failure to report any such activity will be subject to disciplinary action.

Opportunities

Employees are prohibited from taking for themselves opportunities that arise through the use of corporate property information or position. They are further prohibited from using corporate property, information, or position for personal gain and/or competing with the Bank.

Compliance with Laws, Rules and Regulations

United Commercial Bank PLC's policy is to maintain an open and cooperative relationship with our regulators and to comply with all applicable laws, rules, and regulations. Bank also disseminates information regarding compliance with laws, rules, and regulations that affect business.

Equal Employment Opportunity

United Commercial Bank PLC is an equal opportunity employer in hiring and promotion practices, benefits, and wages. The Bank will not tolerate discrimination against any person based on race, religion, colour, gender, age, citizenship in recruiting, hiring, placement, promotion, or any other condition of employment.

Discrimination or Harassment

United Commercial Bank PLC is committed to the prohibition of harassment and intimidation of employees in the workplace. Bank encourages a work environment where employees are valued and respected. Bank promotes equality of gender, race, and religion and prohibits sexual or any other kind of discrimination, harassment, or intimidation whether committed by or against a superior, co-worker, customer, vendor, or visitor.

UNITED COMMERCIAL BANK PLC

5 Years' Financial Summary

(Amounts are in million Taka except ratios and per share data)

Results of Operation	2024	2023	2022	2021	2020
Interest income	56,115	37,882	31,685	27,324	27,307
Interest expense	35,258	22,150	17,010	13,927	17,796
Net interest income	20,857	15,732	14,674	13,396	9,511
Non-interest income*	15,612	13,497	13,848	11,423	10,977
Non-interest expenses	21,391	19,503	17,054	14,636	13,631
Gross Revenue*	71,727	51,378	45,533	38,747	38,284
Gross Profit*	36,469	29,229	28,523	24,820	20,488
Operating profit*	15,078	9,726	11,469	10,184	6,857
Earning before interest, depreciation and tax**	5,009	7,814	8,460	8,426	7,764
Profit before tax	2,145	5,177	5,916	5,610	4,948
Total Provision (Excluding Tax Provision)	12,933	4,548	5,553	4,574	1,909
Net profit after tax*	608	2,685	4,024	3,177	2,857
Balance Sheet					
Authorized capital	25,000	15,000	15,000	15,000	15,000
Paid up capital	15,504	14,765	14,062	12,784	12,175
Shareholders' equity*	41,791	42,845	40,957	37,442	35,066
Borrowing	79,786	65,272	103,892	85,804	59,399
Deposits	554,215	513,395	426,028	389,901	353,982
Loans and advances	572,829	505,969	468,605	402,482	351,684
Investments	87,851	82,864	76,435	81,388	65,323
Fixed assets	17,057	17,016	14,579	14,721	14,540
Off-balance sheet exposure	260,860	291,676	217,940	260,413	201,042
Total assets*	768,779	685,012	628,077	565,314	493,307
Total liabilities*	726,989	642,168	587,120	527,872	458,241
Total Net Assets	41,791	42,845	40,957	37,442	35,066
Share Information					
Market price per share	9.20	12.40	13.00	15.30	14.10
No. of shares outstanding (No. in million)	1,550.38	1,476.55	1,406.24	1,278.40	1,217.52
Earnings per share - BDT (as per annual report of respective year)	0.40	1.86	2.86	2.49	2.35
Earnings per share - BDT (restated)	0.40	1.77	2.79	2.26	2.23
Dividend (percent)	0.00	10.00	10.00	10.00	10.00
Cash Dividend (percent)	0.00	5.00	5.00	0.00	5.00
Stock Dividend (percent)	0.00	5.00	5.00	10.00	5.00
Net asset value per share*	27.60	28.30	29.13	29.29	28.80
Price earning ratio (times)*	22.92	6.99	4.55	6.14	6.01
Dividend cover ratio (times)*	-	1.82	1.91	2.49	2.35
Dividend Yield (percent)	0.00	8.06	7.69	6.54	7.09
Market capitalization (BDT in million)	14,263.46	18,309.20	18,281.08	19,559.47	17,167.04

Financial Ratios (%)	2024	2023	2022	2021	2020
Cost-income ratio*	58.66	66.73	59.79	58.97	66.53
Credit-deposit ratio	91.31	86.57	86.14	83.73	81.18
Debt equity ratio (times)*	15.17	13.51	12.94	12.71	11.79
Gross profit ratio*	50.84	56.89	64.06	64.06	53.52
Current Ratio (times)	1.05	1.08	1.02	1.05	1.15
Return on Capital Employed	0.53	2.12	3.00	2.92	3.40
"Net interest income as a % of working funds; i.e, Operating Cost-Efficiency Ratio"	113.26	58.47	219.47	100.59	32.80
Operating profit as % of working funds*	81.88	36.15	171.52	76.47	23.65
Return on assets*	0.08	0.41	0.67	0.60	0.61
Return on equity*	1.44	6.41	10.27	8.76	8.42
Burden coverage ratio*	72.98	69.20	81.20	78.05	80.53
CASA Deposit as % of Total Deposit	27	31	34	34.70	32.32
Cost of fund	8.52	7.06	6.38	6.01	7.42
Yield on advance	10.00	7.72	6.99	7.08	7.92
Spread/Net interest marign (NIM)	1.48	0.66	0.61	1.07	0.49
Foreign Business					
Import	422,845	417,963	419,148	403,178	259,241
Export	412,046	349,618	413,098	292,674	212,485
Remittance	70,590	73,493	73,008	64,273	45,283
No. of Foreign correspondents	614	609	613	601	596
Capital Measures					
Total Risk Weighted Assets	508,702	438,856	403,261	386,742	336,720
Tire I Capital*	36,172	39,149	36,328	34,365	28,848
Tire II Capital*	17,687	16,066	16,346	18,392	21,383
Total Capital*	53,859	55,214	52,674	52,757	50,232
Tire I Ratio (percent)*	7.11	8.92	9.01	8.89	8.57
Tire II Ratio (percent)*	3.48	3.66	4.05	4.76	6.35
Capital to RWA Ratio (percent)*	10.59	12.58	13.06	13.64	14.92
Required Capital	63,587.78	54,857.05	50,407.65	48,342.69	42,089.94
Capital Surplus/(Shortage)*	(9,728.77)	357.39	2,266.17	4,414.23	8,141.67
Liquidity Measures					
Cash Reserve Requirement (percent)	4.48	4.15	4.16	4.29	4.30
Statutory Liquidity Ratio (percent)	13.65	15.78	16.83	20.77	16.53
Current Assets	407,498	343,927	299,997	270,583	226,649
Current liabilities	389,082	317,020	293,311	257,266	197,650
Net Current Assets	18,416	26,907	6,686	13,317	28,999
Long term liabilities	336,954	325,148	293,809	270,606	260,590
Long term liabilities/ Current liabilities (%)	86.60	102.56	100.17	105.19	131.84
Asset Quality					
Non Performing Loans	85,344	27,819	28,078	17,737	8,984
% of NPL to Total Loans ad advances	14.90	5.50	5.99	4.41	2.55
Total provision for Specefic loans and advances	22,341	13,907	13,207	10,122	7,240
Total provision for Unclassified loans and advances	4,715	6,244	6,002	6,462	5,406
Total provision for Investment	1,536	673	612	-	235
Total provision for Other assets	428	425	105	105	105
Total provision for Off BS Items	2,569	2,342	1,944	2,407	1,857
Other informations					
No. of branches	231	228	224	215	204
No. of ATM	716	672	663	628	556
No. of employees	5,693	5,749	5,354	5,060	4,900
Operating Profit per employee (BDT in million)	2.65	1.69	2.14	2.01	1.40

* Comparative numbers are restated in line with current year

** Earning before interest on long term debt, depreciation and tax

UNITED COMMERCIAL BANK PLC

HORIZONTAL ANALYSIS (STAND ALONE)

Balance Sheet

Particulars	2024 BDT'M	Δ%	2023 BDT'M	Δ%	2022 BDT'M	Δ%	2021 BDT'M	Δ%	2020 BDT'M	Δ%	2019 BDT'M
PROPERTY AND ASSETS											
Cash	45,443	26%	36,186	17%	30,939	22%	25,380	2%	24,948	-6%	26,403
Balance with other banks & financial institutions	17,725	-16%	21,177	26%	16,872	-13%	19,409	-5%	20,468	69%	12,123
Money at Call on short notice	2,500	100%	-	-	-	-100%	3,200	244%	930	-45%	1,700
Investments	87,851	6%	82,864	8%	76,435	-6%	81,388	25%	65,323	13%	57,801
Loans and Advances	572,829	13%	505,969	8%	468,605	16%	402,482	14%	351,684	9%	322,728
Fixed assets including premises, furniture & fixture	17,057	0%	17,016	17%	14,579	-1%	14,721	1%	14,540	1%	14,455
Other assets	25,371	16%	21,799	6%	20,647	10%	18,734	22%	15,414	33%	11,550
Non-banking assets	3	100%	-	0%	-	-	-	-	-	-	-
Total property and assets	**768,779**	**12%**	**685,012**	**9%**	**628,077**	**11%**	**565,314**	**15%**	**493,307**	**10%**	**446,760**
LIABILITY AND CAPITAL											
Liabilities											
Borrowings from other banks, financial institutions and agents	19,060	11%	17,167	-18%	20,877	45%	14,353	408%	2,827	-18%	3,445
Borrowings from Bangladesh Bank	40,044	22%	32,916	-51%	67,824	17%	58,150	44%	40,272	83%	22,067
Convertible Subordinate Bonds	11,703	12%	10,480	-9%	11,480	-14%	13,300	-18%	16,300	6%	15,400
Money at Call on short notice	8,980	91%	4,709	27%	3,710	100%	-	-	-	-	-
Deposits and other accounts	554,215	8%	513,395	21%	426,028	9%	389,901	10%	353,982	7%	330,787
Other liabilities	92,987	46%	63,501	11%	57,200	10%	52,168	16%	44,860	6%	42,279
Total Liabilities	**726,989**	**13%**	**642,168**	**9%**	**587,120**	**11%**	**527,872**	**15%**	**458,241**	**11%**	**413,977**
Capital and Shareholders' Equity											
Total Shareholders' Equity	**41,791**	**-2%**	**42,845**	**5%**	**40,957**	**9%**	**37,442**	**7%**	**35,066**	**7%**	**32,783**
Total Liabilities and Shareholders Equity	**768,779**	**12%**	**685,012**	**9%**	**628,077**	**11%**	**565,314**	**15%**	**493,307**	**10%**	**446,760**

UNITED COMMERCIAL BANK PLC

HORIZONTAL ANALYSIS (STAND ALONE)

Profit & Loss Account

Particulars	2024 BDT'M	%	2023 BDT'M	%	2022 BDT'M	%	2021 BDT'M	%	2020 BDT'M	%	2019 BDT'M
Interest Income	56,115	48%	37,882	20%	31,685	15.96%	27,324	0.06%	27,307	-12%	30,949
Interest paid on deposits and borrowings etc.	35,258	59%	22,150	30%	17,010	22%	13,927	-22%	17,796	-12%	20,151
Net Interest Income	**20,857**	**33%**	**15,732**	**7%**	**14,674**	**10%**	**13,396**	**41%**	**9,511**	**-12%**	**10,798**
Investment income	7,439	27%	5,872	3%	5,685	4%	5,464	-11%	6,135	26%	4,853
Commission, exchange and brokerage	7,927	7%	7,385	-7%	7,899	38%	5,739	22%	4,694	-5%	4,920
Other operating income	246	3%	240	-9%	264	20%	221	49%	148	7%	138
Total operating income	**36,469**	**25%**	**29,229**	**2%**	**28,523**	**15%**	**24,820**	**21%**	**20,488**	**-1%**	**20,709**
Salary and allowances	9,372	10%	8,540	12%	7,659	7%	7,167	13%	6,354	7%	5,912
Rent, taxes, insurance, electricity etc.	1,602	-21%	2,040	26%	1,624	45%	1,122	13%	996	-0.21%	998
Legal expenses	159	75%	91	-4%	95	-26%	129	37%	94	40%	67
Postage, stamps, telecommunications etc.	223	1%	222	1%	219	19%	185	6%	175	-8%	189
Stationery, printing, advertisements etc.	2,074	23%	1,688	0%	1,694	36%	1,249	-16%	1,483	21%	1,227
Chief Executive's salary and fees	18	8%	16	17%	14	5%	13	-10%	15	9%	14
Directors' fees	5	63%	3	-10%	4	37%	3	-4%	3	-22%	3
Auditors' fees	1	20%	1	-33%	2	50%	1	-33%	2	50%	1
Depreciation and repair of banks assets	2,518	3%	2,449	18%	2,074	14%	1,822	13%	1,610	12%	1,438
Other expenses	5,418	22%	4,453	21%	3,671	25%	2,945	2%	2,900	12%	2,580
Total Operating Expenses	**21,391**	**10%**	**19,503**	**14%**	**17,054**	**17%**	**14,636**	**7%**	**13,631**	**10%**	**12,430**
Profit/(Loss) before provision	**15,078**	**55%**	**9,726**	**-15%**	**11,469**	**13%**	**10,184**	**49%**	**6,857**	**-17%**	**8,279**
Loans & advances	12,220	192%	4,185	-26%	5,660	30%	4,362	97%	2,211	-21%	2,796
Recovery from Write-Off	-369	-10%	-410	73%	-237	131%	-103	-1%	-103	-39%	-169
Diminution in value of investments	862	1308%	61	-90%	612	-360%	-235	-46%	-438	-165%	673
Off balance sheet items	217	-45%	391	-181%	-482	-188%	549	129%	240	416%	47
Other Provisions	3	-99%	320	100%	0	-	0	-	0	-100%	0
Total provision	**12,933**	**184%**	**4,548**	**-18%**	**5,553**	**21%**	**4,574**	**140%**	**1,909**	**-43%**	**3,347**
Total Profit/(Loss) before taxes	**2,145**	**-59%**	**5,177**	**-12%**	**5,916**	**5%**	**5,610**	**13%**	**4,948**	**0.323%**	**4,932**
Provision for taxation:											
Current tax expense	4,313	44%	2,987	-5%	3,133	-18%	3,823	45%	2,633	-5%	2,783
Deferred tax expense/ (income)	-2,775	462%	-494	-60%	-1,241	-11%	-1,391	157%	-542	-13%	-623
Total provision for taxation	**1,538**	**-38%**	**2,492**	**32%**	**1,892**	**-22%**	**2,433**	**16%**	**2,091**	**-3%**	**2,160**
Net Profit after taxation	**608**	**-77%**	**2,685**	**-33%**	**4,024**	**27%**	**3,177**	**11%**	**2,857**	**3%**	**2,772**

UNITED COMMERCIAL BANK PLC

VERTICAL ANALYSIS (STAND ALONE)

Balance Sheet

Particulars	2024 BDT'M	Δ%	2023 BDT'M	Δ%	2022 BDT'M	Δ%	2021 BDT'M	Δ%	2020 BDT'M	Δ%	2019 BDT'M
PROPERTY AND ASSETS											
Cash	45,443	6%	36,186	5%	30,939	5%	25,380	4%	24,948	5%	26,403
Balance with other banks & financial institutions	17,725	2%	21,177	3%	16,872	3%	19,409	3%	20,468	4%	12,123
Money at Call on short notice	2,500	0.33%	-	0%	-	0%	3,200	1%	930	0%	1,700
Investments	87,851	11%	82,864	12%	76,435	12%	81,388	14%	65,323	13%	57,801
Loans and Advances	572,829	75%	505,969	74%	468,605	75%	402,482	71%	351,684	71%	322,728
Fixed assets including premises, furniture & fixture	17,057	2%	17,016	2%	14,579	2%	14,721	3%	14,540	3%	14,455
Other assets	25,371	3%	21,799	3%	20,647	3%	18,734	3%	15,414	3%	11,550
Non-banking assets	3	0%	-	0%	-		-		-		-
Total property and assets	**768,779**	**100%**	**685,012**	**100%**	**628,077**	**100%**	**565,314**	**100%**	**493,307**	**100%**	**446,760**
LIABILITY AND CAPITAL											
Liabilities											
Borrowings from other banks, financial institutions and agents	19,060	2%	17,167	3%	20,877	3%	14,353	3%	2,827	1%	3,445
Borrowings from Bangladesh Bank	40,044	5%	32,916	5%	67,824	11%	58,150	10%	40,272	8%	22,067
Convertible Subordinate Bonds	11,703	2%	10,480	2%	11,480	2%	13,300	2%	16,300	3%	15,400
Money at Call on short notice	8,980	1%	4,709	1%	3,710	1%	-	0%	-	0%	-
Deposits and other accounts	554,215	72%	513,395	75%	426,028	68%	389,901	69%	353,982	72%	330,787
Other liabilities	92,987	12%	63,501	9%	57,200	9%	52,168	9%	44,860	9%	42,279
Total Liabilities	**726,989**	**95%**	**642,168**	**94%**	**587,120**	**93%**	**527,872**	**93%**	**458,241**	**93%**	**413,977**
Capital and Shareholders' Equity											
Total Shareholders' Equity	**41,791**	**5%**	**42,845**	**6%**	**40,957**	**7%**	**37,442**	**7%**	**35,066**	**7%**	**32,783**
Total Liabilities and Shareholders Equity	**768,779**	**100%**	**685,012**	**100%**	**628,077**	**100%**	**565,314**	**100%**	**493,307**	**100%**	**446,760**

UNITED COMMERCIAL BANK PLC

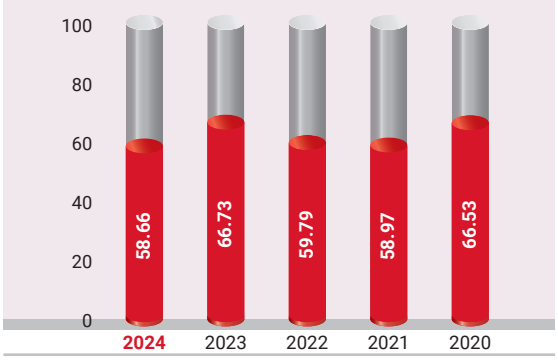
VERTICAL ANALYSIS (STAND ALONE)

Profit & Loss Account

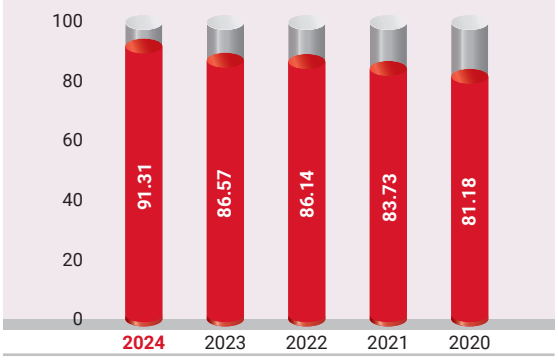
Particulars	2024 BDT'M	%	2023 BDT'M	%	2022 BDT'M	%	2021 BDT'M	%	2020 BDT'M	%	2019 BDT'M	
Interest Income	56,115	78%	37,882	74%	31,685	70%	27,324	71%	27,307	71%	30,949	81%
Interest paid on deposits and borrowings etc.	35,258	49%	22,150	43%	17,010	37%	13,927	36%	17,796	46%	20,151	56%
Net Interest Income	**20,857**	**29%**	**15,732**	**31%**	**14,674**	**32%**	**13,396**	**35%**	**9,511**	**25%**	**10,798**	**25%**
Investment income	7,439	10%	5,872	11%	5,685	12%	5,464	14%	6,135	16%	4,853	9%
Commission, exchange and brokerage	7,927	11%	7,385	14%	7,899	17%	5,739	15%	4,694	12%	4,920	7%
Other operating income	246	0.34%	240	0.47%	264	1%	221	1%	148	0.387%	138	2%
Total operating income	**36,469**	**51%**	**29,229**	**57%**	**28,523**	**63%**	**24,820**	**64%**	**20,488**	**54%**	**20,709**	**44%**
Salary and allowances	9,372	13%	8,540	17%	7,659	17%	7,167	18%	6,354	17%	5,912	10%
Rent, taxes, insurance, electricity etc.	1,602	2%	2,040	4%	1,624	4%	1,122	3%	996	3%	998	2%
Legal expenses	159	0.22%	91	0.18%	95	0%	129	0.332%	94	0.246%	67	0%
Postage, stamps, telecommunications etc.	223	0.31%	222	0.43%	219	0%	185	0.476%	175	0.456%	189	0%
Stationery, printing, advertisements etc.	2,074	3%	1,688	3%	1,694	4%	1,249	3%	1,483	4%	1,227	1%
Chief Executive's salary and fees	18	0.02%	16	0.03%	14	0%	13	0.035%	15	0.039%	14	0%
Directors' fees	5	0.01%	3	0.01%	4	0%	3	0.007%	3	0.007%	3	0%
Auditors' fees	1	0.00%	1	0.00%	2	0%	1	0.003%	2	0.005%	1	0%
Depreciation and repair of banks assets	2,518	4%	2,449	5%	2,074	5%	1,822	5%	1,610	4%	1,438	1%
Other expenses	5,418	8%	4,453	9%	3,671	8%	2,945	8%	2,900	8%	2,580	3%
Total Operating Expenses	**21,391**	**30%**	**19,503**	**38%**	**17,054**	**37%**	**14,636**	**38%**	**13,631**	**36%**	**12,430**	**19%**
Profit/(Loss) before provision	**15,078**	**21%**	**9,726**	**19%**	**11,469**	**25%**	**10,184**	**26%**	**6,857**	**18%**	**8,279**	**25%**
Loans & advances	12,220	17%	4,185	8%	5,660	12%	4,362	11%	2,211	6%	2,796	4%
Recovery from Write-Off	-369	-1%	-410	-1%	-237	-1%	-103	-0.265%	-103	-0.270%	-169	0%
Diminution in value of investments	862	1.20%	61	0.12%	612	1%	-235	-1%	-438	-1%	673	0%
Off balance sheet items	217	0%	391	1%	-482	-1%	549	1%	240	1%	47	1%
Other Provisions	3	0%	320	1%	0	-	0	0%	0	0%	0	0%
Total provision	12,933	18%	4,548	9%	5,553	12%	4,574	12%	1,909	5%	3,347	4%
Total Profit/(Loss) before taxes	**2,145**	**3%**	**5,177**	**10%**	**5,916**	**13%**	**5,610**	**14%**	**4,948**	**13%**	**4,932**	**21%**
Provision for taxation:												
Current tax expense	4,313	6%	2,987	6%	3,133	7%	3,823	10%	2,633	7%	2,783	10%
Deferred tax expense/ (income)	-2,775	-4%	-494	-1%	-1,241	-3%	-1,391	-4%	-542	-1%	-623	0%
Total provision for taxation	**1,538**	**2%**	**2,492**	**5%**	**1,892**	**4%**	**2,433**	**6%**	**2,091**	**5%**	**2,160**	**10%**
Net Profit after taxation	**608**	**1%**	**2,685**	**5%**	**4,024**	**9%**	**3,177**	**8%**	**2,857**	**7%**	**2,772**	**11%**

GRAPHICAL PRESENTATION OF FINANCIAL RATIOS

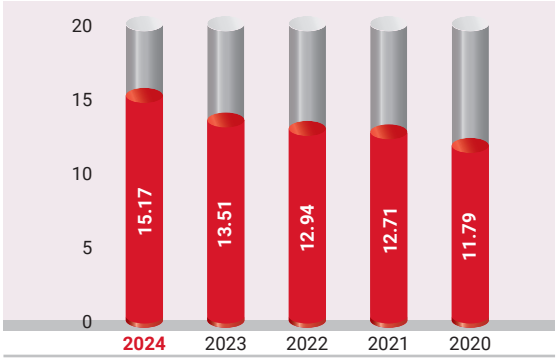
Cost-income ratio (%)



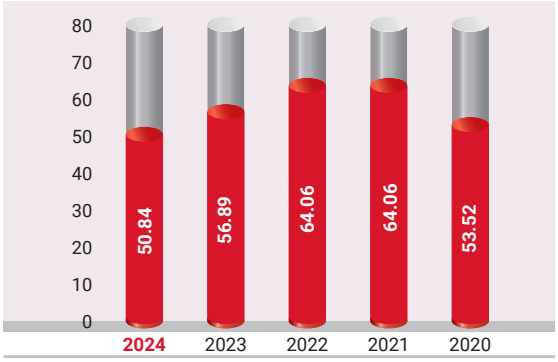
Advance to Deposit (AD) ratio (percent)



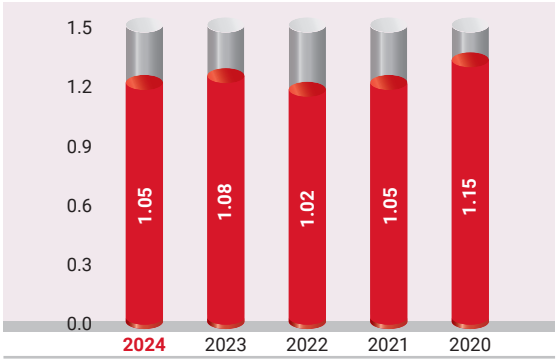
Debt equity ratio (times)



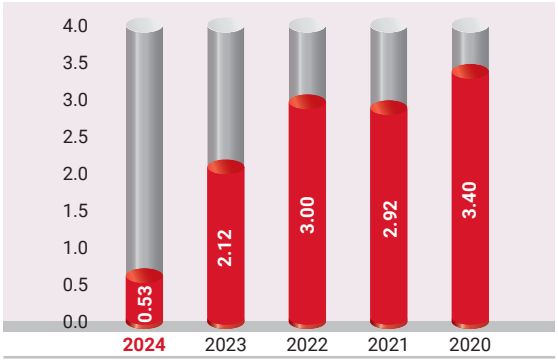
Gross profit ratio



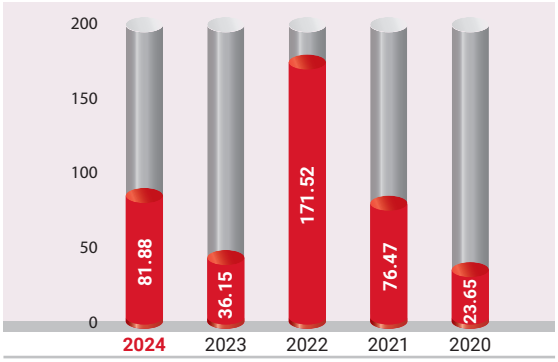
Current Ratio (times)



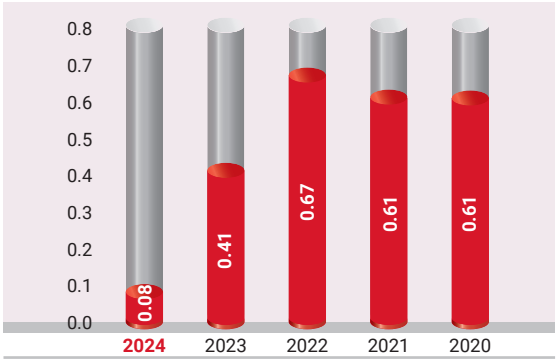
Return on Capital Employed (percent)



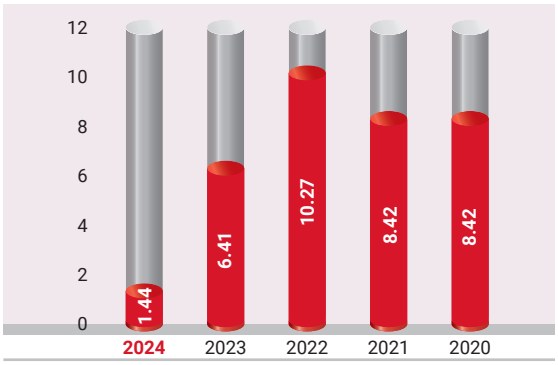
Operating profit as % of working funds



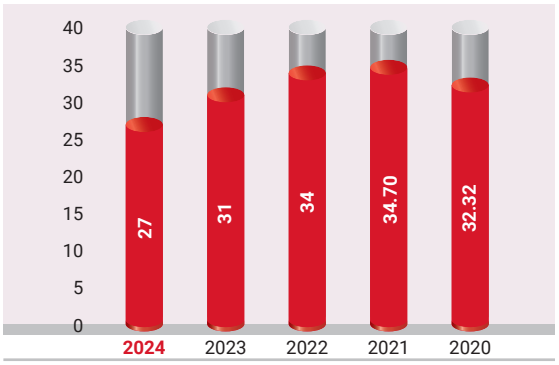
Return on assets



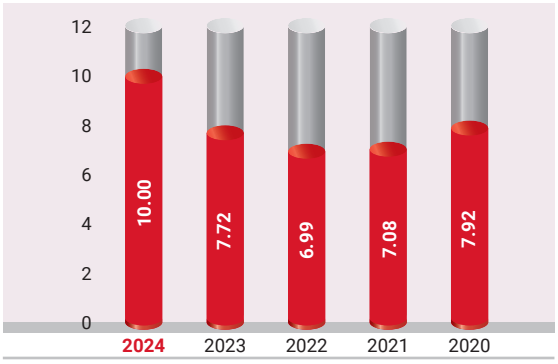
Return on equity (percent)



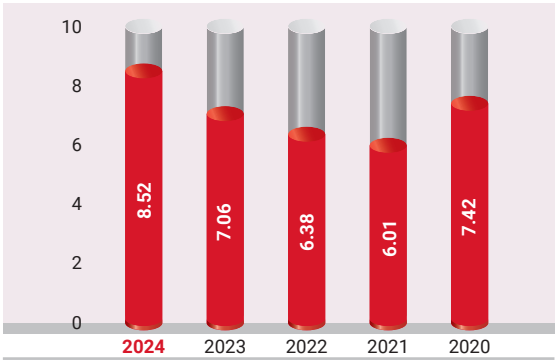
CASA Deposit as % of Total Deposit



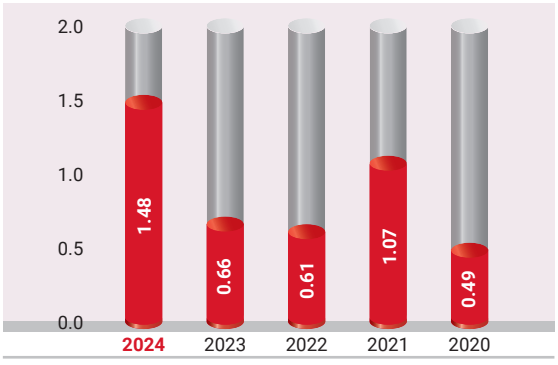
Yield on advance



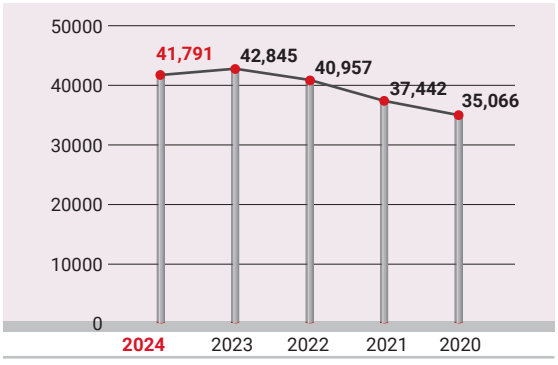
Cost of fund



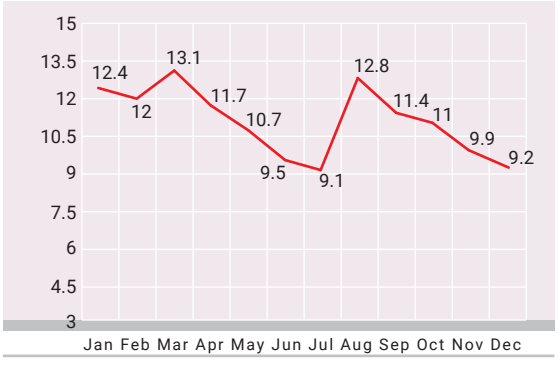
Spread/Net interest marign (NIM)



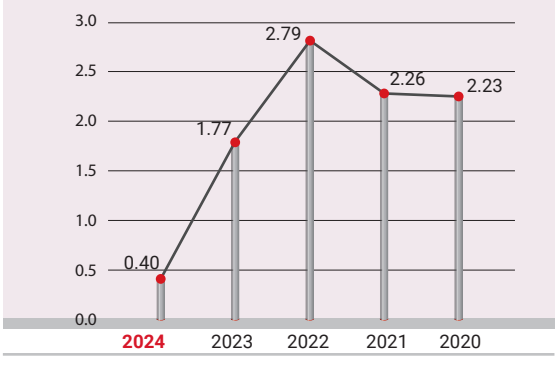
Shareholders' equity*



Stock Performance 2024 (Price (BDT)



Earnings Per Share (BDT) - (restated)



UCB





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16419



BOARD OF DIRECTORS

BOARD OF DIRECTORS

Sharif Zahir
Chairman

Md. Shazzad Hossoin
Independent Director
& Vice Chairman

Front (from right)

Back (from left)

Md. Yusuf Ali
Independent Director
& Chairman, Risk Management Committee

Md. Tanvir Khan
Director
& Chairman, Executive Committee

Obaidur Rahman, FCA
Independent Director
& Chairman, Audit Committee

Mohammad Mamdudur Rashid
Managing Director
& Chief Executive Officer



PROFILE OF THE DIRECTORS



Sharif Zahir
Chairman

Mr. Sharif Zahir is a distinguished businessman and visionary leader in Bangladesh, known for his exceptional contributions to the country's economy and business landscape. As one of the youngest recipients of the prestigious Commercially Important Person (CIP) award earned nine times, and a multiple time recipient of the National Export Award, Mr. Zahir has firmly established himself as a key figure in the business community. He is the eldest son of the late Humayun Zahir, a prominent industrialist, and a Sponsor Shareholder of United Commercial Bank, continuing his family's legacy through exemplary leadership.

Mr. Zahir holds a BSc degree in Economics and Finance from the University of Texas at Austin and is an esteemed alumnus of St. Francis Xavier's Green Herald International School in Dhaka. Under his dynamic leadership, Ananta Group has grown into a diversified conglomerate with an annual turnover of USD 450 million, employing 35,000 people in its RMG and textiles division alone. The group's investments span ready-made garments (RMG), banking, finance, asset management, energy, e-commerce, real estate, and hospitality.

Ananta Group has developed state-of-the-art manufacturing facilities through private sector debt financing in close collaboration with global Development Finance Institutions (DFIs) such as IFC, DEG, Proparco, and the Asian Development Bank (ADB)—demonstrating Mr. Zahir's commitment to global standards and sustainability.

In the real estate sector, Mr. Zahir has spearheaded landmark projects including Ananta Terraces, Bangladesh's first LEED Platinum certified gated residential community, and the JW Marriott mixed-use property in Dhaka, which are redefining urban living through sustainable design, smart infrastructure, and world-class amenities.

As the Chairman of United Commercial Bank PLC, Mr. Zahir is providing bold and decisive leadership, steering the bank through significant challenges and charting a path of reform, transparency, and innovation

Mr. Zahir is the Chairman of Sindabad.com, Bangladesh's first B2B e-commerce platform transforming industrial supply chains. He is also the Vice President of the Bangladesh Economic Zone Investors Association (BEZIA), which advocates for investment-friendly policies and represents the voice of investors in the country's Economic Zones.

He served as a Director on the Board of BGMEA from 2019 to 2021 and was one of the founders of the RMG Sustainability Council (RSC)—a pioneering initiative that brought together trade unions, brands, and manufacturers following the transition from Accord Bangladesh, setting global benchmarks for factory safety and compliance.

Mr. Zahir also played an active role in the Support Committee of BGMEA, which recently oversaw one of the most representative and fair elections in the trade body's history.

As the Chairman of United Commercial Bank PLC, Mr. Zahir is providing bold and decisive leadership, steering the bank through significant challenges and charting a path of reform, transparency, and innovation. His strategic direction is focused on strengthening depositor confidence, enhancing shareholder value, and aligning UCB with international standards of banking excellence.

Beyond business, Mr. Zahir is deeply engaged in philanthropy. Through the Humayun Zahir Stipend Program, his family has awarded annual scholarships for over 35 years, enabling thousands of underprivileged students to access education. He also supports free eye camps, sanitation and hygiene initiatives, and green campaigns including tree plantation drives demonstrating his commitment to social and environmental responsibility.

With over two decades on the Board of UCB including a term as Vice Chairman from 2013 to 2015—Mr. Zahir continues to shape the financial and industrial landscape of Bangladesh through visionary leadership, institutional reform, and a deep sense of civic duty.

PROFILE OF THE DIRECTORS



Md. Shazzad Hossoin
Independent Director
& Vice Chairman

Mr. Md. Shazzad Hossoin, an Independent Director, is currently playing the role of Vice-Chairman of United Commercial Bank PLC. Before joining UCB, he held the position of Executive Director at Bangladesh Bank, where he demonstrated his extensive expertise in Finance and Management. Throughout his career at Bangladesh Bank, Mr. Hossoin held various key positions, including Executive Director, General Manager, and Currency Officer. During his service he held roles in the Bank Inspection Department, Agricultural Credit Department and the Personnel Department and finally Head of Barishal Office and Motijheel Office. He achieved the Integrity Award from Bangladesh Bank. Additionally, he served as the Director of the Microcredit Regulatory Authority on deputation where he was an active participant in global workshops of AFI (Alliance of Financial Inclusion) held in many countries.

Mr. Hossoin's academic background is diverse and well-rounded. He earned both his Honors and Master's degrees in Geography from the University of Dhaka. Furthermore, he completed a Master of Business Administration (MBA) in Finance from Bangladesh Open University at Dhaka University Tutorial Centre and a Master of Social Science (MSS) in Economics from National University. In addition to these achievements, he earned a Bachelor of Laws (LLB) and Banking Diplomas (DAIBB-1 and DAIBB-2), as well as a Diploma in Computer Application.

Mr. Hossoin, a lifelong learner, actively pursued professional development by attending various training programs both domestically and internationally. His career has also afforded him the opportunity to visit several countries, further enriching his knowledge and experience.

PROFILE OF THE DIRECTORS



Md. Tanvir Khan
Director
& Chairman, Executive Committee

Md. Tanvir Khan is the Director and Chairman, Executive Committee of United Commercial Bank PLC. He obtained a Bachelor of Commerce Degree from the University of Toronto in Canada. He is the eldest son of Md. Jahangir Alam Khan, ex Director and past Chairman of UCB PLC and a distinguished entrepreneur since the early 1970s.

Md. Tanvir Khan is currently the Managing Director of J. K. Group of Industries, which has investments in spinning mills, textile, readymade garments, deep sea fishing, real estate, and insurance sectors in Bangladesh. The organization employs around 10,000 people and has annual revenue of around USD $120 million. In addition, it also operates an 80- bed non-profit making hospital, J. K. Memorial Hospital, in Chattogram.

Md. Tanvir Khan is a very active member of the Executive Committee of Chattogram Shamity, Dhaka- one of the largest non-profit and social associations in Bangladesh. He also serves on the board of BPCCI (Bangladesh Philippines Chamber of Commerce and Industry). The Government of Bangladesh recognized him as CIP (Commercially Important Person) multiple times for excellent export performance. The National Board of Revenue of Bangladesh also awarded him as highest taxpayer- under age of 40 category in 2016-2017 assessment year.

With a vast experience of more than 16 years in the Board of United Commercial Bank PLC and his forward- thinking vision have played a pivotal role in driving the bank's expansion and achievements.

PROFILE OF THE DIRECTORS



Obaidur Rahman, FCA
Independent Director & Chairman, Audit Committee

Mr. Obaidur Rahman is a distinguished Chartered Accountant with extensive experience in finance, accounts, audit, and management, is the Independent Director & Chairman, Audit Committee of United Commercial Bank PLC. He qualified as a Chartered Accountant in 2006 from The Institute of Chartered Accountants of Bangladesh (ICAB), after completing a rigorous three-year article-ship with Hoda Vasi Chowdhury & Co.

He holds an MBA and BBA in Accounting from the University of Dhaka, where he graduated with honors. Over his career, Obaidur Rahman has held prominent positions including General Manager Accounts at Meghna Group of Industries (MGI), General Manager Finance and MIS at Max Infrastructure Ltd., Chief Financial Officer at Ratanpur Steel Re-Rolling Mills Ltd., Chief Financial Officer at Keya Knit Composite Ltd.,and Head of Internal Audit at Opex Sinha Textile Group.

Currently, he is a Partner at M A Fazal & Co., a well-established firm of Chartered Accountants in Dhaka. Obaidur is a Fellow member of ICAB and an active member of both the Dhaka University Accounting Alumni and Dhaka University Alumni Association.

PROFILE OF THE DIRECTORS



Md. Yusuf Ali
Independent Director
& Chairman, Risk Management Committee

Mr. Md. Yusuf Ali, an Independent Director, is currently playing the role of Chairman of the Risk Management Committee of United Commercial Bank PLC. Before joining UCB, he held the position of Deputy Managing Director-1 at Agrani Bank PLC from March 7, 2018, to February 11, 2020, and at Sonali Bank PLC from July 11, 2017, to March 6, 2018.

Mr. Ali began his career in 1986 as a Senior Officer (BRC) at Agrani Bank PLC. Over the years, he advanced through various key roles within the bank, earning a strong reputation for his contributions to the Credit Committee, Risk Management Committee, NPL Committee, and MANCOM Committee, among others.

He holds both a Bachelor of Commerce (Hons) and a Master of Commerce in Accounting from the University of Dhaka. He also obtained DAIBB from The Institute of Bankers, Bangladesh (IBB). Mr. Ali is known for his enthusiasm for learning, having participated in numerous training programs throughout his career. He is also a fellow of National Defence College (NDC).

PROFILE OF THE DIRECTORS



Mohammad Mamdudur Rashid
Managing Director & Chief Executive Officer

Mr. Mohammad Mamdudur Rashid currently serves as the Managing Director and Chief Executive Officer of United Commercial Bank PLC. He also holds the position of Chairman at UCB Stock Brokerage Limited and UCB Fintech Company Limited. With an illustrious career spanning over three decades in the banking and financial services sector, Mr. Rashid brings a wealth of experience and strategic leadership to the institution.

Prior to joining United Commercial Bank PLC, Mr. Rashid served as the Managing Director and Chief Executive Officer of National Credit and Commerce Bank PLC (NCC Bank). Under his stewardship, NCC Bank experienced substantial growth, particularly in the areas of international trade and strategic market positioning. His tenure was marked by multiple accolades, including NCC Bank being recognized as the "Best Primary Dealer" by Bangladesh Bank for seven consecutive terms, as well as receiving the "Fastest-Growing Brand in 2023" award from Global Brand Magazine. He also successfully oversaw the implementation of Islamic banking operations at the bank.

Mr. Rashid commenced his professional career in 1985 with the Bangladesh Shipping Corporation. In 1992, he joined the Institute of Business Administration (IBA), University of Dhaka, as a Lecturer. He entered the banking sector in 1995 by joining Citibank N.A., Bangladesh, marking the beginning of a distinguished 15-year tenure with the institution. During his time at Citibank, Mr. Rashid held several senior leadership positions across multiple geographies, including Bangladesh, India, New Zealand, and Australia. Notably, he served as the Chief Operating Officer of Citibank Bangladesh and as Head of Strategic Planning for the Institutional Banking Division in New Zealand and Australia. Throughout his banking career, Mr. Rashid has developed extensive expertise in key functional areas such as Human Resources, Risk Management, Operations, Compliance, Business Development, Credit Risk, and General Services.

In addition to his tenure at Citibank, Mr. Rashid has held senior executive roles at several prominent financial institutions. These include serving as Chief Financial Officer and Strategic Head of the SME Business at BRAC Bank PLC, as well as Additional Managing Director of United Commercial Bank PLC. He also served as the Group Chief Financial Officer of BRAC and BRAC International.

Mr. Rashid has played a vital role in strengthening the broader financial ecosystem through his leadership at institutions such as NCCB Securities and Financial Services Limited and BRAC EPL Stock Brokerage Limited. Furthermore, he served as an Independent Director and Chairman of the Board Audit Committee at IPDC Finance Limited.

His commitment to social development is equally significant. Mr. Rashid serves as Trustee and Treasurer of the Zanvir Trust, an organization dedicated to providing financial assistance and scholarships to underprivileged students. He also holds the position of Chairman of the Scholarship Committee of the Old Rajshahi Cadets Association (ORCA), a non-profit organization focused on educational support.

Mr. Rashid was an Ex-Mariner, graduated from the Bangladesh Marine Academy, where he was awarded the prestigious President's Gold Medal. He later earned a Master of Business Administration (MBA) from the Institute of Business Administration (IBA), University of Dhaka, where he received the Vice Chancellor's Gold Medal for academic excellence. He is also a Fulbright Scholar, having obtained a Master of Arts in International Finance and Economics from Brandeis University, USA. Additionally, he is a Fellow of CPA Australia (FCPA) and has undergone extensive leadership, management, and technical training both domestically and internationally.

DIRECTORS' QUALIFICATION & EXPERIENCE

Sl	Name of the Director	Date of Birth	Education & Professional Qualification	Year of Experience	Field of Expertise	Status in the Board
1	Mr. Sharif Zahir	20-Sep-1977	Bachelor of Arts in Economics and Finance	32 Years and Above	Banking, Asset Management, Manufacturing, Real Estate, IT/E-commerce, and Trading.	Chairman
2	Mr. Md. Shazzad Hossoin	01-Aug-1963	BSc Honors & Masters in Geography, Masters in Economics, MBA in Finance, LLB, PGD in Computer Application & Management	32 Years and Above	Banking, Compliance, and General Management.	Independent Director & Vice-Chairman
3	Mr. Md. Tanvir Khan	14-Sep-1983	Bachelor of Commerce	18 Years and Above	Banking, Accounts & Finance, General Management & Administration, and Corporate Governance.	Director & Chairman, Executive Committee
4	Mr. Obaidur Rahman, FCA	20-Jul-1979	FCA & MBA in Accounting	19 Years and Above	Auditing, Finance, Accounts, Taxation, Company Matters, Internal Control & Compliance	Independent Director & Chairman, Audit Committee
5	Mr. Md. Yusuf Ali	12-Feb-1961	Masters of Commerce in Accounting, Banking Diploma, Fellow of National Defence College	35 Years and Above	Banking, Compliance, General Management, Foreign Exchange & Advance	Independent Director & Chairman, Risk Management Committee
6	Mr. Mohammad Mamdudur Rashid	01-Jan-1966	FCPA, MBA from IBA & Merchant Mariner	37 Years and Above	Banking, Compliance, and General Management	Managing Director & CEO

COMMITTEES OF THE

BOARD OF DIRECTORS

Executive Committee



From left

Md. Shazzad Hossoin
Member

Md. Tanvir Khan
Chairman

Sharif Zahir
Member

Mohammad Mamdudur Rashid
Managing Director & CEO

COMMITTEES OF THE

BOARD OF DIRECTORS

Audit Committee



COMMITTEES OF THE

BOARD OF DIRECTORS

Risk Management Committee



From left

Md. Shazzad Hossoin
Member

Obaidur Rahman, FCA
Member

Md. Yusuf Ali
Chairman

Sharif Zahir
Member

Mohammad Mamdudur Rashid
Managing Director & CEO



SENIOR MANAGEMENT

SENIOR MANAGEMENT



Zeeshan Kingshuk Huq
Senior Executive Vice President

Syed Hasnain Mamun
Executive Vice President

Back (from Left)

Front (from Left)

S M Mainul Kabir
Deputy Managing Director

Md. Abdullah Al Mamoon
Deputy Managing Director & COO

Mohammad Mamdudur Rashid
Managing Director and CEO



Md. Shah Alam Bhuiyan
Deputy Managing Director

Nabil Mustafizur Rahman
Additional Managing Director

Mohammad Ridwanul Hoque
Senior Executive Vice President

Adnan Masud
Additional Managing Director

Abul Alam Ferdous
Additional Managing Director

Faruk Ahammad, FCA
DMD & Chief Financial Officer

SENIOR MANAGEMENT



Mohammad Mamdudur Rashid
Managing Director and CEO

Mr. Mohammad Mamdudur Rashid is the Managing Director and CEO of United Commercial Bank PLC (UCB), a role he assumed on September 30, 2024. He previously led NCC Bank PLC as its MD & CEO, bringing over 37 years of distinguished experience in strategic and executive roles across leading financial institutions.

Beyond banking, Mr. Rashid's diverse career spans academia, corporate finance, and maritime service — including roles as a Lecturer at IBA, University of Dhaka; Financial Analyst at IPDC Finance; Management Associate at Beximco Group; and Nautical Cadet at Bangladesh Shipping Corporation.

A Fulbright Scholar and graduate of Brandeis University, USA, he is a recipient of the Vice Chancellor's Gold Medal from the University of Dhaka and the President's Gold Medal from the Marine Academy, Chattogram. Earlier in his academic journey at Rajshahi Cadet College, he ranked 3rd and 11th in the HSC and SSC merit lists under Rajshahi Board.



Nabil Mustafizur Rahman
Additional Managing Director

Mr. Nabil Mustafizur Rahman, Additional Managing Director of United Commercial Bank PLC, joined the Bank on October 1, 2024, with over 31 years of distinguished experience spanning foreign and local banks, financial institutions, and leading business conglomerates.

Before joining UCB, he served as the Country Chief Risk Officer at Habib Bank Limited, Bangladesh. A recognized authority in financial risk management, Mr. Rahman brings deep expertise in both conventional and Islamic banking.

At UCB, he serves as Chief Risk Officer, leading critical divisions including Risk Management, Credit Administration, Credit Monitoring & Sanction (SME and Retail), and Corporate Credit Risk. His strategic leadership ensures sound risk governance and credit discipline across the Bank.

Mr. Rahman holds an MBA with a double major in Finance and Management Science from the University of Dhaka.



Abul Alam Ferdous
Additional Managing Director

Abul Alam Ferdous, Additional Managing Director of United Commercial Bank PLC brings around 04 decades of exceptional experience in Banking, having commenced his illustrious career as a Probationary Officer with UCB in the Year 1984. His areas of specialization encompass RMG Finance, Corporate Finance, SME Finance and Islamic Banking Finance (TAQWA), reflecting a comprehensive understanding of both conventional and Shariah-compliant financial practices. He completed both his Graduation and Post-Graduation degree in Accounting at the University of Chittagong. His academic background and profound experience have equipped him with a robust understanding of financial principles and strategies, facilitating his strategic decision-making and leadership within the Banking sector.



Md. Adnan Masud
Additional Managing Director

Mr. Adnan Masud is the Additional Managing Director of United Commercial Bank PLC, having joined the Bank on February 16, 2025. He brings with him over 25 years of experience across top-tier global banks, spanning key financial markets including India, Malaysia, Singapore, the UAE, the USA, and Bangladesh.

Before joining UCB, Mr. Masud held the position of Managing Director (Regional Role) for Global Corporate Coverage (South East Asia & India) at BBVA Bank S.A. His international exposure and strategic acumen have positioned him as a recognized leader in Corporate, Institutional, and Transaction Banking — with multiple industry awards to his name.

At UCB, Mr. Masud is currently overseeing a broad and critical portfolio comprising Large Corporate (Wholesale Banking), SME & Agra Banking, Financial Institutions & Offshore Banking, Mid & Emerging Corporate, and Transaction Banking.

Academically accomplished, he holds an MBA from the University of British Columbia, Canada, and a Master's degree in Finance and Banking from the University of Dhaka.



Md. Abdullah Al Mamoon, PMP
Deputy Managing Director & COO

Md. Abdullah Al Mamoon is the Deputy Managing Director and Chief Operating Officer (COO) of United Commercial Bank PLC. Mr. Mamoon joined UCB on March, 2017 as Senior Executive Vice President with over 33 years of multidisciplinary experience in diversified professional domains with Government and Financial Institutions. Prior to joining UCB, Mr. Mamoon served in AB Bank PLC and BRAC Bank PLC in different capacities. He is a business graduate from Royal Roads University, British Columbia, Canada; a globally certified Project Management Professional (PMP) from Project Management Institute (PMI), USA, and a Green Belt in Six Sigma from Benchmark Six Sigma, India.



Md. Shah Alam Bhuiyan
Deputy Managing Director

Md. Shah Alam Bhuiyan, with a 35-year banking career, is Deputy Managing Director at United Commercial Bank PLC. He oversees Special Assets Management, Legal and Collection, SME & Agri Banking, Written- off Recovery, and the Willful Defaulter Unit. Starting in 1990 at Muslim Commercial Bank Ltd, he facilitated its acquisition by Bank Asia PLC and played a key role in the restructuring of Bank of Credit & Commerce International. At BRAC Bank PLC, he managed central operations, financial administration, and asset management.



Faruk Ahammad, FCA
DMD & Chief Financial Officer

Faruk Ahammad is a business Graduate with over 25 years of versatile experience in different sectors like banking, capital market, telecommunications and manufacturing. He is a qualified Chartered Accountant and a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Ahammad is discharging the duties as a Chief Financial Officer (CFO) in the rank and capacity of Deputy Managing Director of United Commercial Bank PLC. Mr. Ahammad started his career with IPDC. He then served in different organizations in different Senior Management Strategic roles.



S M Mainul Kabir
Deputy Managing Director

Prominent banker S M Mainul Kabir recently joined United Commercial Bank PLC (UCB) as Deputy Managing Director after serving in the same capacity at Community Bank. With over 30 years in banking, he has expertise in bank relationship management, branch banking, trade finance, lending operations, credit risk management, and analysis. He began at National Bank PLC and held senior roles at South East Bank PLC, Jamuna Bank PLC, and EXIM Bank PLC. Mr. Kabir holds Honors and Master's degrees in Finance & Banking from the University of Dhaka and an MBA from the Department of Management Studies, University of Dhaka.



Mohammad Ridwanul Hoque
Senior Executive Vice President

Mr. Mohammad Ridwanul Hoque, Senior Executive Vice President of United Commercial Bank PLC (UCB), joined the Bank on October 31, 2024, bringing with him over 24 years of distinguished experience in both foreign and local financial institutions. Prior to joining UCB, he served as the Head of Retail and SME Business at NCC Bank PLC, where he played a pivotal role in driving growth and innovation across key banking segments.

At UCB, Mr. Hoque currently oversees the Branches (excluding Corporate Branches), as well as the Uposhakha network, Agent Banking Division, and Alternative Delivery Channel Division. Under his leadership, these units continue to strengthen the Bank's commitment to customer-centric service and inclusive banking.

An academically accomplished professional, Mr. Hoque holds both an MBA and a BBA from the University of Chittagong, equipping him with a strong foundation in business and strategic management.



Zeeshan Kingshuk Huq
Senior Executive Vice President

Mr. Zeeshan Kingshuk Huq joined United Commercial Bank PLC (UCB) as Senior Executive Vice President on January 1, 2025. He brings with him a distinguished track record of leadership across diverse industries, including banking, technology, telecom, and e-commerce.

Before joining UCB, Mr. Huq served as Managing Director and Chief Enabling Officer at RTS Enterprise. His prior roles include Director & Group COO at Agile Mind Corp Group, Chief Commercial Officer at Link3 Technologies, and Co-founder & CEO of Sindabad.com. He also held key positions at BRAC Bank, Warid Telecom (now Airtel Bangladesh), MGH Group, Holcim Bangladesh, and Unitrend Limited.

Mr. Huq currently serves as the Chief Communications Officer (CCO) at United Commercial Bank (UCB), at Brand Marketing and Corporate Affairs Division. In this role, he also oversees the Service Quality Department, where he is responsible for leading strategic communications and driving customer excellence initiatives.

He holds an MBA in Marketing and a BBA from the Institute of Business Administration (IBA), University of Dhaka.



Syed Hasnain Mamun
Executive Vice President

Mr. Syed Hasnain Mamun joined United Commercial Bank PLC (UCB) as Executive Vice President on October 31, 2024. He began his banking career with HSBC and brings over 21 years of diversified experience across both local and international banks.

Prior to joining UCB, he served as the Head of Human Resources Division at NCC Bank PLC. He also held key positions at The City Bank Limited and Prime Bank Limited.

Mr. Mamun currently serves as the Chief Human Resources Officer (CHRO) at United Commercial Bank (UCB), where he plays a pivotal role in shaping the organization's people strategy. In addition to leading the Human Resources function, he also holds supervisory responsibility for General Services Division.

He holds a professional qualification in Quality Systems Management from the Business School, University of South Alabama, USA.



STEWARDSHIP


“Stability
Through
Transition,
Progress
Through
Precision”

MESSAGE FROM THE CHAIRMAN

Dear Valued Shareholders,

It is my honour and privilege to address you at the 42nd Annual General Meeting of United Commercial Bank PLC (UCB). The year 2024 was one of the most challenging and transformative periods in our recent history, marked by global economic volatility, a national political transition, and structural pressures across the financial sector. In the face of these headwinds, UCB demonstrated resilience, adaptability, and a deep commitment to banking excellence.

Despite macroeconomic uncertainties, we fortified our capital base, accelerated our digital transformation, and reinforced trust across our client base. This Annual Report is not only a record of financial outcomes—it is a testimony to UCB's enduring values, strategic agility, and sustainable vision for the future.

Resilience Amid Global and Domestic Headwinds

In 2024, the global economy remained under pressure from high interest rates, tepid investor sentiment, and geopolitical complexities. With central banks maintaining tight monetary policies to contain inflation, global growth was modest at 3.3% (IMF forecast for 2025).

At home, Bangladesh's economy encountered similar strains, compounded by political transition and structural challenges. GDP grew by 5.82% in FY 2024, with forecasts indicating a temporary slowdown to 4.10% in FY 2025, pending the outcome of key reforms. Inflation stood at 10.89% (point-to-point, Dec 2024), driven by exchange rate corrections, elevated import costs, and supply chain disruptions.

While these dynamics tested the resilience of the banking sector, they also presented opportunities for recalibration. The Bangladesh Bank responded with tighter monetary controls and regulatory reforms aimed at improving governance, liquidity, and transparency.

Stability and Strategic Realignment at UCB

Against this backdrop, UCB remained focused and forward-looking. We:

- Realigned our balance sheet and enhanced our liquidity buffers;
- Strengthened credit risk frameworks and internal controls;
- Improved operational efficiency and adopted cost discipline;
- Invested in digital infrastructure to elevate customer experience.

Key Achievements at a Glance

- **Net Deposit Growth**
  Deposits grew by BDT 5,245 crore as of May 2025, signalling revived customer confidence.
- **Profitability**
  Despite a strained environment, we recorded a Profit After Tax of BDT 608 million in 2024, preserving our capital and preparing for stronger future earnings.
- **Balance Sheet Strength**
  Total assets stood at BDT 768,779.48 million, supported by disciplined loan growth and a conservative risk approach. All regulatory thresholds for CRR, SLR, and CRAR were met.
- **Digital Innovation**
  - UNET customer base grew by 70%, reaching 300,000 active users.
  - U-Click, our proprietary e-KYC onboarding platform, launched in May 2025.
  - Transition to API-based Core Banking and automation in trade finance enhanced speed and scalability.
- **Regulatory Alignment**
  Advanced stress-testing models were introduced to monitor interest rate and FX risks. Our AML/CFT frameworks were strengthened with a real-time compliance dashboard.

Islamic Banking Expansion

UCB Taqwa—the Shariah-compliant wing of our banking services—continued its strong growth trajectory. In 2024, Bangladesh Bank approved 50 new Islamic banking windows, further expanding our footprint. Deposits reached BDT 4,397.58 billion, with Islamic financing growing to BDT 4,793.10 billion.

Sustainability and Inclusion at the Core

Our vision for a responsible and inclusive future continued through:

- Green Initiatives: Solar power, LED lighting, and paperless operations.
- Financial Inclusion: Rural outreach, agent banking, and mobile remittance channels.
- Empowering Women: Financial support and training for female entrepreneurs.
- Community Development:
- 12,711 farmers trained under "Bhoroshar Notun Janala"
- 65,000 saplings distributed
- 28,155 livestock vaccinated
- Lightning protection installed in 12 remote upazilas
- Long-term education scholarships and financial literacy campaigns
- Five-year sponsorship of Bangladesh Football Federation

Human Capital Development

UCB's people remain at the heart of its transformation. In 2024, we invested in leadership programs, digital banking certifications, and new performance-based incentives to build a culture of innovation and accountability.

Dividend and Capital Strategy

Given the macroeconomic environment and our capital optimization goals, the Board has recommended no dividend for the year 2024. Instead, we propose increasing the Bank's authorized capital from BDT 2,500 crore to BDT 5,000 crore, subject to shareholder approval—strengthening our ability to pursue strategic growth and meet evolving regulatory demands.

Looking Ahead

As Bangladesh enters a new chapter of reform and modernization, UCB is well-positioned to lead with purpose and precision. Our priorities are clear:

- Deepen our digital and customer-first transformation;
- Strengthen core banking operations and risk governance;
- Expand sustainable and inclusive finance initiatives;
- Maintain robust compliance and regulatory alignment.

We are committed to building an institution that is not only financially strong but socially impactful.

A Note of Gratitude

On behalf of the Board of Directors, I extend my sincere appreciation to our shareholders, regulators, customers, and employees. Your continued trust and support are the cornerstone of our progress.

Let us march forward—resilient, responsible, and ready for the future.

Warm regards,



Sharif Zahir
Chairman of the Board of Directors

UCB

ইয়াংস্টারস

ডিপিএস

স্কুল/কলেজের শিক্ষার্থীদের মধ্যে ছোট ছোট সঞ্চয়ের
অভ্যাস গড়ে তোলার মাধ্যমে আনন্দময় ভবিষ্যতের দিকে
এগিয়ে নিয়ে যাওয়া



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“Throughout 2024, UCB maintained its strategic focus on digital transformation, inclusive banking, and sustainability to reinforce our position as a forward-thinking financial institution.”

MANAGING DIRECTOR & CEO'S ROUND UP

Dear Valued Shareholders,

As we reflect on 2024, United Commercial Bank PLC (UCB), a pioneering first-generation private commercial bank in Bangladesh, has demonstrated remarkable resilience and adaptability in navigating a complex global and domestic landscape. The year witnessed persistent global economic challenges, including a moderate slowdown driven by inflationary pressures, tighter monetary policies across major economies, and geopolitical uncertainties disrupting trade and capital flows. Domestically, Bangladesh faced significant political turmoil in the second half of 2024, which compounded economic pressures such as moderating GDP growth, constrained foreign exchange reserves, and elevated inflation.

Despite these headwinds, UCB remained steadfast in its commitment to disciplined growth, digital transformation, inclusive banking, and sustainable development—reinforcing our role as a trusted partner in Bangladesh's financial ecosystem.

Macro-Economic Context

The global economy in 2024 experienced a cautious slowdown, with growth projections hovering around 3%, according to international economic institutions. Persistent inflation—averaging above 6% in developed markets—prompted central banks to maintain elevated interest rates, thereby affecting global trade and investment flows. Ongoing supply chain disruptions and geopolitical tensions added further uncertainty, impacting commodity prices and capital market volatility.

In Bangladesh, economic growth moderated to an estimated 5.6%, driven by both external pressures and domestic instability. Inflation averaged over 9%, fuelled by rising fuel and food prices, while Bangladesh Bank implemented tighter liquidity controls and monetary policy adjustments to stabilize the macroeconomy. The depreciation of the Bangladeshi Taka and a decline in foreign exchange reserves added complexity to the operating environment—particularly for trade-dependent sectors.

Amid this environment, UCB adopted a prudent yet forward-looking strategy, balancing growth with stability. Our focus on operational efficiency, robust risk management, and customer-centric innovation enabled us to continue delivering value to our stakeholders, while contributing to Bangladesh's broader economic objectives.

Financial Performance Highlights

In 2024, UCB delivered steady growth across key financial metrics despite a challenging macroeconomic backdrop. Our total asset base expanded by 12% year-on-year to BDT 76,878 crore, driven by strong portfolio management and disciplined lending. Loans and advances rose by 13% to BDT 57,283 crore, supported by continued demand across corporate, SME, and retail segments. Customer deposits, the foundation of our funding strategy, increased by 8% to BDT 55,422 crore, reflecting our clients' enduring trust in UCB. The Advance-to-Deposit (AD) Ratio rose to 91.31%, as loan growth outpaced deposit growth.

Our Funds Under Management (FUM) increased by 11% to BDT 112,704 crore, propelled by diversified investment strategies and prudent asset allocation. Operating profit saw a commendable 55% increase, reaching BDT 1,508 crore, driven by robust core banking revenue and enhanced cost efficiency. However, Profit After Tax (PAT) declined to BDT 61 crore, primarily due to substantial loan loss provisions necessitated by increased credit risks in certain sectors. While this impacted short-term profitability, it significantly strengthened our balance sheet and laid the groundwork for sustainable growth.

In line with national trade trends, UCB's foreign trade portfolio experienced mixed results. Imports declined by 8% to USD 3,524 million amid currency pressures and cautious demand, while exports grew by 6% to USD 3,434 million, led by robust performance in ready-made garments and other key sectors.

On a per-share basis, standalone Earnings Per Share (EPS) stood at BDT 0.40, reflecting the impact of provisioning. Return on Assets (ROA) and Return on Equity (ROE) were 0.08% and 1.42%, respectively, mirroring short-term profitability challenges. However, Net Asset Value (NAV) per share improved to BDT 27.60, signalling long-term value creation for shareholders. Our Capital Adequacy Ratio (CAR)

remained well above regulatory requirements, underscoring our financial stability and resilience.

Strategic Priorities and Achievements

Throughout 2024, UCB maintained its strategic focus on digital transformation, inclusive banking, and sustainability to reinforce our position as a forward-thinking financial institution. A major highlight was the successful upgrade of our Core Banking System—accelerating our digital transformation journey and enabling seamless, secure, and customer-friendly banking services.

As a first-generation private commercial bank, UCB holds a deep-rooted commitment to inclusive banking. In 2024, we expanded our outreach to SMEs, women entrepreneurs, and rural communities. Through tailored financial products such as affordable credit lines and attractive savings schemes, we empowered underserved segments to actively participate in economic growth. Our collaboration with local NGOs extended banking services to remote regions, enhancing financial literacy and fostering entrepreneurship.

Sustainability remained central to our mission. Our flagship Agri-CSR initiative, Bhoroshar Notun Janala, supported the cultivation of over 250 acres of wheat and maize, replacing tobacco in the northern region. By promoting climate-resilient agricultural practices and offering technical assistance to farmers, this program enhanced both food security and rural livelihoods. UCB also continued to champion green finance, directing capital toward renewable energy projects and environmentally sustainable businesses. These efforts earned us high recognition in Bangladesh Bank's sustainability index, affirming our commitment to responsible banking.

Strong governance and regulatory compliance are fundamental to our operations. In 2024, we further strengthened our risk governance framework by deploying advanced internal controls and aligning with Bangladesh Bank's guidelines. Our Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) frameworks ensured full compliance with both national and international standards. Regular audits, stress testing, and scenario analyses further reinforced our ability to navigate uncertainties with confidence. Our commitment to transparency and accountability continues to foster trust among regulators, customers, and stakeholders.

Outlook for 2025

Looking ahead to 2025, UCB remains cautiously optimistic amid a backdrop of continuing global and domestic uncertainties. We are well-positioned to leverage emerging opportunities in digital banking, green finance, and inclusive economic growth. Our strategic focus areas for 2025 include liquidity management, asset quality, recovery, and capital adequacy. With a modern technological infrastructure and a customer-centric approach, UCB is well-positioned to generate sustainable value and contribute meaningfully to Bangladesh's long-term economic development.

Acknowledgement

I extend my heartfelt gratitude to our Board of Directors for their strategic guidance and unwavering support throughout 2024. I also express sincere appreciation to Bangladesh Bank for its prudent policies and regulatory oversight, which have been instrumental in preserving financial stability. To our valued customers—thank you for your continued trust and partnership, which inspire us to innovate and excel. Finally, I wish to express my deepest gratitude to our resolute employees. Their resilience, professionalism, and commitment are the driving force behind UCB's success.

Together, we will continue building a stronger, more inclusive, and sustainable future for the communities we serve and United Commercial Bank PLC.

Sincerely,



Mohammad Mamdudur Rashid

Managing Director & CEO

AWARDS AND RECOGNITION



Receiving 24th ICAB National Award in 2024

UCB AGENT BANKING
সবার জন্য ব্যাংক

সবার জন্য ব্যাংকিং

শহর থেকে গ্রামে, সমাজের
সর্বস্তরের সকল পেশার মানুষের
জন্য ব্যাংকিং সেবা নিশ্চিত করেছে
ইউসিবি এজেন্ট ব্যাংকিং।
সব ধরনের ব্যাংকিং সেবা নিয়ে আপনার
কাছের মানুষরাই আছে আপনার পাশে।
ফলে এজেন্ট ব্যাংকিং সেবা এখন
আরও আন্তরিক, আরও কার্যকর।



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DIRECTORS' REPORT

Directors' Report 2024

On behalf of the Board of Directors of United Commercial Bank PLC, I am pleased to extend a warm welcome to all of you to the Annual General Meeting (AGM) of the Bank. It is both an honor and a privilege to present to you the Integrated Annual Report 2024, which summarizes our performance, strategic priorities, and vision for the future.

This report includes the audited financial statements of United Commercial Bank PLC and its subsidiaries for the financial year ended 31 December 2024, prepared in accordance with all applicable financial and regulatory standards.

The Directors' Report provides an in-depth perspective on the global and domestic macroeconomic environment, outlining the context in which we operated over the past year. It also reflects the Bank's resilience, adaptability, and unwavering commitment to excellence during a period marked by both challenges and opportunities.

Through this report, we share not only our financial results and key operational highlights but also our strategic roadmap, forward-looking initiatives, and efforts to strengthen governance, risk management, and stakeholder engagement. Our competitive position, growth trajectory, and compliance with regulatory requirements are discussed transparently, underscoring our dedication to sustainable value creation.

We thank each of you-our esteemed shareholders-for your continued trust and support. We remain committed to upholding the highest standards of corporate governance and financial integrity as we move forward together in our journey of inclusive and innovative banking.

Global Economic outlook:

The global economy is navigating a complex landscape marked by modest growth, persistent inflationary pressures, and heightened geopolitical uncertainties. According to the International Monetary Fund (IMF), global growth is projected at 2.80% in 2025, a downward revision from earlier forecasts, primarily due to escalating trade tensions and policy uncertainties. The World Bank's projections align closely, anticipating global growth to hold steady at 2.70% in 2025-26, indicating a stabilization at a lower growth trajectory compared to the pre-pandemic decade.

Advanced economies are expected to experience subdued growth, with the IMF forecasting a slowdown in the Euro Area to 0.8% in 2025, reflecting challenges such as trade disruptions and policy uncertainties. In contrast, emerging markets and developing economies are projected to grow at a more robust pace, with the World Bank estimating an average growth rate of 4.0% over 2024-25, driven by resilient domestic demand and investment.

South Asia, in particular, is poised for strong performance, with growth expected to remain high over the forecast period, averaging 6.2% in 2025-26, supported by robust activity in India and a strengthening outlook in other regional economies.

Inflation is anticipated to moderate gradually, with global inflation projected to decline to 3.5% in 2025 and further to 2.9% in 2026, although the pace of decline is slower than previously expected, necessitating cautious monetary policy approaches.

World Bank Global Economic Prospects (January 2025)

- **Global GDP Growth:** 2.70% in both 2025 and 2026, indicating a period of low but stable growth.
- **Developing Economies:** Approximately 4.00% growth, though challenges like high debt and low investment persist.
- **Trade Outlook:** Continued pressures from protectionism and geopolitical fragmentation.

IMF Global Outlook (April 2025)

- **Global GDP Growth:** 2.80% in 2025, revised down from 3.30% in January due to escalating trade tensions and policy uncertainties.
- **Advanced Economies:** 1.40% growth.
- **Emerging & Developing Economies:** 3.70% growth.
- **Global Trade Growth:** Projected to slow to 1.70% in 2025.

Trade Outlook

The global trade environment in FY 2025 remains highly dynamic and uncertain, shaped by multiple geopolitical and structural disruptions. While the post-pandemic recovery had initially spurred trade momentum, a convergence of challenges-ranging from escalating tariff tensions to prolonged

geopolitical conflicts-is now exerting downward pressure on global trade flows.

The ongoing trade friction between major economies, particularly the resurgence of the U.S.-China tariff war, has disrupted global supply chains and increased the cost of cross-border commerce. Higher tariffs on key industrial inputs and consumer goods have prompted firms to reassess sourcing strategies and led to slower trade growth in several regions.

The volatile security situation in the Middle East, especially the conflict spillovers in the Red Sea and the Gulf region, has disrupted critical shipping lanes such as the Suez Canal. Rising insurance costs, delays in freight movement, and rerouting of vessels have increased global shipping costs and weakened trade predictability. The ongoing war in Ukraine continues to impact commodity markets and trade in energy, food grains, and fertilizers. Sanctions on Russian exports and restrictions on trade in affected territories have caused ripple effects across Europe, Asia, and Africa. Global grain supplies remain fragile, particularly affecting emerging markets with high import dependencies.

Macroeconomic Overview – Bangladesh Economy

The fiscal year 2024–2025 began amidst notable political transitions and civic mobilizations, with the July Movement culminating in nationwide demonstrations and heightened calls for institutional reforms. The developments surrounding August 5th, 2024, while momentarily disruptive, served as a critical inflection point for reinforcing democratic processes, civic engagement, and policy accountability in Bangladesh. Despite the short-term uncertainty that followed the movement, Bangladesh's economy demonstrated resilience and adaptability, supported by proactive monetary and fiscal responses. The government took deliberate steps to stabilize market confidence, manage inflationary expectations, and ensure continuity in public investment projects.

The GDP growth rate for FY2024–2025 is projected to hover around 5.60%–5.80%, reflecting cautious optimism. The industrial sector, particularly garments and light engineering, continues to anchor export performance despite external shocks. The services sector has rebounded with the reopening of domestic trade, logistics, and digital commerce. Meanwhile, agriculture remains vital for rural stability and food security amid global supply chain pressures.

Headline inflation remains elevated, averaging around 8.5%, primarily driven by imported food and fuel costs and exchange rate volatility. In response, Bangladesh Bank adopted a tightened monetary stance, increasing the policy rate and enhancing liquidity controls to curb demand-side pressures while safeguarding growth.

The current account deficit has narrowed modestly due to a strong remittance inflow recovery and a slowdown in non-essential imports. However, foreign exchange reserves remain under pressure, necessitating continued vigilance. The exchange rate of the BDT has seen controlled depreciation, allowing for external competitiveness while avoiding abrupt market corrections.

Following the political stabilization post-August, business confidence improved, supported by reforms in tax administration, digitization of public services, and renewed commitments to infrastructure financing. The Annual Development Programme (ADP) execution gained traction, particularly in energy, connectivity, and regional development.

Looking ahead, Bangladesh is poised to navigate this complex macroeconomic landscape through policy discipline, structural reform, and inclusive growth strategies. The peaceful resolution of political tensions has created room for renewed dialogue between the public and private sectors, aimed at fostering investment, innovation, and employment generation. United Commercial Bank PLC remains aligned with these national goals by supporting critical sectors, enhancing financial inclusion, and leveraging technology to deliver responsive and resilient banking solutions.

Banking Industry Outlook

The banking industry of Bangladesh stands at a pivotal juncture in FY2025, navigating through a confluence of domestic and global challenges while embracing transformative opportunities. Amid post-pandemic recovery, monetary tightening, and geo-economic uncertainties, banks are recalibrating their strategies to reinforce resilience, deepen financial inclusion, and accelerate digital transformation.

Macroeconomic Influences

The evolving geopolitical landscape including the prolonged Russia-Ukraine conflict, disruptions in global trade routes due to tensions in the Middle East, and shifting monetary policies in advanced economies continues to impact capital flows, commodity prices, and foreign exchange markets. These factors are influencing banking sector liquidity, credit demand, and external borrowing conditions.

Domestically, the aftermath of political movements in mid 2024 prompted temporary volatility, yet the regulatory authorities and financial institutions demonstrated commendable stability in maintaining public trust and safeguarding core banking functions.

Monetary Policy and Liquidity Trends

Bangladesh Bank has maintained a cautious monetary stance to curb inflation and protect foreign exchange reserves. The increased policy rate and adjustments in

the interest rate corridor are guiding banks toward more prudent lending and efficient liquidity management. Despite tighter liquidity conditions, credit to the private sector is expected to grow moderately in line with economic activity and renewed industrial demand.

Asset Quality and NPL Management

Non-performing loans (NPLs) remain a key concern, particularly in the SME and corporate segments. Regulatory initiatives such as enhanced credit risk rating frameworks, early warning systems, and stricter provisioning requirements are pushing banks to strengthen risk management and recovery mechanisms. Simultaneously, banks are focusing on portfolio diversification and lending to low-risk sectors, including agriculture, renewable energy, and export-oriented industries.

Digitization and Fintech Collaboration

The rapid expansion of digital banking channels, mobile financial services, and fintech partnerships continues to reshape customer expectations and operational models. Open banking frameworks, API-based services, and real-time payments are gaining traction. Banks that invest in core banking modernization, cybersecurity, and customer-centric innovation are poised to lead the next wave of financial services in Bangladesh.

Regulatory Compliance and Basel III Transition

Regulators are placing stronger emphasis on capital adequacy, stress testing, and liquidity risk assessments under Basel III guidelines. Banks are gradually moving from standardized approaches to more internal ratings-based (IRB) frameworks, enabling better alignment of capital with risk exposure. Sustainability and ESG considerations are also gaining prominence, with growing calls for green banking practices.

The outlook for the banking industry in 2025 remains cautiously optimistic. While external shocks and internal reforms will continue to test the sector's agility, the industry is expected to maintain a stable growth trajectory driven by:



United Commercial Bank PLC remains committed to playing a leading role in this transformation—by ensuring prudent financial stewardship, expanding digital and Shariah-compliant banking services, and contributing meaningfully to national development priorities.

UCB: 42 YEARS OF PARTNERSHIP

UCB commenced its operations in the mid-1983 with an initial paid-up capital of BDT 35.50 million by some dynamic entrepreneurs, esteemed industrialists, and the Bangladesh Government with the objective of excellence in customer service with pleasure and happiness. Over the years, it has built one of the most extensive networks, boasting 231 branches as of December 31, 2024, among the pioneer banks in the private sector. Demonstrating a steadfast commitment to the nation's economic progress, the bank has left an indelible mark in the realm of private sector banking. It has achieved this through personalized service, innovative strategies, a dynamic approach, and efficient management. With aspirations to assume a leading role in the country's economic landscape, the bank actively contributes to the development of trade, commerce, and industry through a forward-thinking credit policy.

Its vision is to be the best in all terms; sustainable inclusive business growth by ensuring efficiency, regulatory compliance, good asset quality, combination of experience and professional talents, consistent profitability and of course good governance. During the year 2024 the bank set record indeed in terms of advance, deposit and expansion of business through its continuous diversification.

UCB was listed with Dhaka Stock Exchange Limited (DSE) in the year 1986 and with the Chittagong Stock Exchange Limited (CSE) in the year 1995. The bank obtained license to open offshore banking unit on 9 June 2010. The Bank also obtained permission for Islamic Banking Branch from Bangladesh Bank vide, letter no. BRPD (P-3) 745 (17)/2020-1453 dated 6 February 2020.

Branch	231
Sub-Branch	177
ATMs/CRMs	716
Agent Outlet	855
Islamic Banking Branch	01
IBB Window	50
OBU Unit	01

Principal Activities

UCB's core competencies may be classified into the followings segments leading by interest earning activities in the form of providing loans and advances and investment activities

Interest Earning Activities

UCB has an attractive basket of loan products which cover SME financing, Project financing, Export-Import financing, overdraft facility and cash credit, home loan, car loan, lease financing, consumer financing, RMG financing, Agro loan and many more.

Loacl & Foreign Trade Activities

UCB facilitates its valued clients in thier loacal and foreign trade activities i.e. import and export business. These import and export are one of the highest revenue-generating segments of UCB.

Remittance Activities

UCB also facilitates inward and outward remittance facilities to Expatriates different organizations and individuals through branches, agents and correspondences.

Gurantee Activities

UCB provides financial guarantee to different individuals and organizations which is also an important source of commission earning of the bank.

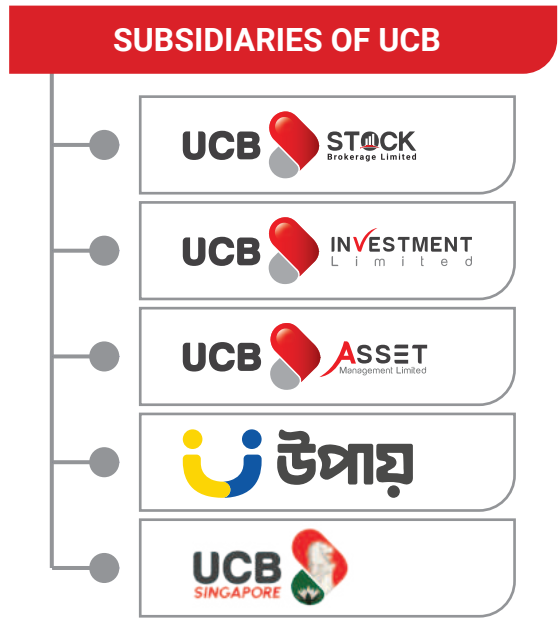
Investment Activities

Money Market- UCB invests in the treasury bills & bond which is considered as secured investment and ensures a certain amount of return to the Bank. Considering the liquidity position, the Bank also participates in the call money market.

Capital Market- UCB has significant presence in capital market through direct investment. The Bank has also five subsidiaries with an aim to active participation in capital market through brokerage, portfolio management, investment banking etc.

The bank consists of five subsidiaries

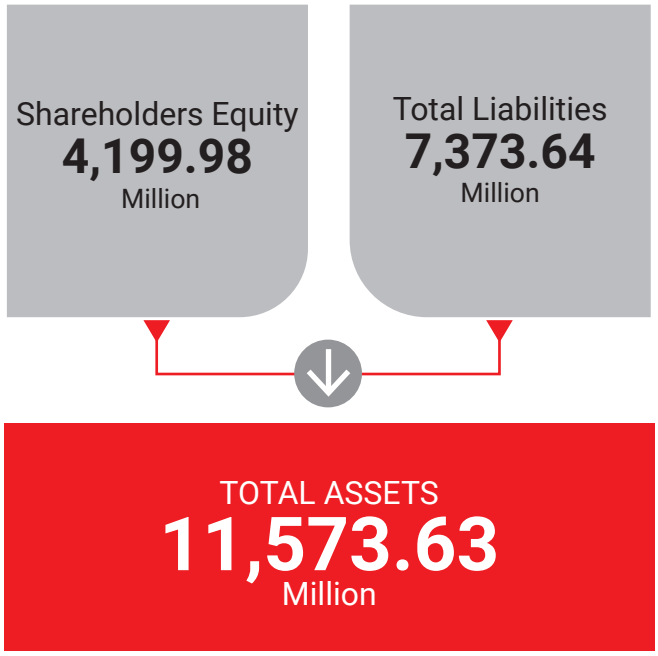
UCB Stock Brokerage Limited (former UCB Capital Management Limited), UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited and UCB Exchange (SG) PTE. Ltd.

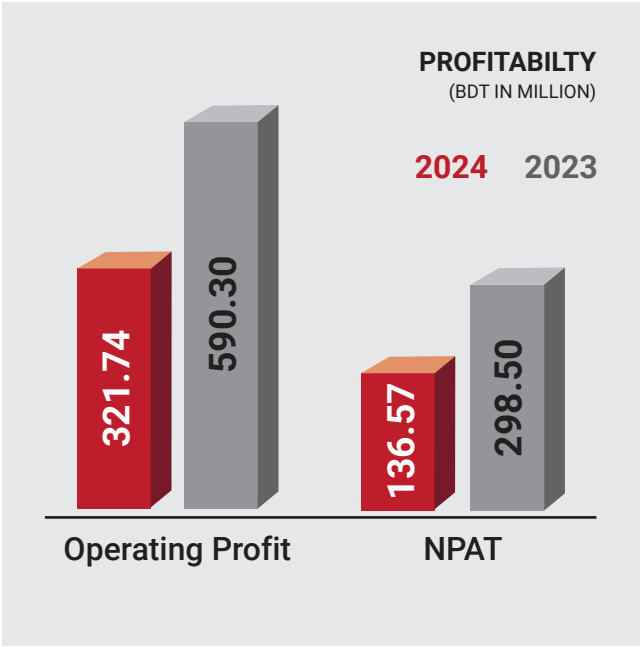


UCB Stock Brokerage Limited

UCB Stock Brokerage Limited (Former UCB Capital Management Limited) established in June 2013 has emerged as one of the esteemed stock brokers in Bangladesh. It is a fully owned subsidiary of the bank. UCB Stock Brokerage Limited was incorporated in Bangladesh as a private limited company in accordance with the Companies Act, 1994. The company provides stock brokerage and margin loan services. UCB Stock Brokerage Limited started providing its services in June 2013 with a highly experienced and proficient management team with the aim of offering a global standard service to the clients of home and abroad in relation to securities originating in Bangladesh. Recently, UCB Stock Brokerage Limited has opened its first Digital Booth in Dubai which was the first initiative in the Capital Market of Bangladesh.

UCB Stock is catalogued as TREC Holder with both the stock exchanges in Bangladesh; Dhaka Stock Exchange Limited (TREC No.: 181) and Chittagong Stock Exchanges Limited (TREC No.:015). It is also a Depository Participant (DP) of Central Depository of Bangladesh Limited and provides allied services under the Rules & Regulations of Bangladesh Securities and Exchange Commission. The registered office of the company is located at Bulus Center, 17th Floor



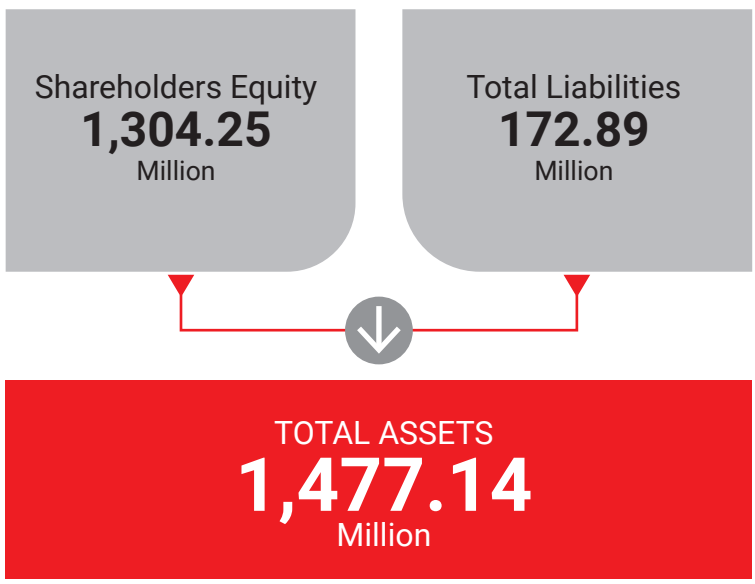


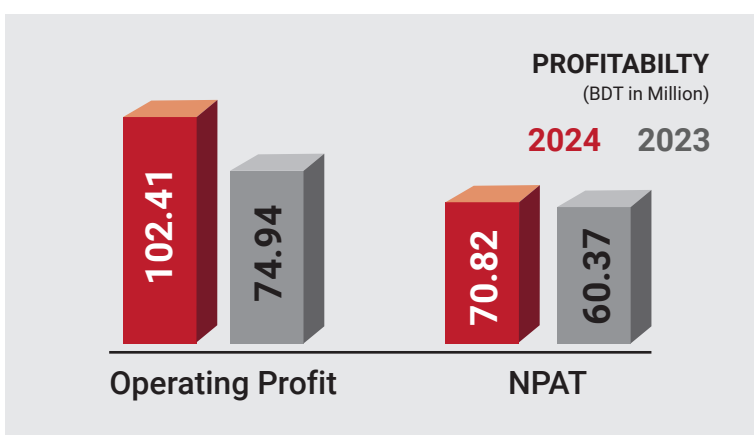
(west side), Plot: CWS-(A)-1, Gulshan Avenue, Gulshan, Dhaka – 1212. UCB Stock Brokerage Limited has already earned outshine reputation for eminent ethics and trusted service. The Company is devoted to perform relentless duties for the development of capital market of Bangladesh.

UCB Investment Limited

UCB Investment Limited (UCBIL) was incorporated in Bangladesh as a private limited company with limited liability as on 3 August 2011 under the Companies Act 1994 with the Registrar of Joint Stock Companies and Firms (RJSC) vide registration no. C-94654/11. The Company has obtained Merchant Banking license (registration certificate no. MB-97/2020) from the Bangladesh Securities and Exchange Commission (BSEC) on 05 October 2020. The principal objective of the company is to carry out full-fledged merchant banking activities in Bangladesh i.e. portfolio management, share transfer agency, fund management to issue in the capital and security market, underwriting, management and distribution of the issue of stock shares, bonds and other securities.

The company aims to play a vital role in bridging the gap in professional financial management services in the country and the gap between investors and investment opportunities. With its group of versatile financial consultants, UCBIL covers all investment banking services, including Corporate Advisory, Fixed Income Securities, Syndicate Loans, IPO Management, Issue Management Service, Underwriting and Portfolio Management.



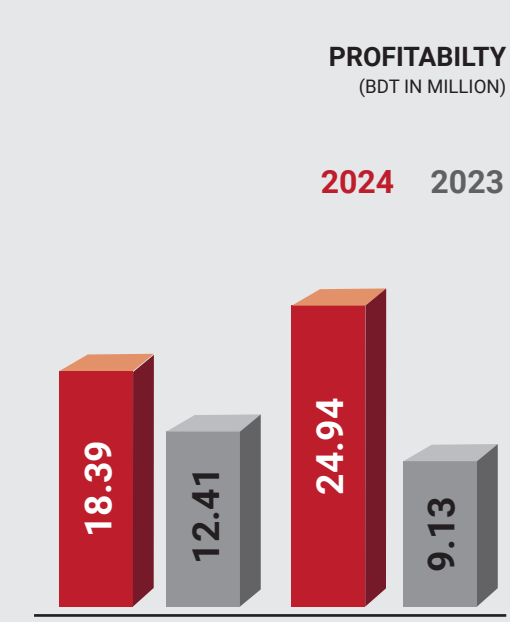


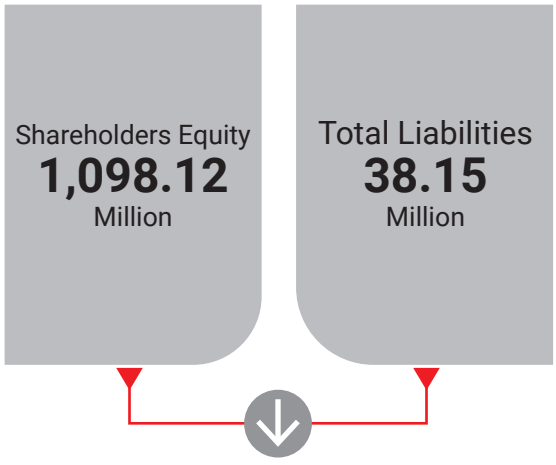
The entity aims at delivering topclass, customized investment solutions to its clients to cater to their specific needs and be their long-term growth partner. The key strength of UCBIL comes from its people, who are highly talented investment managers with vast and versatile experience in the investment landscape, both locally and globally. Utilizing this knowledge and expertise, UCBIL intends to provide and promote unique financial solutions for some of the nation's most successful institutions and corporations. Keeping innovation and sustainable growth at the core of its operations, UCBIL intends to lead its clients and the country to a brighter and wealthier future.

UCB Asset Management Limited

Established in February 2019, as a wholly-owned subsidiary of United Commercial Bank, UCB Asset Management Limited has the unique advantage to offer a wide range of investment solutions. UCB Asset Management Limited has a strong team of investment professionals who have a long track record of managing mutual funds in Bangladesh.

The principal objective of the company is to carry out various merchant banking activities in Bangladesh i.e. portfolio management, share transfer agent, fund management to issue in the capital and security market, underwrite, manage and distribute the issue of stock shares, bonds and other securities. Trust is the core value of UCB Asset Management and its mission is to gain people's confidence towards the capital market while maintaining an international standard-oriented service.





TOTAL ASSETS
1,136.27
Million

Fintech Company Limited

UCB Fintech Company Limited a fully owned subsidiary of the United Commercial Bank PLC was incorporated in Bangladesh on July 30, 2020 vide registration no. C-162182 as a Private Company Limited by shares under the Companies Act, 1994. Upon receiving the license from Bangladesh Bank, UCB Fintech Company Limited started its journey in March 2021, under the brand name "উপায়" ("UPAY" in English) and offering a broad range of mobile financial services to people from all walks of life.

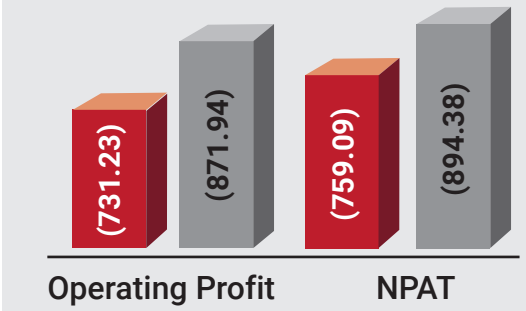
Product and services of UCB Fintech Company Limited include mobile transactions (cash-in, cash-out, send money etc.), utility bill payment, in-store and ecommerce payment, inward remittance, salary disbursement, G2P and P2G transaction, airtime recharge and other value added financial services. Going forward, UCB Fintech aims to offer different types of innovative products and services to fulfill need of different customer segments.

Shareholders Equity
1,105.99
Million

Total Liabilities
1.193.17
Million

TOTAL ASSETS
2,299.17
Million

PROFITABILTY
(BDT IN MILLION)



Exchange (SG) PTE. Ltd.

UCB Exchange (SG) PTE. Ltd., a wholly owned subsidiary of United Commercial Bank PLC, was incorporated in Singapore on 25 January 2023 as a private limited company by shares under the Companies Act 1967 in Singapore having Unique Entity Number (UEN) 202302830G. After incorporation, UCB Exchange has submitted its application for remittance license to Monetary Authority of Singapore (MAS) and it is still under process.

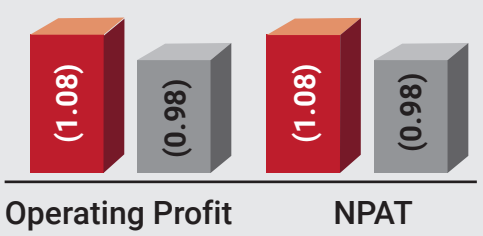
The principal activities of the company are to carry on the remittance business and to undertake and participate in transactions, activities and operations commonly carried on or undertaken by remittance and exchange house. UCB holds 1000 nos. of shares of UCB Exchange (SG) PTE. Ltd., Singapore with face value of Singapore Dollar 1.00 each which is equivalent to 100% of total shares of the company.

Shareholders Equity
1.98
Million

Total Liabilities
7.49
Million

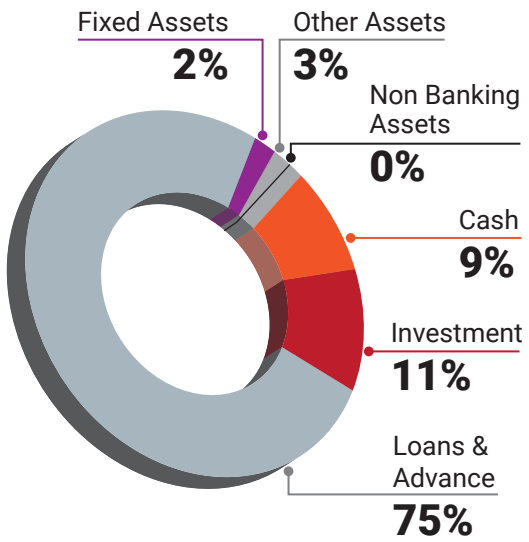
TOTAL ASSETS
5.51
Million

PROFITABILTY
(BDT IN MILLION)



FINANCIAL PERFORMANCE OF UCB

Composition of Balance sheet FY 2024



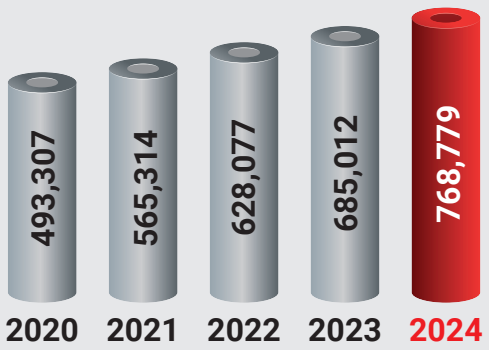
Total Asset
BDT 768,779 Million

Loans & Advances
BDT 572,829 Million

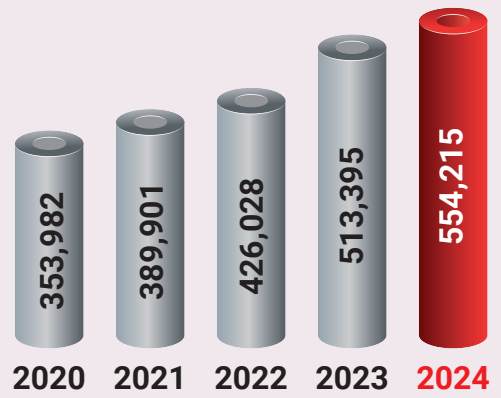
Deposit
BDT 554,215 Million

Investment
BDT 87,851 Million

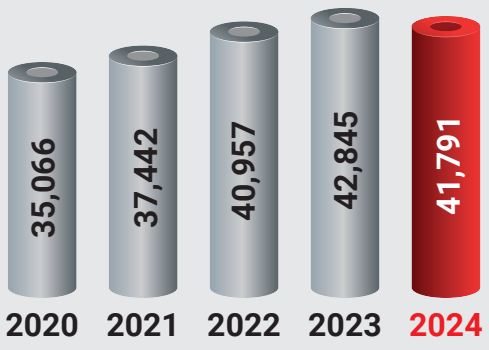
TOTAL ASSETS
(BDT IN MILLION)



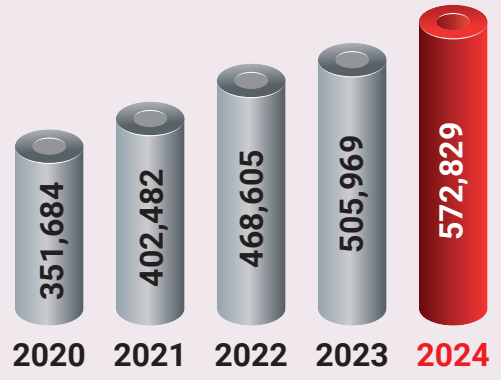
DEPOSITS
(BDT IN MILLION)



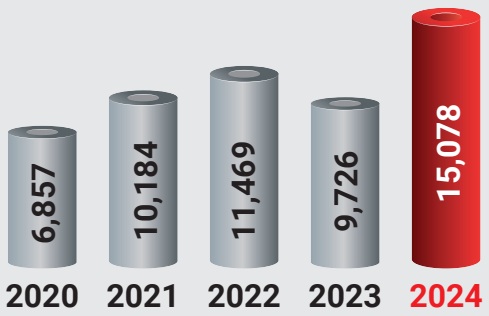
SHAREHOLDERS' EQUITY
(BDT IN MILLION)



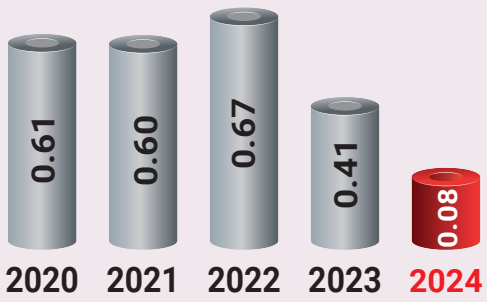
LOANS AND ADVANCES
(BDT IN MILLION)



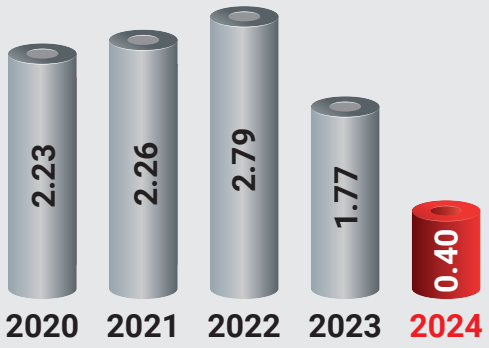
OPERATING PROFIT
(BDT IN MILLION)



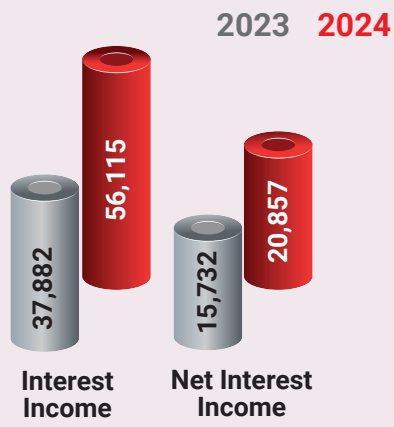
RETURN ON ASSETS (ROA)
IN PERCENTAGE



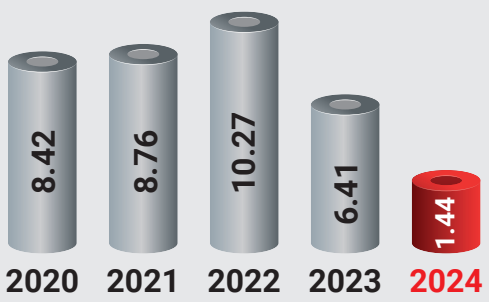
EARNINGS PER SHARE (EPS)
IN BDT(RESTATED)



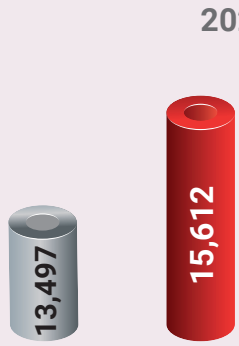
INTEREST INCOME & NET INTEREST INCOME
(BDT IN MILLION)



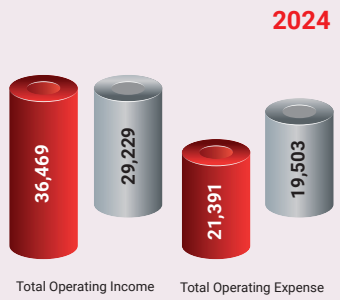
RETURN ON EQUITY (ROE)
IN PERCENTAGE



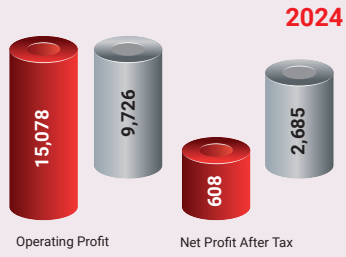
NON-INTEREST INCOME
(BDT IN MILLION)



OPERATING INCOME & OPERATING EXPENSE
(BDT IN MILLION)



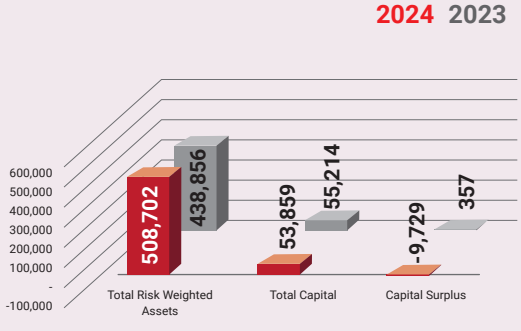
OPERATING PROFIT & NET PROFIT AFTER TAX
(BDT IN MILLION)



Capital adequacy status under Basel III

Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within the comfort zone against the requirement of 12.5% (Minimum total capital ratio plus capital conservation buffer) and ended at 10.59% as on 31 December 2024. For details please see Note 14.6 (Capital to Risk Weighted Asset Ration) section of the Financial Statements.

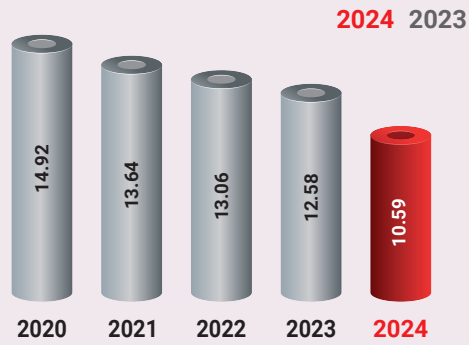
CAPITAL ADEQUACY STATUS UNDER BASEL III
(BDT IN MILLION)



Risk Based Capital Framework

Risk Based Capital Adequacy Framework (Revised Regulatory Capital Framework for banks in line with Basel III) has been implemented in Bangladesh from the beginning of 2015 through BRPD Circular No- 18 dated December 21, 2014. Bank was in Basel II regime in 2014 maintaining its capital level above the minimum requirement, estimating the additional capital requirement to find out level of Adequate Capital against all types of risks under Pillar II and providing adequate disclosure as per pillar III (market discipline) of Basel II guideline. From very beginning of implementation of Basel III in Bangladesh, UCB has been continuing to calculate Minimum Capital Requirement (MCR) considering credit risk, market risk and operational risk considering the Capital Conservation Buffer.

CAPITAL TO RWA RATIO
(PERCENT)

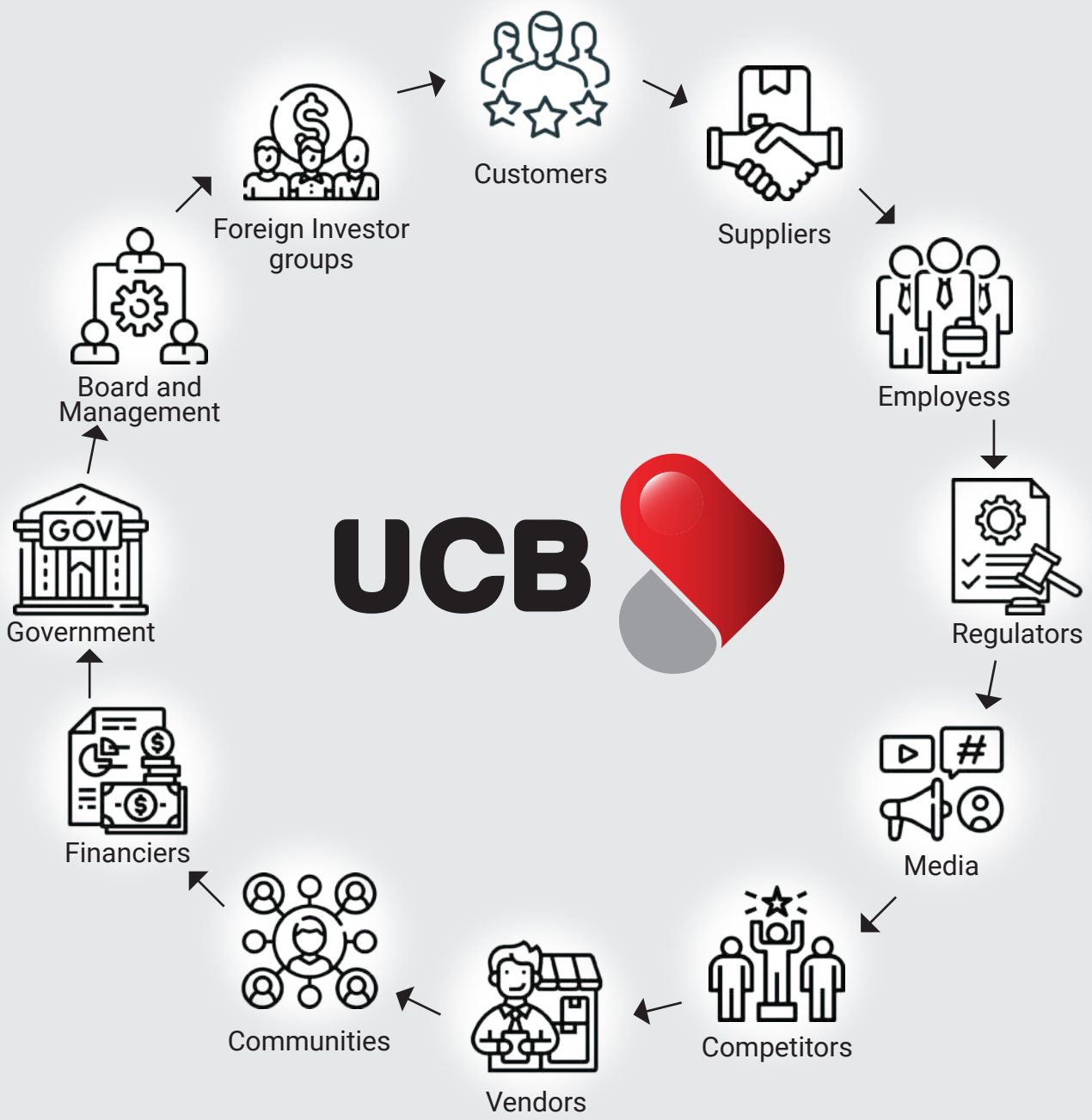


TIER-I & TIER-II CAPITAL



Stakeholder-centric approach to value creation

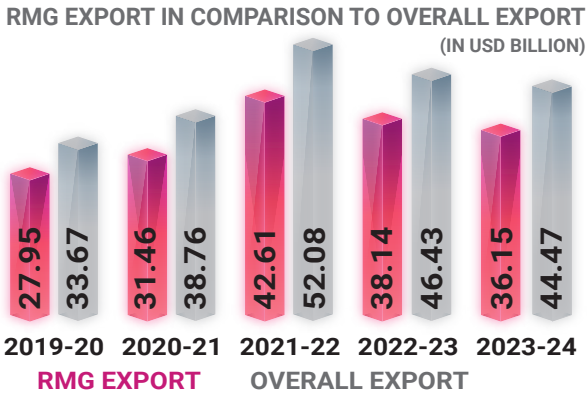
Our agenda for value creation is centered on making a lasting impact on all individuals and entities associated with the bank. The primary focus remains on meeting the needs and expectations of all our stakeholders, while advancing our journey towards sustainable value creation for everyone involved.

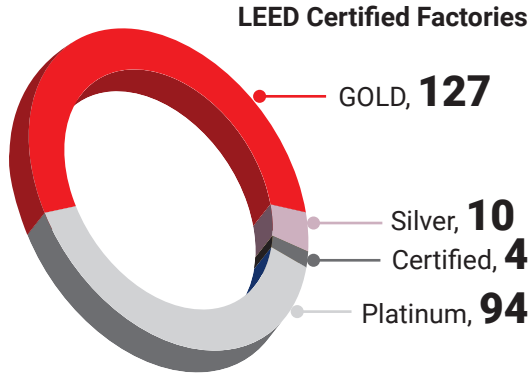


Divisional Overview

RMG Division

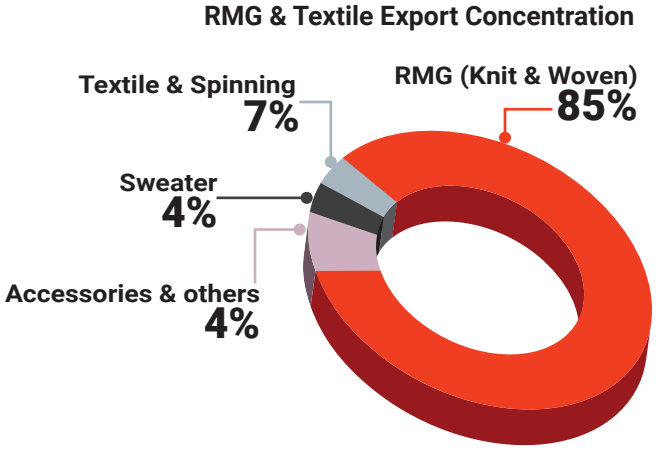
Bangladesh is the world's second-largest exporter of ready-made garments (RMG). The "RMG" sector is a cornerstone of our economy, contributing approximately 81.30% to the nation's total export earnings. In the Fiscal Year 2023-2024, overall export of Bangladesh was approximately USD 45.00 billion out of which RMG exports reached an unprecedented USD 36.15 billion. This sector employs over 04 million people, predominantly women around 60%, thereby playing a crucial role in gender empowerment and economic stability. Bangladesh boasts 235 LEED-certified factories, solidifying its position as a global leader in sustainable garment manufacturing. Among these, an impressive 54 out of the top 100 LEED Green Factories worldwide, including 9 of the top 10 and 18 of the top 20 are in Bangladesh. Despite facing challenges related to compliance with international labour standards and environmental sustainability, the RMG sector continues to thrive, bolstered by significant investments in technology and infrastructure.

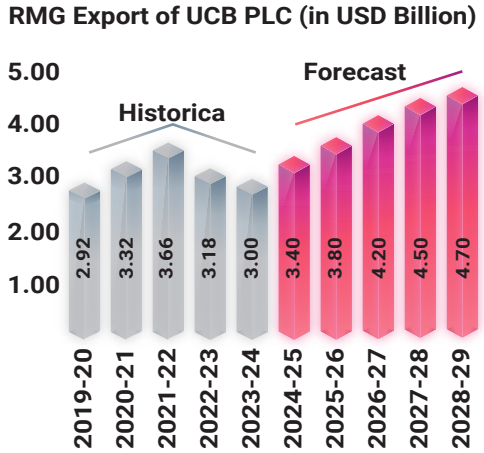




Position of UCB PLC in the RMG Sector

As one of the leading private commercial banks in Bangladesh, United Commercial Bank PLC (UCB) has been instrumental in facilitating the growth and sustainability of the RMG sector through its tailored financial solutions. These services/solutions include project finance, working capital finance, and all sorts of solutions related to export activities. In the fiscal year 2023-2024 alone, total exports amounting to nearly USD 3.00 billion was facilitated through UCB, representing 8.30% of the country's total RMG exports which is apparently highest among local conventional banks. UCB has set a strategic goal to facilitate USD 4.00 billion in export by the year 2026. In the total export portfolio of UCB PLC, 85% is contributed by the RMG (Knit & Woven), 7% by the Textile & Spinning, 4% by the Sweater, and the remaining 4% by Accessories & Others. Our strategic focus on the RMG industry has enabled numerous garment manufacturers to scale their operations, adopt advanced technologies, and meet stringent international compliance standards. With a fixed customer-base since its inception in 1983 to till date, UCB has delivered optimum customer retention performance, which is exemplary in the market. It's of no surprise that, there are more than 300 customers who route their businesses with UCB due to financial solutions and service oriented comfort. Notably, several customers route exports amounting to over USD 350 million per annum through UCB PLC.





Trade Finance Automation

We understand the complexities of international trade in RMG sector. Our dedicated RMG & trade finance team offers expertise in handling import and export transactions, ensuring smooth garment export processes for RMG businesses. UCB offers a state-of-the-art Core Banking System that keeps the customers informed as they enjoy instant email and SMS notifications for key transactions, including Letter of Credit activity, proceed realization, disbursements and adjustments of loan. UCB PLC safeguards seamless trade business by ensuring uninterrupted financial support to keep the economy running.

Digital Transformation

UCB PLC is at the forefront of digital banking, offering online platforms and mobile applications that streamline financial transactions for RMG businesses. UCB offers a comprehensive suite of services to its RMG customers from a single point of contact. This includes support for worker wages through Mobile Financial Services (MFS)/Upay and salary management for staff and executives via accounts and ATMs. Additionally, our Corporate Internet Banking solution, U-net Enterprise, empowers the customers to conveniently monitor account activities.

Sustainable Finance

We actively promote sustainable practices by offering financing solutions that encourage eco-friendly production processes and adherence to labour standards. Additionally, we provide exclusive support to RMG customers by arranging various refinancing schemes such as OBU Finance, ECA Finance and Bangladesh Bank Refinances such as- the Green Transformation Fund (GTF), Long-Term Financing Facility (LTFF), Japan International Cooperation Agency (JICA), and the Support to Sustainable and Renewable Energy (SREUP) project. Generally, the refinancing cost is one third of the regular borrowing cost that ensures more profitability for the customers.

Looking Ahead

UCB remains committed to playing a pivotal role in the continued success of Bangladesh's RMG sector. We will focus on:

- Innovation: Continuously developing new and innovative financial products and services that cater to the evolving needs of the RMG industry.
- Financial Inclusion: Expanding our reach to provide financial services to a wider range of RMG businesses, including smaller players.
- Sustainability: Encouraging and supporting sustainable practices within the RMG sector for a greener and more ethical global garment industry.

Conclusion

Our unwavering commitment and tailored financial services have significantly contributed to the unprecedented growth and sustainability of Bangladesh's RMG sector. As we look to the future, UCB remains committed to driving progress and prosperity in the RMG sector, ensuring it continues to thrive as a pillar of Bangladesh's economy.

Corporate Banking Division

The Corporate Banking Division of United Commercial Bank PLC (UCB) offers a comprehensive suite of financial solutions tailored to meet the evolving needs of business clients—from small and medium-sized enterprises (SMEs) to large corporations. In 2024, the division delivered exceptional performance, marked by strong growth in key areas such as loan and deposit portfolios, trade finance activities, new client acquisitions, and proactive de-risking strategies.

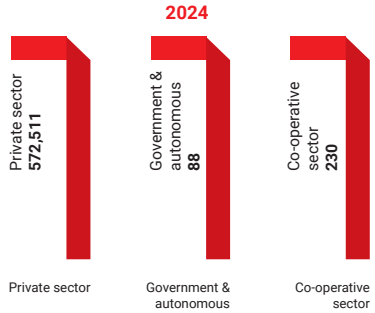
Despite operating in a challenging macroeconomic landscape—characterized by elevated interest rates, inflationary pressures, and currency volatility—our team demonstrated remarkable resilience and an unwavering commitment to client service excellence. These efforts resulted in the division surpassing its previous benchmarks and setting new performance records.

As UCB continues to attract high-value corporate clients, secure landmark deals, enhance transaction banking offerings, and expand commercial banking operations, we are steadily reinforcing our position as a leading player in Bangladesh's corporate banking sector.

Sector-wise Loans & Advances

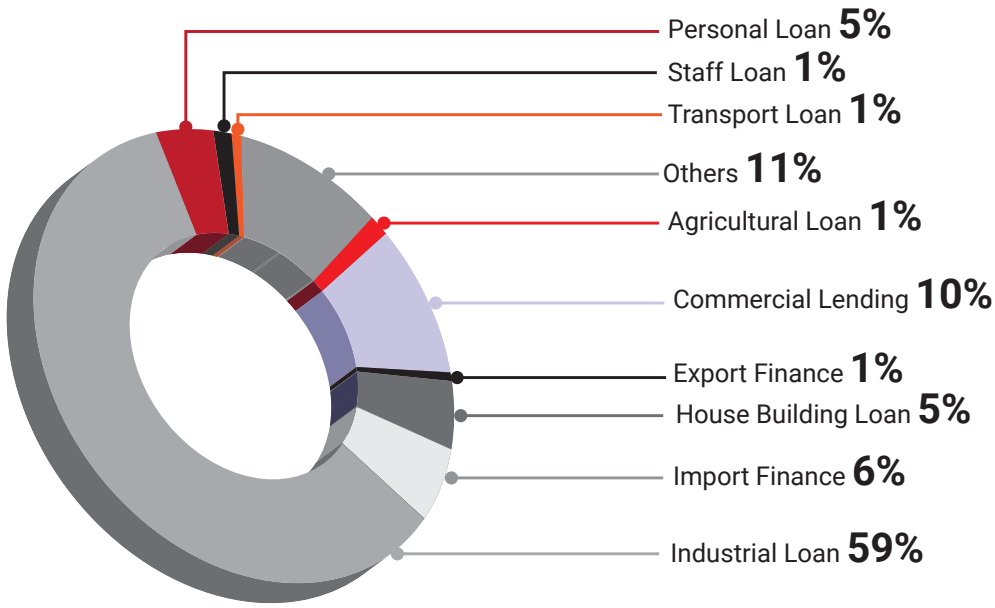
In FY 2024, United Commercial Bank PLC continued its strategic focus on supporting the private sector, which remained the dominant recipient of our loan portfolio. The sector-wise distribution of loans and advances reflects our commitment to fueling business growth and contributing to national economic development.

Sector-wise Loans & Advances
(Figures BDT in million)

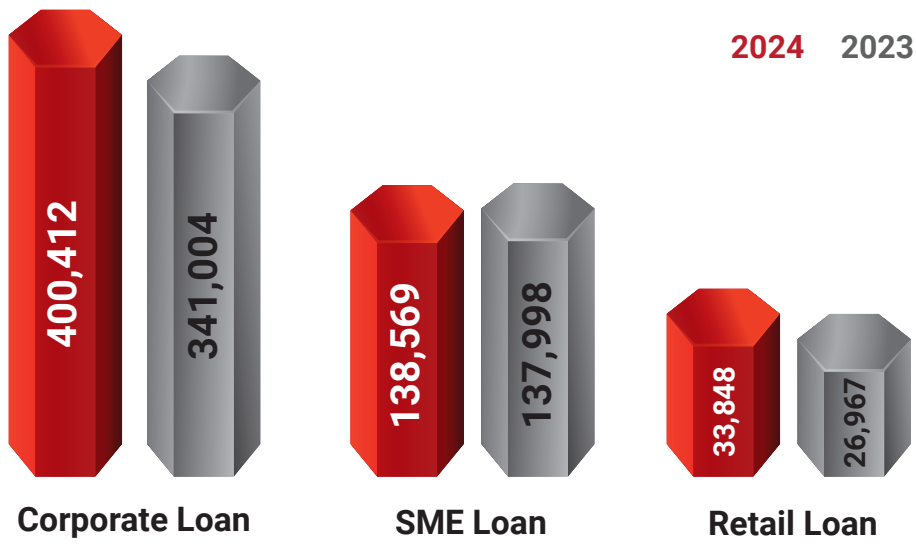


This distribution highlights UCB's prudent credit allocation strategy, focused primarily on the productive private sector while maintaining selective exposure to public and cooperative sectors.

SIGNIFICANT CONCENTRATION ON LOANS & ADVANCES:



BUSINESS SEGMENT-WISE LOANS & ADVANCES
BDT IN MILLION



SME & Agri Banking Division

Empowering Small and Medium Enterprises (SMEs)

At United Commercial Bank PLC (UCB), we continue to prioritize Small and Medium Enterprises (SMEs) as a cornerstone of our economic development strategy. Recognized as the backbone of Bangladesh's economy, SMEs play a critical role in driving innovation, employment generation, and sustainable growth.

In 2024, UCB reaffirmed its leadership in SME banking by delivering comprehensive financial solutions tailored to the unique needs of this vital sector. Our strategically designed product offerings—including flexible loan structures, expedited credit processing, and specialized advisory services—have supported thousands of SME clients in strengthening their operational capacity and scaling their businesses.

Acknowledging the dynamic needs of modern enterprises, UCB has further advanced its digital capabilities to enhance accessibility and efficiency for SME customers. Through our user-friendly digital platforms, clients can now conduct seamless transactions, monitor their financial activities in real time, and access essential banking tools—enabling them to concentrate on growth and value creation.

Our commitment to SMEs goes beyond financial services. It reflects UCB's broader mission to foster inclusive and equitable economic development across Bangladesh. By championing entrepreneurship and supporting small business resilience, we continue to contribute meaningfully to national progress and prosperity.

Key Performance



2nd position
Industry Market share
Among all private banks (excluding Islami Banks) in terms of SME outstanding



3.75% growth
Deposit Customers
SME Deposit Customers in 2024: 1,21,602
SME Deposit Customers in 2023: 1,17,202



-0.8% growth
Loan Customers
SME Loan Customers in 2024: 18,204
SME Loan Customers in 2023: 18,344



Tk. 210 cr
Agri Loan Disbursement
Disbursed a total Tk. 210 cr against a target of Tk. 1,284 cr in FY 2024-25, i.e., 16.35% achieved



Tk. 267.38 cr
Refinance Received
Tk. 267.38 cr received in Y-2024 as Refinance from Bangladesh Bank under various SME & Agri refinance Schemes



Tk. 644.24 cr
WE Loan Outstanding
Direct lending to Women Entrepreneur increased by 40.36% in comparison to previous year. Number of total Women Entrepreneur loan customers at present is nos. 780



-6% growth
Unsecured Loan (USIL)
Total of Tk. 233.47 cr has been disbursed during the year of 2024 to 419 no. of customers



70%
Credit Rating
Successfully completed 70% Credit rating for SME eligible customers

SOURCE: **INTERNAL MIS**

PROBABLE CHALLENGES AHEAD

SOCIAL, POLITICAL & TECHNOLOGICAL ASPECTS

- Pre election year and interim governance -structure.
- Unstable Law and order.
- Lack of public trust in the banking sector due to the continuous deterioration of the health of this sector and some irregularities over the years.
- Coping with the new technological adoption.

ECONOMIC ASPECTS

- Lowest ADP Implementation 17.97% (H1FY 24-25), which is the lowest in over a decade.
- Private Credit growth lowest in the history 7.66% against BB target 9.80% (2024)
- Contractionary Monetary Policy.
- Fiscal Policy of GOB (i.e: Proposed Tax/VAT hike).
- Inflation as of December 2024 is 10.89% (Source BB).
- 2024-25 World bank revised prediction growth of Country economy is 4.10% (against initial prediction of 5.70%).

OUR STRATEGY

Business Strategy

Journey towards self-funded SME Banking
Existing portfolio expansion
Geographical expansion
Risk diversification

Internal Capacity Building

Provide training on SME Credit Assessment and relationship management
Encouraging SME specific National & International certification
Upgrade efficiency in client servicing and loan processing
Create awareness and training program

Focus Areas:

Journey towards self-funded SME Banking
New to bank Customers
Non funded business
Refinance

Process Enhancement & Streamlining

Three-way coordination aiming for faster loan disbursement by coordinating among customer, branch, and HO Divisions.

Accelerate Digital Transformation

AI driven chatbot for SME financing
Use AI-power tools for early warning signals to reduce NPL's
Digital Credit Scoring
End to end digital onboarding
Paperless banking

Promote Sustainable and Inclusive Growth

Green Financing
Small agro entrepreneurs
Women and rural entrepreneurs
Capacity Building

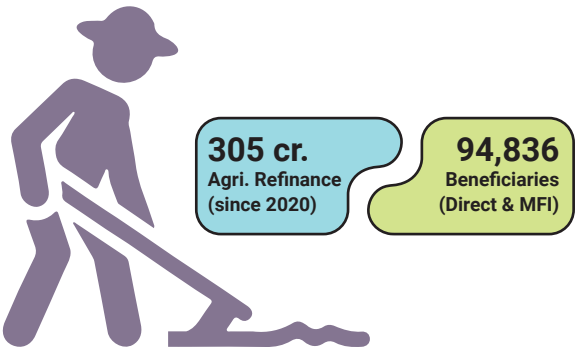
Regional Footprint

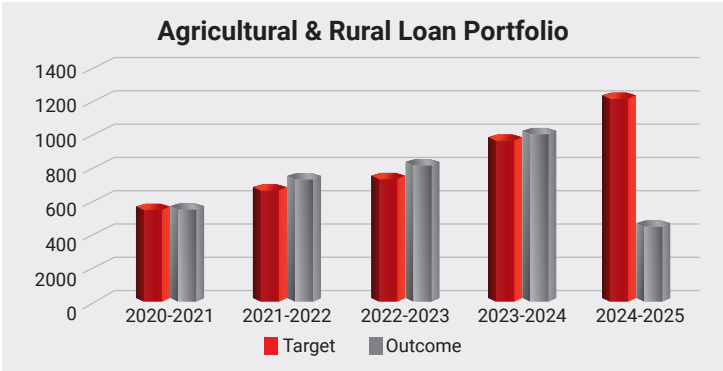


Agri Credit

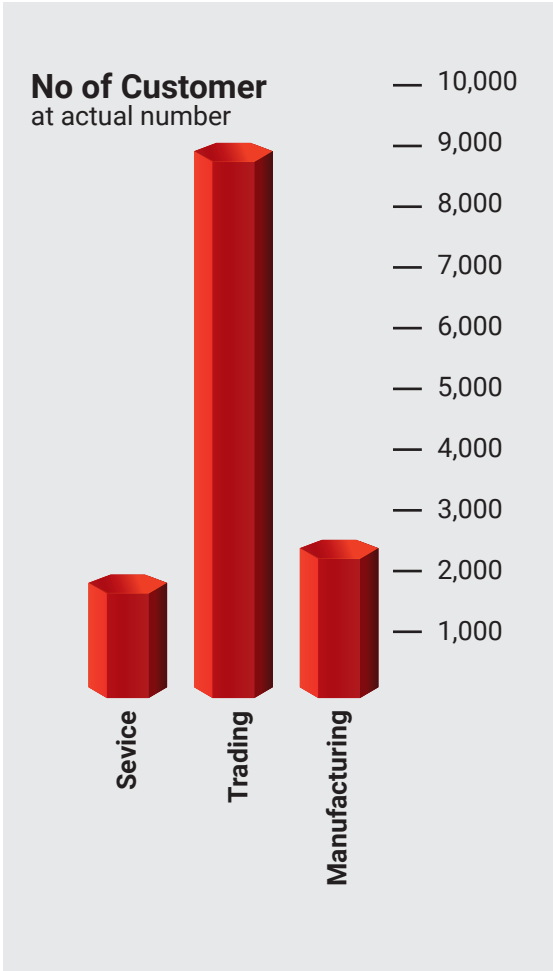
(Taka in Crore)

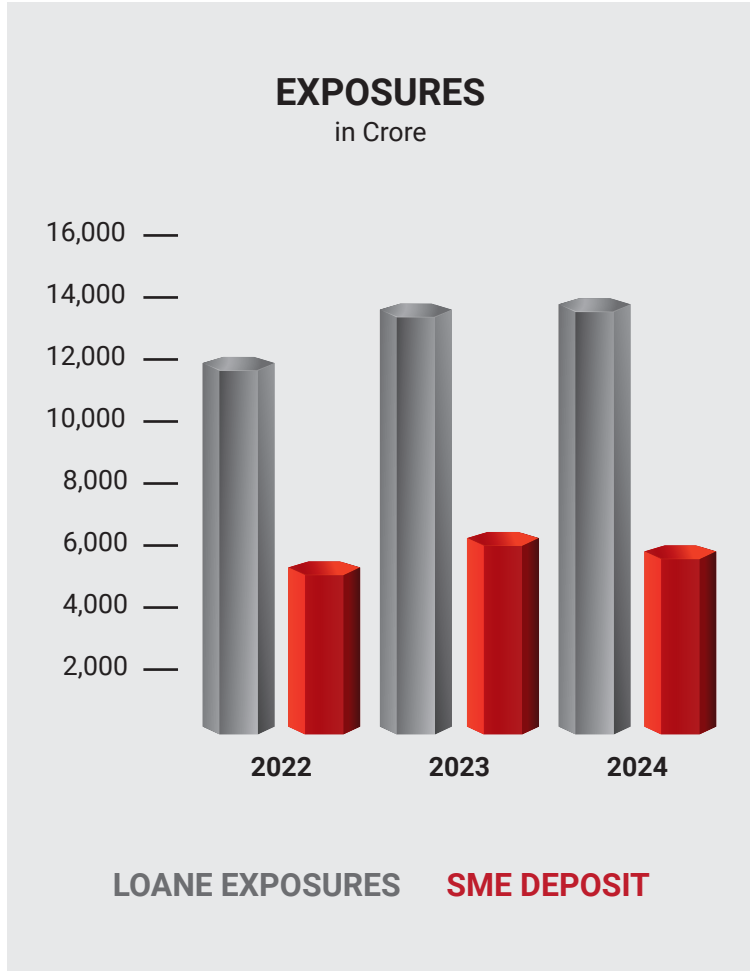
Agricultural & Rural Loan Disbursement activities (FY)	Target	Disburse	Total Achievement %
2021-2022	702	780	111%
2022-2023	776	860	111%
2023-2024	1,019	1064	104%
2024-2025	1,284	538.87	42%






কৃষির সমৃদ্ধিতে ইউসিবি
অ্যাগ্রো সিএসআর প্রকল্প ২০২৩-২৪
৬৪ জেলায় চলমান কার্যক্রমের চিত্র
৩০০০ কৃষি উদ্যোক্তাকে
৬০ টন জৈব সার,
২৫ টন ১৬০ কেজি উন্নত বীজ
৪৫০০ বিভিন্ন ধরনের আধুনিক
কৃষিযন্ত্রপাতি বিতরণ
৪২ জেলা
৫০ উপজেলা
৩০০০ জন
৪২ জেলা ৫০ উপজেলা
৯০টি চিকিৎসা ক্যাম্প ২২৩৪৪টি টিকা
৪৬ জেলা
৩৫৭ উপজেলা
১০২৪৭ জন
৫৫ হাজার বৃক্ষ ৬৫০টি প্রতিষ্ঠান
১৬০০ বসতবাটি ৪০ কিমি সড়ক-বাঁধ
৩০০০ কৃষককে অগ্রিম
আবহাওয়া-বার্তা সেবা প্রদান
যৌথ গবেষণা প্রকল্পসমূহ


No of Customer
at actual number
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
Sevice
Trading
Manufacturing


EXPOSURES
in Crore
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
2022
2023
2024
LOANE EXPOSURES
SME DEPOSIT

WHERE WE ARE NOW: UCB PERSPECTIVE

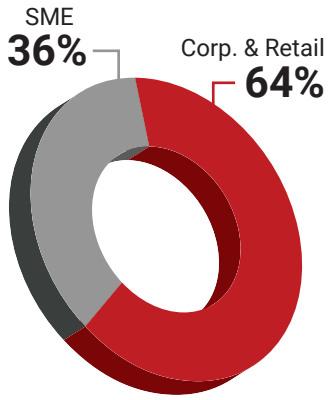
Figure in Crore (Tk.)

Particulars	UCB	SME	% of total
Loan	57,283	13,856	24%
Deposit	55,422	6,005	11%
Export	40,605	1,332	3%
Import	40,868	2,799	7%

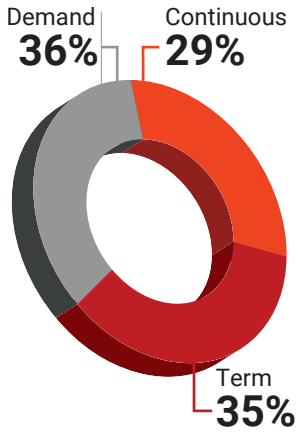
Particulars	UCB	SME	% of total
Loan Customers	53,248	19,392	36%
Deposit Customers	1,791,463	125,938	7%

(Data as on 31 December, 2024)

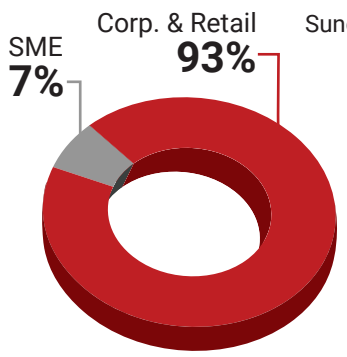
Loan Customers



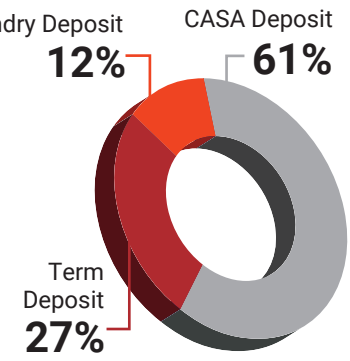
SME Loan Type



Deposit Customers



SME Deposit Type



Action plan for the year 2025:

Collaboration

- Micro-Irrigation Projects
- Boost up Contract Farming through large conglomerate

Meeting & Conference

- Meeting with Upazila Agriculture Officer (UAO)
- Continuation of Agri CSR Program (Voroshar Notun Janala)

Agri program

- Strongly participated in Agri
- Programs & project of BB
- Open Credit Disbursement

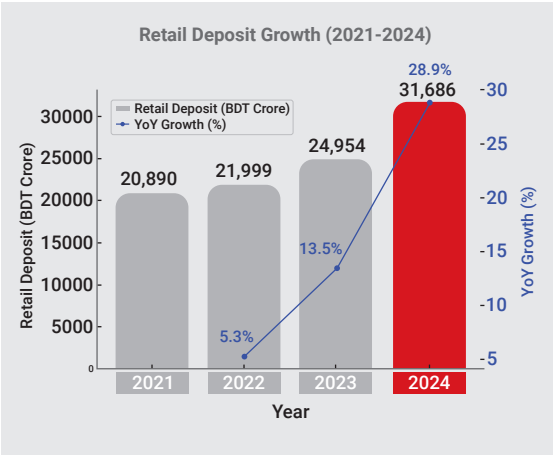
Cluster & Network

- Cluster Financing to increase own Network
- Utilize Uposhakha & Agent Banking Network

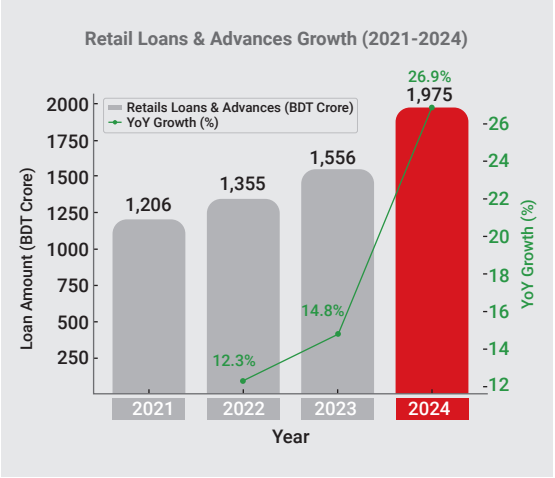
Retail Banking Division

The retail banking sector has shown impressive growth in 2024, with an overall positive trend in both deposits and loan portfolios, reflecting a healthy financial environment. This year, there has been a notable increase in key areas such as total deposits, home loans, and credit card portfolios, indicating a strong market performance and increasing customer confidence. Furthermore, the deployment of POS terminals and the expansion of debit and credit card portfolios have enhanced the sector's reach.

Total Deposits grew to 31,686 Crore, marking a 27% YoY growth and a 4-year CAGR of 11%.



Retail Loans reached 1,975 Crore without staff loan, where Home Loan contributing 47% of the portfolio.



Digital banking services, including POS transactions and card issuances, saw robust growth, reflecting the bank's commitment to innovation and customer convenience.

Key Performance Highlights

1. Deposits

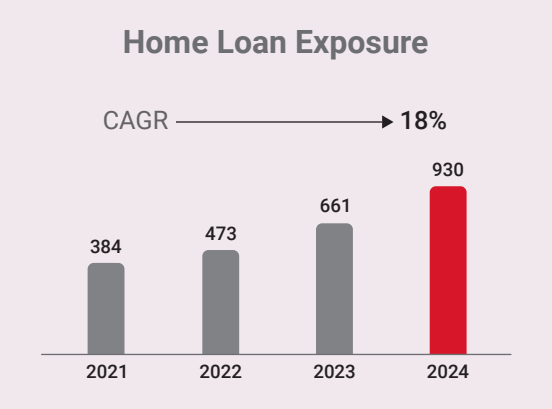
Total Deposits: 31,686 Crore (27% YoY growth).

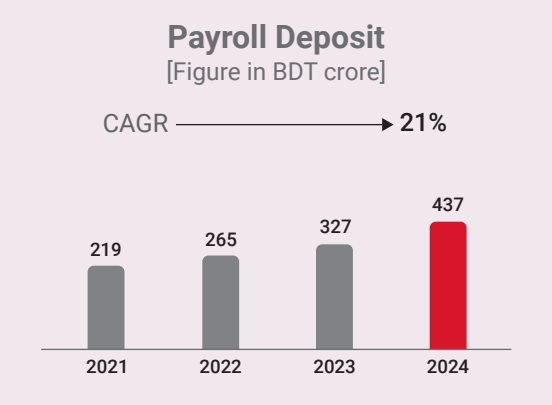
CEP Deposits: ₹437 Crore (34% YoY growth), driven by targeted customer acquisition.

2. Loans

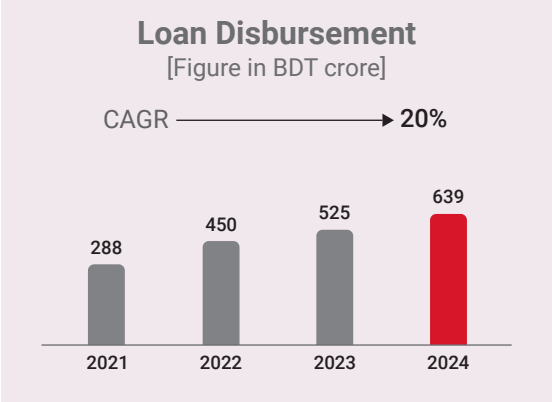
Retail Loans: 1,975 Crore (13% YoY growth).

Home Loans: 930 Crore (41% YoY growth), now representing 47% of the retail loan portfolio.



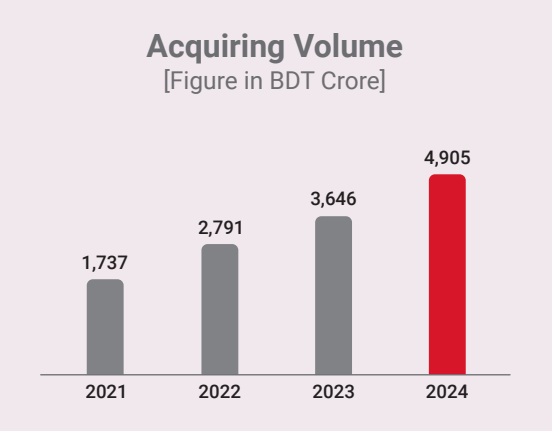


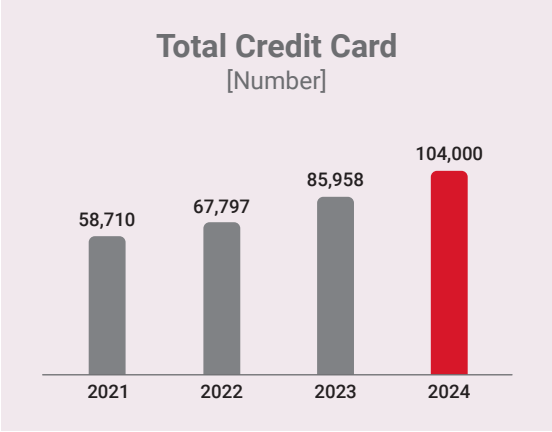
Loan Disbursements: BDT 639 Crore (22% YoY growth), with Home Loans accounting for 63% of disbursements.



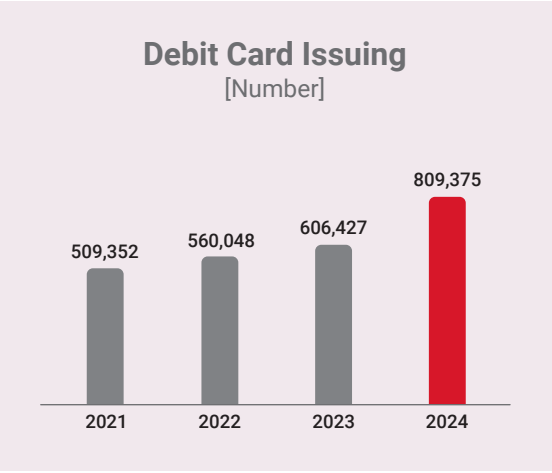
3. Digital Banking

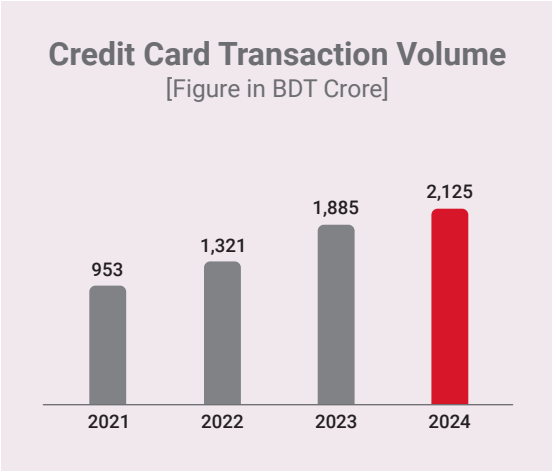
POS Transactions: 4,905 Crore (35% YoY growth).



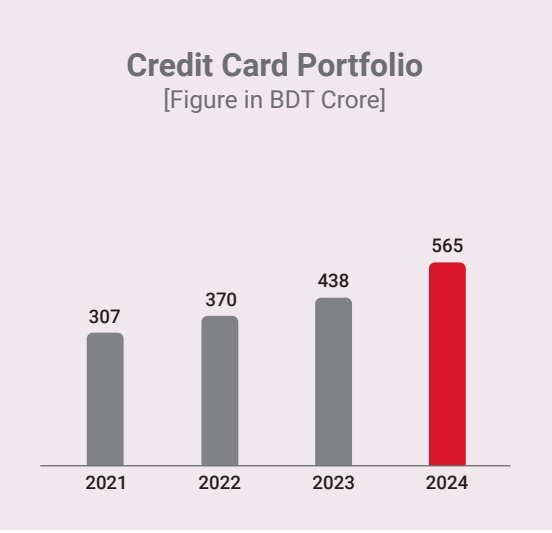


Debit Cards Issued: 809,375 (33% YoY growth).





Credit Cards Issued: 104,000 (21% YoY growth), with transaction volumes of BDT 2,125 Crore (13% YoY growth).



Major Alliance in 2024:

1. Transcom Electronics
2. Gadget & Gear
3. Haier Bangladesh
4. Excel Telecom
5. Rangs E-Mart
6. Ibn Sina Trust
7. Popular Diagnostics
8. AMZ Hospital
9. Universal Medical College & Hospital
10. Anowar Khan Modern Hospital & College
11. Ramada by Wyndham
12. Multiband Workshop

Key Achievements in 2024:

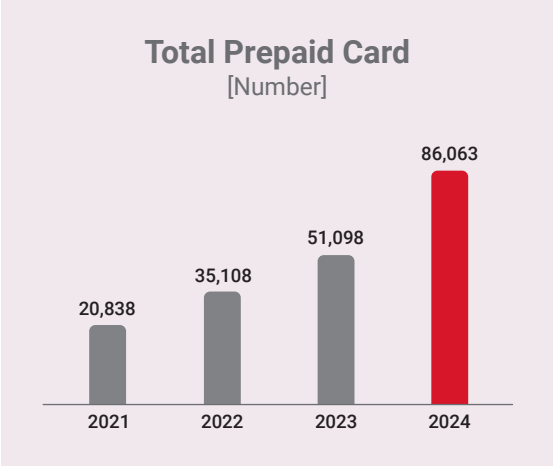
1. Launched Mastercard World Credit first time in UCB
2. Launched Mastercard Prepaid Card in UCB for the first time

3. Launched Bangladesh Air Force Co-Brand Debit Card for Air Force Officials as CEP Customer
4. Launched Takapay Debit Card – Country's first ever local Scheme Card
5. Launched BUET Club Co-Brand Credit Card for BUET Graduates Club Members
6. Launched Co-Branded Prepaid Card for Khamari through 3rd Party Agent called iFarmer
7. Visa Excellence Award in 2024:
   a. Excellence in Contactless Payments (Acquirer)
   b. Excellence in Consumer Cards- Prepaid
   c. Excellence in Commercial Cards- Credit
8. Mastercard Excellence Award in 2024:
   a. Excellence in Mastercard Contactless (Acquiring)
   b. Excellence in Mastercard Credit Business (International)
   c. Excellence in Mastercard POS Acquiring Business

Way forward in 2025:

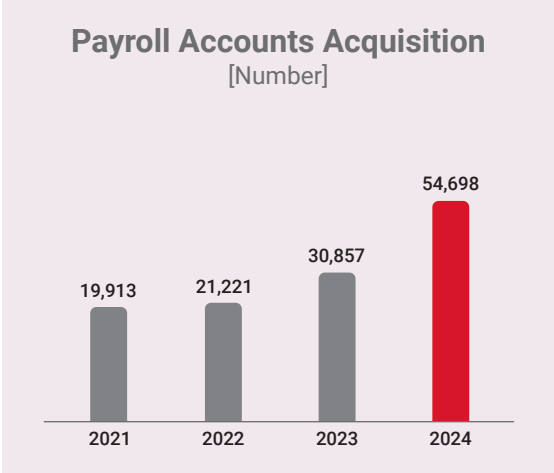
1. Visa Incentive Deal with UCB for next 5 years
2. MasterCard Deal Arrangement for upay Co-Branded Prepaid Card with upay
3. Launch Co-Branded Credit Card with Air Force Officials
4. Launch Co-Branded Credit Card in Grocery Segment - Visa/Mastercard
5. Launch Co-Branded Credit Card in Travel Segment - Visa/Mastercard
6. Launch Co0Brand Prepaid Card in Health Sector (Local + International) – Visa/Mastercard
7. Launch Fuel Card (Credit/Prepaid) – Visa/Mastercard
8. Single Limit/Global Limit Implementation for Credit Card

Prepaid/Payroll Cards: 86,063 (68% YoY growth).



4. Customer Acquisition

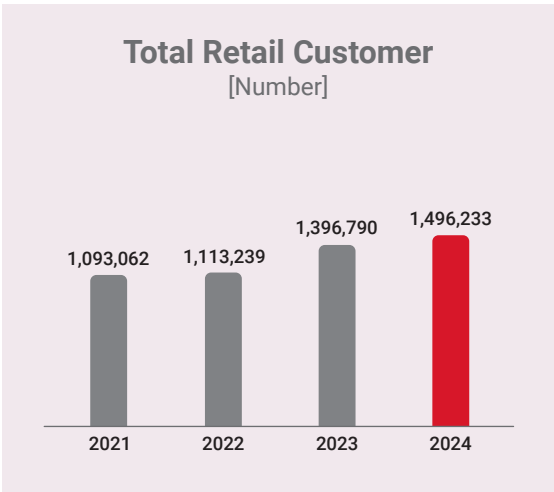
Payroll Account Acquisition: 54,698 (77% YoY growth)



Top Company On-boarded Retail Payroll Account in 2024:

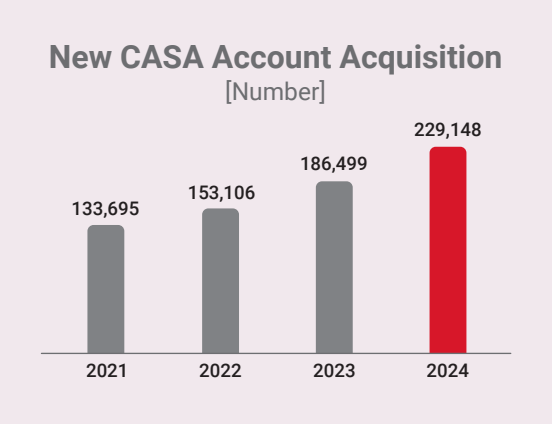
1. Bangladesh Air Force
2. Titas Gas Transmission and Distribution PLC
3. Paramount Group
4. Green University
5. PHP Group
6. Universal Denim Ltd.
7. Thermax Group
8. East West Industrial Park

Retail Customers: 1,496,233 (25% YoY growth).



New CASA Account Acquisition: 229,148 (22% YoY growth).

The bank added 229,148 New CASA Accounts in 2024, reflecting a 22% YoY growth. The focus on Imperial Banking also yielded positive results, with the portfolio growing to BDT 3,170 Crore.

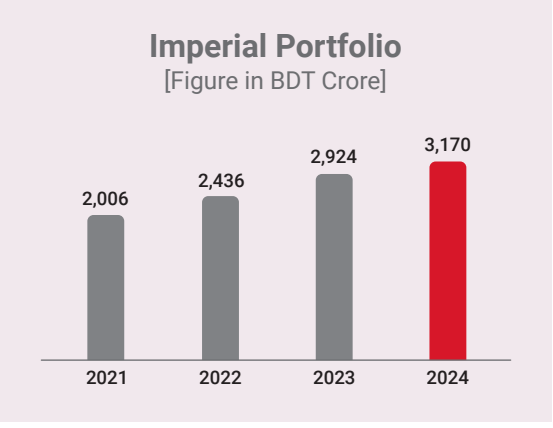


5. Imperial Banking

Imperial Customers: 5,671 (15% YoY growth).



Imperial Portfolio: 3,170 Crore (20% YoY growth)



Retail launching deposit product aligning with the spirit of 03 zeros

This year has been a significant milestone in United Commercial Bank PLC's journey towards creating not only a sustainable and profitable business but also one that contributes to the greater good of society. We have remained committed to our mission of serving our customers with integrity and innovation, while also advancing our role as a responsible corporate citizen.

Retail launching deposit product aligning with the spirit of 03 zeros

This year has been a significant milestone in United Commercial Bank PLC's journey towards creating not only a sustainable and profitable business but also one that contributes to the greater good of society. We have remained committed to our mission of serving our customers with integrity and innovation, while also advancing our role as a responsible corporate citizen.

As we align our efforts with the guiding principles of **Dr. Muhammad Yunus' Three Zeros Theory,** our focus has been on eliminating poverty, reducing unemployment, and achieving zero net carbon emissions. With this in mind, we have reimagined our approach to banking by launching and refining products that not only meet the financial needs of our customers but also contribute positively to their communities and the environment.

The highlights of this year include the relaunch of three key products aligned with these principles, as well as steps we are taking toward building a more inclusive and eco-conscious future.

Here's a breakdown of how each product could relate to the three zeros:

1. Zero Unemployment – Retail UCB Swadhin Account

- **Purpose:** This product is designed to support self-sustainability. Freelancer professionals who are the exporters of software, data entry/processing and other ICT related services may open and maintain this account.



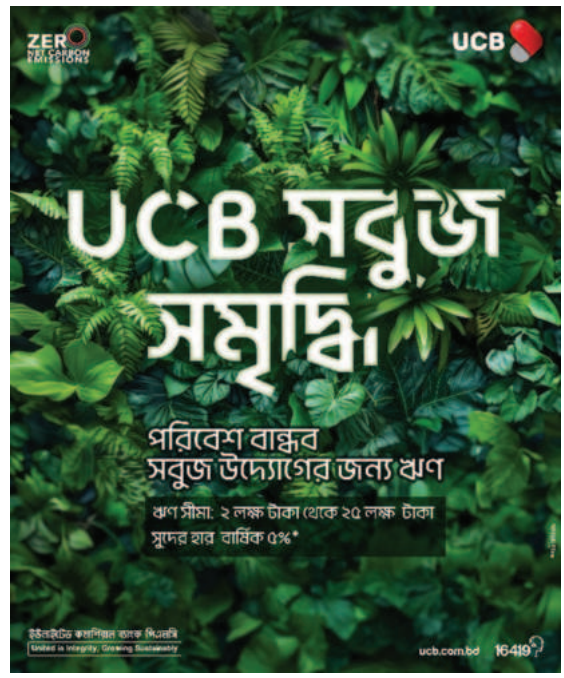
2. Zero Poverty – Retail Shomota Account

Purpose: To facilitate significantly the unbanked population of the country.



3. Zero Net Carbon Emission – Sabuj Shanchay Account

Purpose: In line with environmental sustainability, this account promotes paperless banking through end to end self on-boarding system for customers to contribute to eco-friendly initiatives.



These relaunches will bring meaningful change, not just for customers, but also for communities and the environment.

Challenges Faced in 2023-24

1. **Macroeconomic Headwinds**
   - o Dollar shortage & depreciating BDT
   - o High inflation reducing disposable income
   - o Low remittance growth impacting deposits
2. **Sector-Specific Struggles**
   - o Liquidity crisis ------ Eroded customer confidence
   - o Rising NPLs (Industry avg: 8-10%)
   - o Costly tech upgrades vs. fintech agility
3. **Competitive Disruption**
   - o 15+ Digital Banks/fintech offering:
   - o Lower-cost services
   - o Frictionless on boarding

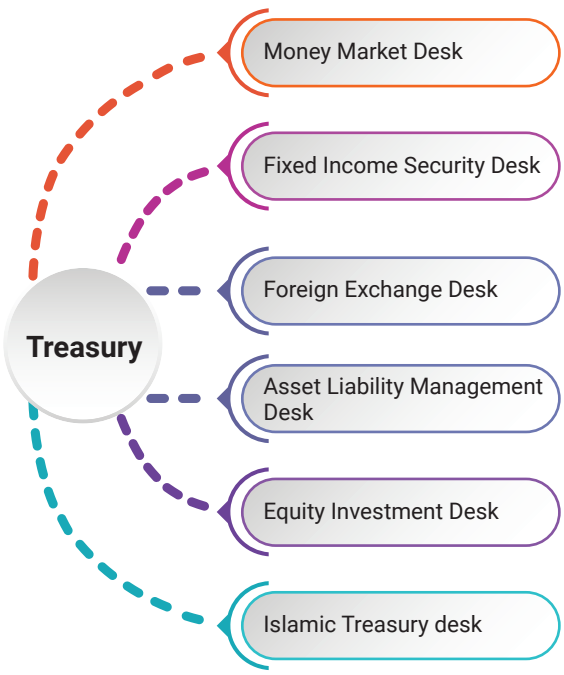
The retail banking sector has experienced significant growth in 2024, with a strong performance across deposits, loans, and card products. The impressive expansion in digital channels, such as POS terminal deployments and prepaid card usage, reflects the sector's adaptation to modern banking trends. These positive developments are indicative of a growing and resilient retail banking market, positioning the bank for further success in the years ahead.

TREASURY DIVISION

Treasury division plays a crucial role in managing various aspects of the bank's assets and liabilities, liquidity, and risk. Major function of treasury includes fund management, statutory requirement, investment, trading of Foreign Exchange & Money Market Instruments, Asset Liability Management and Risk Management. UCB PLC has well trained and energetic and dedicated treasury team capable of providing all kind of treasury solutions within its capacity.

Major Functions of Treasury Division:

- Liquidity Management
- Management of Statutory Requirements
- Investments
- Trading of Foreign Exchange & Money Market Instruments
- Asset Liability Management
- Market Risk Management



Money Market Desk

Money market dealers arrange short and medium term funds at most economical terms which are required by the bank aside from customer deposit mobilization efforts. Money market desk ensures that the bank remains sufficiently liquid, meeting all its financial commitments and obligations to its customers besides meeting the SLR & CRR requirement at minimum risk and cost to the bank. In stress liquidity condition the desk always manages sufficient fund to provide business needs. On the other hand, while bank has surplus funds, money desk invests the fund to get optimum return through utilising money market instruments.

Main products of the money market desk are:

- √ Call Money
- √ Notice Money
- √ Term Money
- √ SWAP
- √ REPO
- √ Reverse REPO etc.

Fixed Income Security Desk

The Fixed Income Securities Desk is responsible for buying and selling government securities in both the primary and secondary markets. Its core duty includes participating in primary auctions of Government Treasury Bills and Treasury Bonds, thereby supporting the government's budgetary financing needs and strengthening market-making capabilities. The desk also plays a key role in enhancing liquidity and market depth by facilitating price discovery and turnover. Additionally, it promotes the voluntary holding of government securities among a broad base of investors.

The main services of this desk are:

- Participation in the primary auction of Government Securities for the bank and on behalf of customers
- Secondary Trading of Government Securities (Treasury Bills, Treasury Bonds) for the bank, corporate and individual customers.

Under Cliental Service Window, UCBPLC facilitate the Customer needs of investment in Government securities through its well trained and market driven personnel.

Foreign Exchange Desk

The UCB Forex Desk is a leading market maker in the interbank market, actively dealing in spot, swap, and forward transactions. We maintain strong foreign currency inflows through our export clients, non-resident remittances, and remittances or export proceeds from both local and multinational corporations. Equipped with the capability to efficiently price major global currencies in both spot and forward markets, our Treasury is connected to the international financial landscape via online dealing platforms of various global banks, enabling us to offer highly competitive rates.

Main activities of Foreign Exchange Trading desk are as follows:

- Spot Foreign Exchange
- Forward Foreign Exchange
- FX proprietary Trading
- Corporate sales
- Competitive Exchange Rates for Foreign Trade stakeholders etc.

Asset Liability Management Desk

The Asset-Liability Management (ALM) Desk of the Bank plays a critical role in maintaining financial stability by analysing a wide range of local and international market data. This analysis supports effective decision-making in managing the Bank's balance sheet, ensuring optimal alignment between assets and liabilities in terms of volume, maturity, and interest rate sensitivity.

In addition to ongoing monitoring and analysis, UCB ALM Desk provides essential support to the Asset-Liability Management Committee (ALCO) by preparing comprehensive ALCO papers as per Bangladesh Bank guidelines. These documents include International Economic Updates, local macroeconomic updates, Market Liquidity Forecasts, regulatory developments, interest rate outlooks, in-depth analysis of the Bank's internal financial data, and strategies for managing the bank's liquidity position. The insights generated help forecast asset and liability growth trends, assess liquidity positions, and identify potential maturity mismatches. This proactive approach enables the Bank to manage risk effectively while supporting sustainable growth and profitability.

Main activities of Asset Liability Management Desk:

- Determining price of asset & liability products of the Bank,
- Managing core risks including liquidity risk, and market risks i.e., interest rate risk, exchange risk, equity price risk etc.
- ALM desk actively monitors various regulatory limits and health ratios, i.e.; LCR, NSFR, MCO, ADR, Wholesale borrowing limit, Commitment limit etc.

Equity Investment Desk

The Investment Desk of UCB Treasury is responsible for managing the bank's portfolio of equity investments, capital market instruments, and debt securities. This desk actively monitors and invests in listed equities, mutual funds, corporate bonds, and other approved capital market instruments, ensuring compliance with regulatory guidelines and the bank's investment policy. It also conducts market analysis to identify opportunities for portfolio diversification and return optimization while managing associated risks.

Investment decisions are guided and overseen by the Investment Committee chaired by the Chief Risk Officer (CRO) of UCB, ensuring that all investment activities are aligned with the bank's risk appetite and strategic objectives. The committee provides governance, reviews investment proposals, and ensures robust risk assessment before any significant exposure is undertaken.

Islamic Treasury desk

The Islamic Treasury Desk operates in compliance with Shariah principles, managing liquidity UCB Taqwa Islamic banking and investment activities through Islamic financial instruments. It facilitates the placement and mobilization of funds using instruments such as Islamic bonds (Sukuk), Mudarabah etc. The desk also ensures efficient liquidity management for Islamic banking operations while avoiding interest-based transactions, aligning all activities with the guidance of the bank's Shariah Supervisory Board.

Main activities of Islamic Treasury desk

- Maintaining Statutory requirements by the regulator
- Investments in shariah compliant instruments like government sukuk and corporate sukuk
- Liquidity management through Islamic Banks Liquidity Facility (IBLF) and the Mudarabah Liquidity Support (MLS)
- Keeping Taqwa funds separate from conventional banking

Recap of Bangladesh Economy 2024

In 2024, Bangladesh's economy showed a mixed performance, with signs of recovery but also facing significant challenges. GDP growth was estimated at 5.82% in FY23-24, and while this was a slight increase from the previous fiscal year, it was below the average growth rate of 6.60% in the decade before the COVID-19 pandemic. Inflation, however, remained a concern, accelerating from 9.70% in FY2024 to 10.20% in FY2025, and the current account deficit is expected to shrink.

Key points of Bangladesh's economy in 2024

- **GDP Growth:**

  Provisional estimates from the Bangladesh Bureau of Statistics (BBS) show a GDP growth rate of 5.82% in FY 2023-24, according to the Ministry of Finance. This was a slight increase from the 5.78% final estimate of FY 2022-23.

- **Inflation**

  While some efforts were made to curb inflation, it remained a significant challenge, with year-on-year monthly headline inflation exceeding 9.0% in the first 7 months of FY2024. The Asian Development Bank projects a moderate increase to 10.2% in FY2025.

- **Sectoral Growth**

  The agriculture sector saw a slight decline in growth, from 3.37% in FY2022-23 to 3.21% in FY2023-24. The industry sector experienced a decrease in growth, from 8.37% to 6.66% during the same period.

- **Balance of Payments**

  The current account deficit is expected to shrink from 1.40% of GDP in FY2024 to 0.9% of GDP in FY2025, as the trade deficit narrows and remittance inflows increase.

- **Challenges**

  The economy faces several challenges, including rising inflation, a shortfall in revenue collection, slow public spending, diminished job opportunities, and a sluggish investment climate.

- **Opportunities**

  Despite these challenges, Bangladesh has significant opportunities in sectors like leather, footwear, food processing, pharmaceuticals, and light engineering.

- **External Factors**

  Global tariff increases, changes in the US administration's tariffs, and the looming threat of losing preferential market access upon graduating from LDC status in 2026 are also impacting the economy.

Outlook 2025

As per ADB's projection, in 2025, Bangladesh's GDP growth is projected to be between 3.30% and 3.90%, with some forecasts suggesting a higher range of 4.90% or 6.50%. Inflation is anticipated to be elevated, potentially reaching 10.20%, before cooling down in subsequent years. While the economy is expected to face headwinds, including declining investment and political uncertainty, some forecasts predict a stronger recovery in 2026, with growth potentially rebounding.

Treasury Priorities in 2025

- Ensure prudent balance sheet management to support long-term, sustainable growth.
- Increase investments in government securities to benefit from higher returns with minimal risk.
- Enhance focus on secondary market trading of government securities to capture capital gains.
- Higher volume of FX trading driven by the growth in import, export, and remittance transactions.
- Identify new opportunities and deliver customized financial solutions through innovative and differentiated product offerings.
- Bringing in more efficiency in treasury activities by implementing a comprehensive Treasury Management System.
- Strengthen corporate sales efforts to boost income from foreign exchange and government securities transactions.
- Apply sound transfer pricing strategies to support sustainable deposit mobilization and balanced asset growth.

Treasury Operations

The Treasury Operations of United Commercial Bank PLC plays a critical role in ensuring the smooth settlement of Money Market (MM), Foreign Exchange (FX), Nostro Reconciliation and Govt. Securities transactions, while maintaining compliance with regulatory and risk management standards.

During the reporting year, the Treasury Operations of the Bank demonstrated robust operational performance and continued its focus on automation, compliance, and service excellence. On average, more than 3,500 transactions including RTGS transactions were processed daily, with daily interbank and cross border fund movements of LCY and FCY. The Treasury Ops. successfully managed settlement operations across Money Market (MM), Foreign Exchange (FX), Securities, EDF, and Nostro accounts, maintaining timely reconciliations and strict adherence to cut-off schedules.

The department played a pivotal role in ensuring regulatory compliance through the accurate and timely submission of CRR, SLR, FX Returns, Nostro Reconciliation, EDF, and other mandated reports to Bangladesh Bank. Notable progress was made in enhancing automation, including integration with Core Banking System (CBS), SWIFT, and the ongoing implementation of Straight-Through Processing (STP) to minimize manual intervention and operational risks.

In addition, the Treasury Operations ensured strict risk controls by maintaining the maker-checker system and defined escalation mechanisms for unmatched transactions or discrepancies. As part of its business continuity and resilience framework, the department-maintained redundancy in communication systems, secure data archiving, and role-based backups to ensure uninterrupted service. Training and performance monitoring were prioritized to improve service delivery and stakeholder satisfaction across the bank. Looking ahead, the Treasury Operations is focused on fully implementing STP and further automating reconciliation and reporting activities, thereby enhancing efficiency, transparency, and risk mitigation in line with industry best practices.

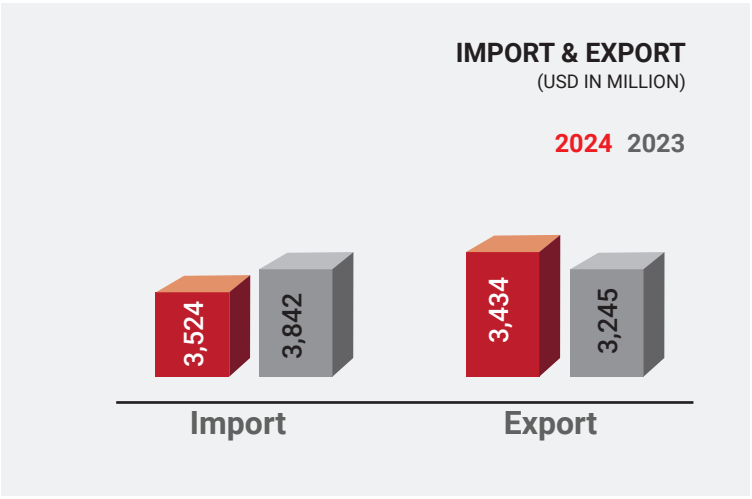
Financial Institution and Off-shore Banking Unit

International Trade

International trade stands as one of the most intricate and lucrative dimensions of banking operations, serving as a significant revenue driver for financial institutions. The advent of globalization has rendered this domain exceptionally dynamic, necessitating astute risk management and strategic adaptability. Amidst the evolving landscape of international commerce, the Bank has solidified its position as a premier provider of trade services among private commercial banks. With an expansive global footprint, the Bank seamlessly facilitates foreign exchange transactions, ensuring its clientele access to a comprehensive suite of international banking solutions.

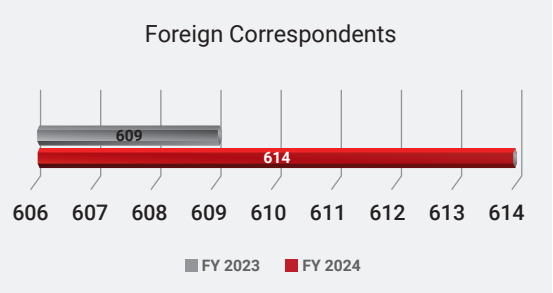
Foreign Trade

In the year 2024, the Bank's import business amounted to an impressive USD 3,524.48 million, reflecting a notable contraction of 8%. Conversely, the Bank's total export operations exhibited commendable resilience, achieving a substantial growth of 6%, culminating in an export volume of USD 3,433.77 million.



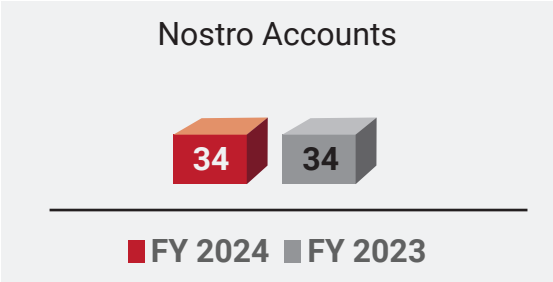
Foreign Correspondents

As of 2024, UCB's correspondent banking network (RMA) encompassed an extensive 614 affiliations across the globe. The Bank's unwavering commitment to financial integrity and excellence has earned it a sterling reputation, thereby securing credit facilities—both funded and non-funded—from esteemed global financial entities, including the Asian Development Bank, the International Finance Corporation (the private sector arm of the World Bank Group), and other preeminent international banking institutions.



Nostro Accounts

The Bank presently maintains 34 Nostro accounts, facilitating transactions in major global currencies, including the US Dollar (USD), Pound Sterling (GBP), Euro (EUR), Japanese Yen (JPY), Chinese Yuan (CNY), UAE Dirham (AED), Saudi Riyal (SAR), and designated Dollar accounts under the Asian Clearing Union framework.



Offshore Banking Unit (OBU)

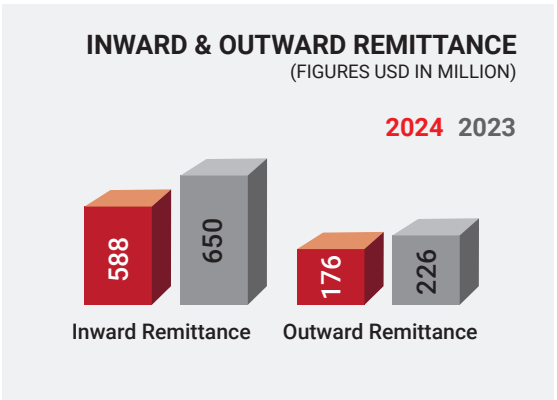
The Offshore Banking Unit (OBU) operates as a distinct business entity under the aegis of United Commercial Bank PLC, governed by the directives of Bangladesh Bank, including BRPD Circular No. 02 dated 25 February 2019, alongside subsequent regulatory guidelines. The Bank was granted authorization for offshore banking through Bangladesh Bank's official approval letter No. BRPD (P-3) 744 (117)/2010-2577, dated 9 June 2010. Operations commenced on 10 November 2010, with the Bank currently maintaining a dedicated offshore banking unit in Dhaka, functioning in strict adherence to regulatory mandates. The principal remit of this unit encompasses the provision of a comprehensive spectrum of commercial banking services in foreign currencies. Additionally, the financial statements of the Offshore Banking Unit are presented as a distinct entity within the Bank's financial disclosures.

Remittance

In Bangladesh, remittance is one of the most important economic variables in recent times as it impacts economic growth, helps balance of payments, increases foreign exchange reserves, enhances national savings, and increases the velocity of money. Remittance has contributed around 35% of export earnings for about two decades. Bangladesh continues to receive substantial inflows of remittance from its expatriate workers following the various measures

taken by the government and Bangladesh Bank and a significant depreciation of local currency against the USD in the recent years. As a result, the amount of inward remittances through banking channels is expected to increase more in the coming years. However, concerned stake holders and policy makers are taking necessary policy initiatives for collection of more remittances through formal channels as well as preventing the informal channels. Moreover, it is more significant than foreign aid and thus helps in lessening dependence on foreign aid remittance gets momentum in recent times in Bangladesh and is the second largest sector of foreign currency earnings after the garment sector.

Remittance affects almost all the macroeconomic indicators of a country positively. Country Remittance earnings stood at USD 23,912.22 million in FY24 with a significant growth of 10.65 percent compared to 2.75 percent during FY23. The ratios of remittances to nominal GDP, export earnings and import payments were 5.21 percent, 58.59 percent and 37.81 percent respectively in FY23.



Initiatives of UCB and Key Accomplishment in 2024

To increase the volume of remittance, UCB is continuously establishing new remittance tie up with global money transfer company in different corridors. Foreign Remittance Department (FI&OBU) of United Commercial Bank is working for our beloved NRBs (Non- Resident Bangladeshi) not only by disbursing remittance but also offering 'One Stop Banking Solution' by creating a favourable environment and opportunity for long-term financial contributions in the socio-economic progress of the nation. To facilitate the NRBs (Non- Resident Bangladeshi) a bunch of NRB products and services are designed to secure expatriate Bangladeshi(s) future saving(s) and investment(s) need for future.

Remittance services

1 UCB has dedicated remittance platform that integrated with its exchange companies' s remittance platform for real-time (24/7) disbursement of remittance

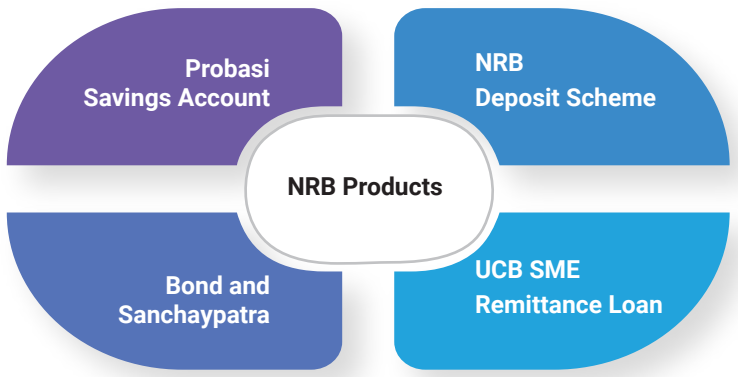
2 Enhance its network for disbursing remittance in remote area of Bangladesh through all of its agent banking outlets.

3 To reach the remittance services to remotest corner of our country, UCB has integrated with MFS wallet for real-time 24/7 remittance disbursement.

4 UCB Fintech has created separate pocket in it UPAY wallet for remittance to provide special facility like free for withdrawal remittance from any ATM/CRM of UCB, lowest service charges for cash withdrawal from Upay agent outlets for remittance.

5 Many branches have conducted remittance awareness program with both remitter and beneficiaries in different location and it is continuous program.

NRB products



Probasi Savings Account

- UCB has launched an Apps named Uclick for NRBs to open Probasi Savings account from abroad under e-KYC. Now any NRB can open account from anywhere in the world without any hassle. They can save money with their account by sending remittance from abroad. They also get internet banking facilities of this account and use it from anywhere.

NRB Deposit Scheme:

- UCB offers its different banking products including deposit schemes to NRB to save their hard-earned money for their future safety.

Bond and Sanchaypatra

- UCB promotes Wage Earner's Development Bond (WEDB), US Dollar Investment Bond, US Dollar Premium Bond and Sanchaypatra having a stable and lucrative income
- to NRBs. It also ensures government guarantees of secure and tax-free income for them.

UCB SME Remittance Loan

- To support the NRB family members by providing hassle-free loan to boost up SME sector and encourage remitter to send money through formal channel instead of informal channel.

5 years' data regarding Inward wage remittance

Figure in USD million

Year	UCB Remittance	Growth	FY	Country Remittance	
2024	431.25	-13.86%			
2023	501.01	7.5%	23-24	23,912.22	10.67%
2022	466.09	135%	22-23	21,610.73	2.75%
2021	198.66	-25%	21-22	21,031.68	-15%
2020	266.49	-24%	19-20	24,777.71	36%
2019	352.80	302%	18-19	18,205.01	11%

Remittance services

UCB has dedicated remittance platform that integrated with its exchange companies's remittance platform for realtime (24/7) disbursement of remittance

Enhance its network for disbursing remittance in remote area of Bangladesh through all of its agent banking outlets. Before selecting locations for opening any branch and outlet, UCB always consider the remittance concentrated area.

To reach the remittance services to remotest corner of our country, UCB has integrated with MFS wallet for real-time 24/7 remittance disbursement.

Lowest service charges for cash withdrawal from Upay agent outlets for remittance

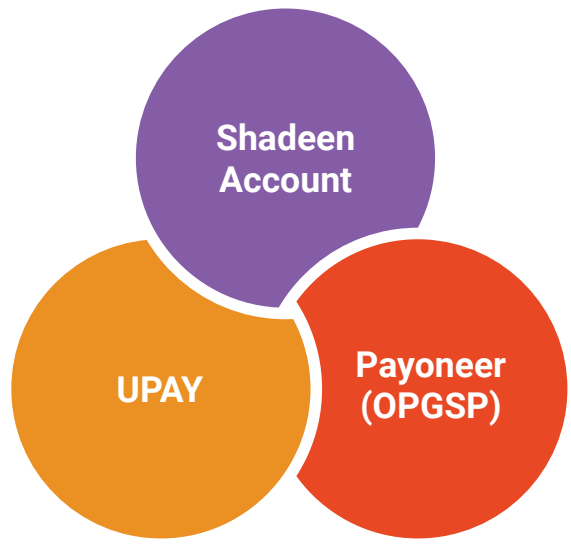
UCB Fintech has created separate pocket in it UPAY wallet for remittance to provide special facility like free for withdrawal remittance from any ATM/CRM of UCB

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Many branches have conducted remittance awareness program with both remitter and beneficiaries in different location and it is continuous program

Initiatives taken for addressing freelancer in 2024

Freelancing is one of the emerging sources of remittance in Bangladesh. UCB is concerned about it and focusing to launch different products to grab this remittance. In 2023, UCB has started to receive freelancer remittance from renowned global OPGSP (On Line Payment Gateway Service Provider) company named "Payoneer" who handle freelancer remittance for receiving and integrated with UCB fintech company (UPAY). With drastic promotional activities, we have received USD 6.25 million in year 2024 and it is increasing drastically. Now any freelancer can receive their earning through Payoneer to Upay wallet on real time in 24/7. UCB has also launched a special product for freelancer named "Shadeen Account".



Islamic Banking Division

UCB Taqwa Islamic Banking – Performance and Progress in 2024

As one of Bangladesh's premier first-generation private commercial banks since 1983, United Commercial Bank PLC (UCB) has maintained its legacy of innovation and customer-focused banking. In line with our commitment to financial inclusivity and ethical banking, UCB Taqwa, our dedicated Islamic Banking window, continues to expand its footprint and impact across the country.

Establishment and Strategic Growth

Formally launched in September 2020, UCB Taqwa was created in response to the growing demand for Shariah-compliant financial solutions. Starting with 10 Islamic Banking windows, the division now offers a full suite of Personal and Corporate Banking products. UCB Taqwa operates under the strict guidance of a Shariah Supervisory Committee, ensuring full compliance with Islamic financial principles.

Following the inauguration of our first dedicated Islamic Banking Branch in Gulshan (2021), UCB Taqwa received regulatory approval in 2024 from Bangladesh Bank to open 50 additional Islamic Banking windows, strengthening our nationwide service accessibility.

National Islamic Banking Landscape in 2024

Despite broader economic challenges in 2024, the Islamic banking industry in Bangladesh demonstrated notable growth:

- Total Deposits: BDT 4,397.58 billion (24.75% of total banking sector)
- Financing & Investment: BDT 4,793.10 billion (28.15% of sector total)
- Remittances Mobilized: BDT 319.14 billion
- Branch Network: 1,731 Islamic branches
- Islamic Windows: 825 windows across conventional banks

UCB Taqwa Performance Highlights

Despite sluggish market growth, UCB Taqwa achieved strong performance in 2024:

Key Initiatives in 2024

1. Network Expansion

Approval and implementation of 50 new Islamic Banking Windows under Bangladesh Bank guidelines, enhancing reach and client convenience.

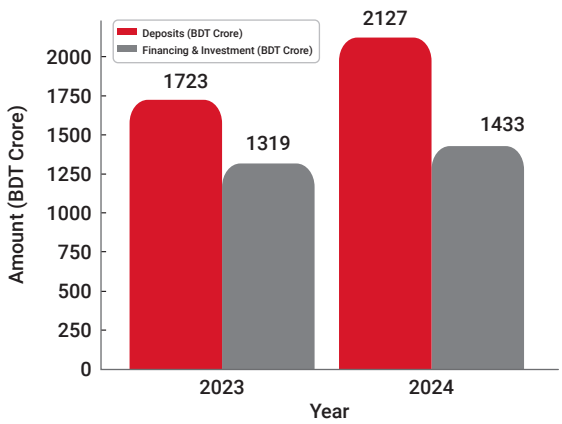
2. Customer Awareness Program

Organized across branches to educate customers on Islamic banking principles and build trust through direct interaction.

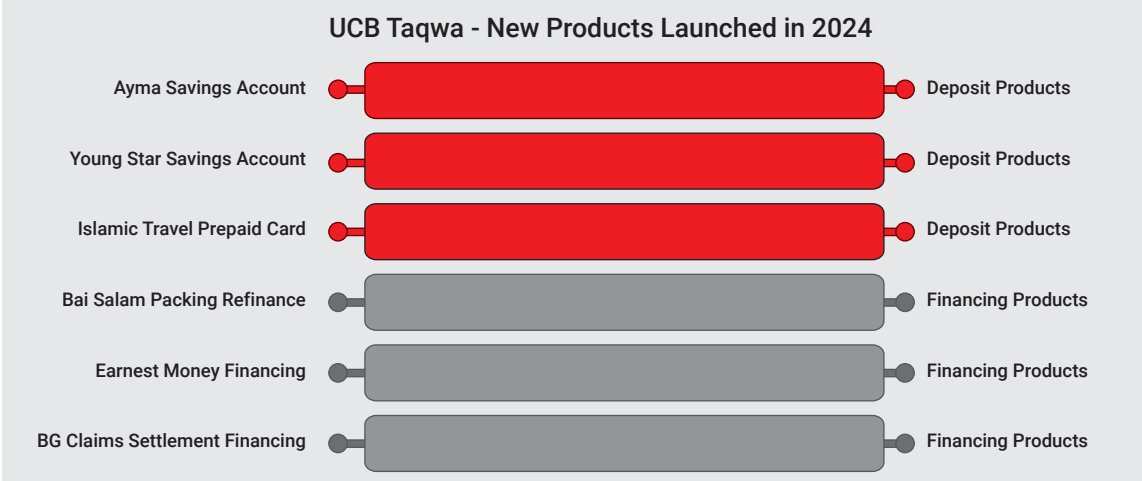
3. Knowledge Sharing Initiatives

Conducted regular training—both in-person and digitally—for branch and head office staff, strengthening internal Shariah literacy.

UCB Taqwa - Deposits and Financing Growth (2023-2024)



3. Knowledge Sharing Initiatives



UCB Taqwa's Strategic Focus Areas for Future Growth

Branch & Network Expansion
Expand Branches/windows and promote financial literacy with a focus on ethical and sustainable

Shariah Governance Enhancement
Strengthen compliance, training and Shariah audits to build trust and transparency.

Branding & Awareness
Conduct Campaign and service initiatives to raise Islamic banking awareness in underserved areas

Product Diversification
Develop innovative Shariah-compliant. products including Islamic wealth and asset management tools

Knowledge Sharing Program
Continue employee development visa regular Islamic banking training across all levels

Deposit Mobilization
Lunch digital-friendly deposit schemes like Monthly Income, Waqf Deposits, and others

Green Banking & Finance
Offer digital investment access to green Sukuk, Halal ESG Funds and social impact portfolios

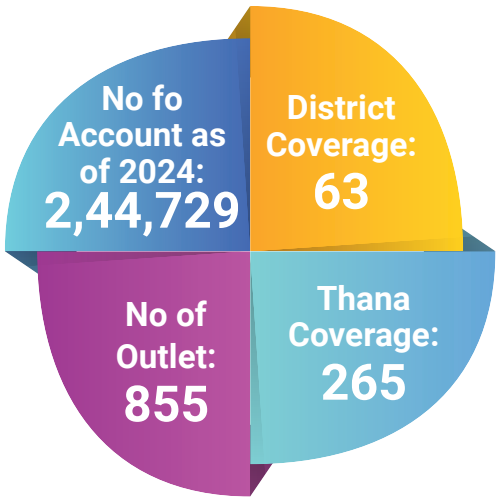
Islamic OBU Finance Focus
Enhance compliance and service by separating Shariah-based foregin currency trade finance under OBU

Agent Banking Division

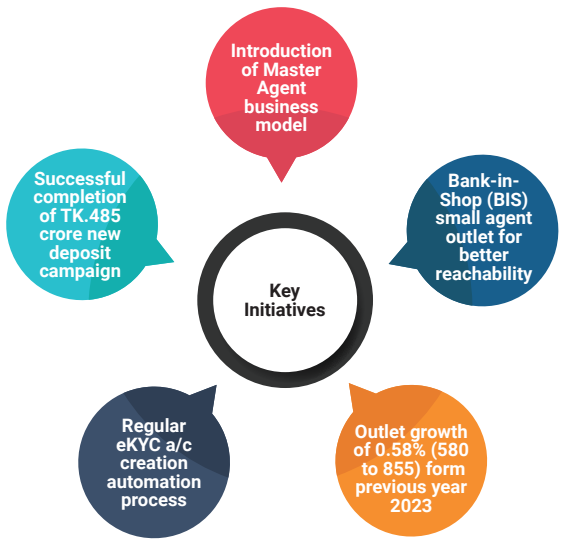
UCB started Agent Banking Journey from 1st February 2018 with an aim to bring unbanked population in financial inclusion and provide UCB' best class service to the remote location across the country. It has been targeted to expand agent banking network everywhere across the country at the rural, semi urban & urban area as per Bangladesh Bank guideline.

Financial Inclusion

As of 2024 UCB covered 63 districts and 265 Thana with 855 agent outlets, 155 exclusive outlets. Total number of account in 2023 was 2,44,729. Master Agent business model was also successfully launched in 2023



Major challenges in 2024:



Major challenges in 2024:

- **Account opening & activation challenge from remote areas; which was mitigated through eKYC**
- **Hampering customer confidence due to other bank's agent banking fraudulence activity**
- **Remote internet accessibility resulting slower customer service at agent outlet**
- **Challenges to examine and select quality agents**

Competitive Edge and Key Determinant of Success in 2025

UCB will increase agent outlets up to 2000 outlets with an aim to reach out up to union level to serve the unbanked population and meet government SDG's target i.e. financial inclusion of above eighteen by 2026. We will focus on increasing fees income as well as interest income. Utility bill collection, Insurance Premium Collection, Policy Selling, School fee collection, Corporate cash collection will get preference. We will focus on remittance. Few loan products will also be offered for the customers to serve them with full pledged banking service.

Special Asset Management Division

United Commercial Bank PLC (UCB) remains committed to maintaining strong asset quality through proactive management of Non-Performing Loans (NPLs) and well-structured recovery initiatives. In pursuit of this objective, the Bank has formed the UCB Recovery Task Force (URTF), a dedicated team responsible for managing Problematic Accounts (PAs) and NPLs across Corporate, SME, and Retail segments. Comprising members of senior leadership, the URTF adopts a strategic and account-specific approach to recovery, including customized action plans, customer visits, settlement negotiations, and door-to-door follow-ups. Resources are allocated based on priority to ensure effective outcomes, while maintaining ethical standards in every aspect of the recovery process.

UCB emphasizes amicable settlements as a preferred route to recovery. However, legal action is pursued when necessary to protect the Bank's interests. The URTF works closely with the Legal Division to tackle recovery challenges by implementing a range of legal strategies. These include conducting auction sales to recover dues through asset disposal, initiating new legal proceedings for accounts with no recovery progress, accelerating ongoing cases, enforcing warrants and court judgments where applicable, and organizing focused drives in both lower and higher courts to expedite settlements. Field officers and recovery agents carry out physical visits to borrowers, guarantors, and associates with professionalism and sensitivity, ensuring each interaction is well-documented and in compliance with regulatory requirements.

UCB employs a robust monitoring and risk management framework to control credit risk effectively. The URTF coordinates with Regional Heads, the Head of the Special Asset Management Division (SAMD), Branch Managers, and designated monitoring officials to implement detailed, account-level supervision. This includes developing tailored recovery plans based on borrowers' financial profiles and repayment history, conducting regular borrower engagements through group and individual visits, and providing ongoing training and supervision to ensure adherence to ethical practices and regulatory standards. A nationwide network of field officers supports outreach efforts, even in cases where borrower contact information is outdated or where relocation has occurred, thereby ensuring continuous engagement and follow-up.

UCB is firmly grounded in principles of ethics, transparency, and compliance. Its lending and recovery practices are designed to align with the financial wellbeing of its customers while strictly following all legal and regulatory guidelines. The URTF, in coordination with the Legal Division, ensures that all actions are executed within a framework of fairness and accountability. Performance evaluations and feedback systems are in place to reinforce ethical conduct and operational excellence throughout the recovery process.

Looking forward, UCB is focused on enhancing its recovery strategy through region-specific initiatives, improved resource allocation, and a continued project-based approach. The Bank plans to invest further in capacity building for recovery professionals, strengthening their expertise in loan resolution, debt restructuring, and negotiation techniques. By leveraging data-driven insights and maintaining a customer-centric philosophy, UCB aims to deliver sustainable recovery outcomes while preserving its reputation as a responsible and trusted financial institution.

Through the efforts of the Special Asset Management Division and the UCB Recovery Task Force, the Bank demonstrates a strategic, collaborative, and ethical approach to NPL management, legal recovery, risk mitigation, and regulatory compliance. These initiatives are designed to protect stakeholder interests and support the long-term financial health and sustainability of the institution.

Framework for Legal Actions in Loan Recovery

The recovery of defaulted loans represents one of the most crucial responsibilities for the Bank, both from a financial perspective and a regulatory compliance standpoint. Timely and effective recovery efforts are essential not only for maintaining the Bank's financial stability and liquidity but also for mitigating credit risk and preserving the overall health of the loan portfolio. A robust recovery mechanism contributes directly to improving asset quality, strengthening the Bank's balance sheet, and ensuring long-term sustainability. Furthermore, consistent recovery actions reinforce a culture of credit discipline among borrowers, thereby discouraging wilful default and promoting responsible borrowing behavior.

In line with prevailing legal frameworks and established practices, our Bank typically initiates legal proceedings against defaulting parties, including the borrower, mortgagor, and guarantor, as part of its structured recovery strategy. In collaboration with the Special Asset Management Division (SAMD) and Branches, Legal Wing initiates legal proceedings when amicable resolution efforts fail. Legal Wing ensures that all actions align with the legal framework of the country, the Bank's recovery priorities, and regulatory compliance obligations. Legal interventions are pursued with due diligence, comprehensive documentation, and strict adherence to internal approval processes and legal risk assessments

When amicable recovery efforts fail to yield results, legal proceedings are initiated as part of a structured and deliberate escalation strategy. Key legal measures include:

- Criminal Cases under the Negotiable Instruments Act, 1881 (Sections 138/140): For dishonor of cheques.
- Auction Sales: Disposal of mortgaged property under Section 12 of the Artha Rin Adalat Ain, 2003.
- Artha Rin Suits: For recovery of defaulted loans.
- Criminal Cases involving Fraud or Forgery: On a case-to-case basis.
- Execution Cases: To enforce decrees and judgments in favor of the Bank.
- Certificate of Ownership/Possession: To secure legal title/possession of mortgaged property.
- Arrest Warrants: Where permitted under applicable laws.

Each legal action is pursued with a firm focus on due diligence, thorough documentation, and strict adherence to the Bank's internal approval protocols and legal risk assessment standards.

Legal Wing maintains a database of all active cases/suits. A dedicated team tracks progress and ensures timely follow-up on all matters, including filing of cases/suits, day-to day-monitoring, expediting disposal of cases/suits in favour of the Bank.

To ensure consistent legal enforcement across the Bank's network, Legal Wing maintains a nationwide experienced lawyers as Panel Lawyers of the Bank. Regular coordination meetings, legal training programs, are implemented to strengthen operational consistency and ensure quality legal representation. Regular updates are provided to management, Board and other internal/external stakeholder on the status and outcomes of litigation.

Legal Wing plays an integral role in protecting the Bank's financial interests through a balanced approach of enforcement and engagement. Our structured legal actions are designed to uphold contractual discipline, ensure compliance with the law, and facilitate efficient recovery, all while maintaining the Bank's reputation for fairness and professionalism.

Distribution and Strategy Division

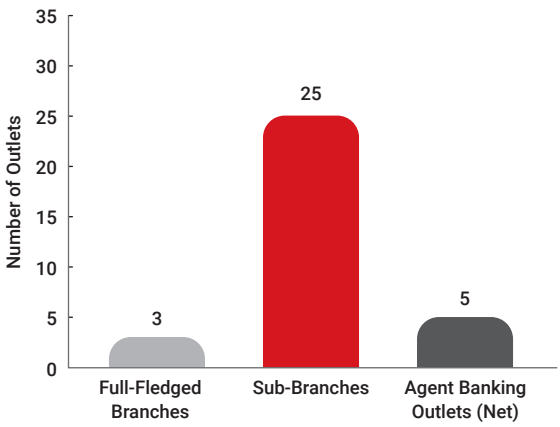
Branch Network & Expansion

United Commercial Bank PLC operated a widespread and inclusive network comprising:

- **231** Full-fledged Branches (including 2 SME and 1 Islamic branch)
- **177** Sub-branches
- **855** Agent Banking Outlets

This extensive network reflects UCB's strategic focus on accessibility, financial inclusion, and customer-centric service delivery nationwide.

UCB Network Expansion Summary - 2024



Branch Network Expansion & Operational Highlights – 2024

In 2024, United Commercial Bank PLC continued its commitment to nationwide financial inclusion and service outreach through a strategic expansion and rationalization of its physical and agent banking network.

New Outlets Opened During the Year

- New Full-Fledged Branches: 3
- New Sub-Branches: 25
- New Agent Banking Outlets: 256

Operational Optimization:

- Agent Banking Outlets Closed: 251

This expansion underscores UCB's customer-first approach, ensuring deeper penetration into underserved areas and increased access to banking services. The net increase in agent outlets strengthens our last-mile connectivity, particularly in remote and rural regions.

As part of its strategic priorities for 2025, United Commercial Bank PLC aims to further deepen its footprint across the country by enhancing accessibility and extending financial services to underserved areas. The proposed expansion plan includes:

Planned New Openings:

- Full-Fledged Branches: 5
- Sub-Branches: 33
- Agent Banking Outlets: 256 to be opened

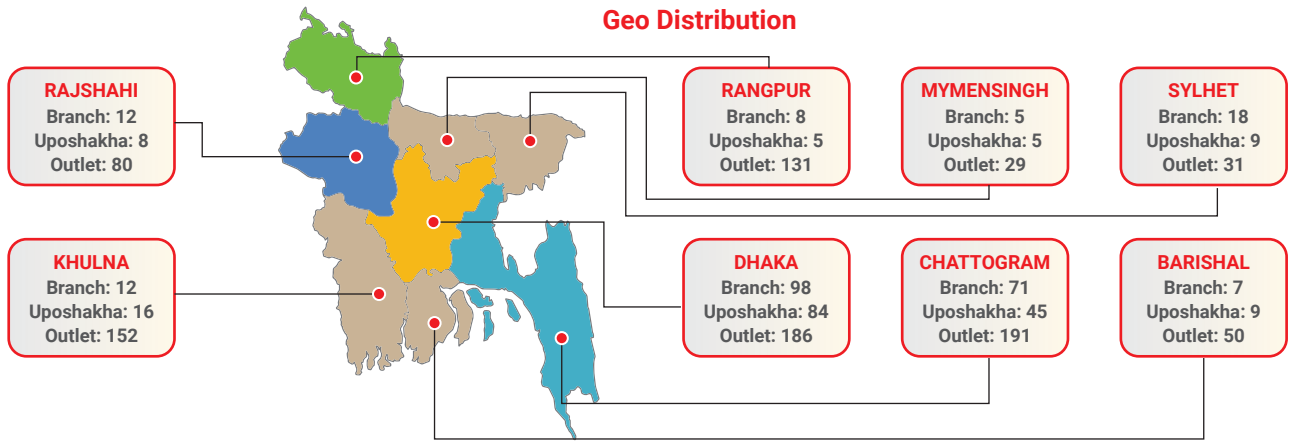
Operational Optimization:

- Agent Banking Outlets Planned for Closure: 251
- Net Agent Outlet Addition (Projected): 5

This expansion strategy is aligned with UCB's long-term vision of inclusive growth, digital enablement, and sustainable banking outreach.

Year	Outlet	No of Account	Amount of Deposit in crore	No of Debit Card	Count of Transaction
2022	314	131,750	456.96	48,565	1,786.61
2023	850	186,025	668.86	69,880	3,042.64
2024	855	244,729	1153.98	92,809	3,994.05

Geo Distribution



Channel/Division	DHK	CTG	KHL	RAJ	RANG	MYN	BSL	SYL	Total
Branch	98	71	12	12	8	5	7	18	231
Uposhakha	84	45	16	8	5	5	9	9	181
Agent Outlet	186	191	152	80	131	29	50	31	850

Credit Risk Management Division

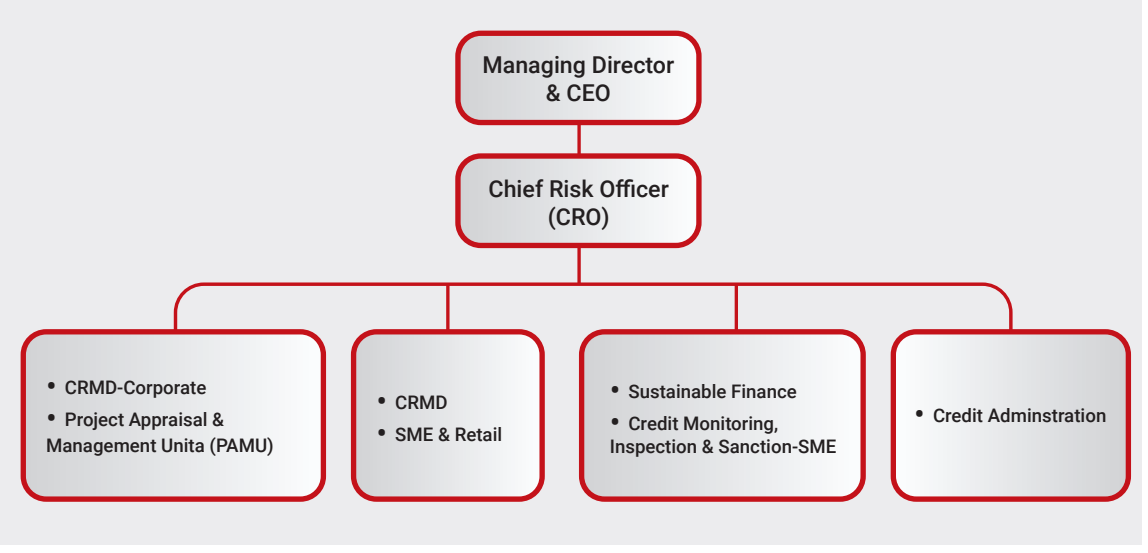
UCB is committed to maintaining a standardized credit culture, aligning its credit risk management philosophy with industry best practices and regulatory requirements. The Credit Risk Management Division (CRMD) plays a pivotal role in mitigating credit risks under the guidelines of Bangladesh Bank, ensuring compliance and financial stability. The Board of Directors rigorously reviews and approves the bank's Credit Risk Management Policy, integrating it with organizational objectives and regulatory mandates. UCB maintains a proactive approach to risk assessment, continuously updating policies to address evolving market conditions. By emphasizing due diligence, responsible lending, and strict adherence to regulatory directives, the bank strengthens its resilience against potential risks. Looking ahead, UCB aims to enhance its risk management capabilities through strategic initiatives, reinforcing its position as a trusted financial institution while contributing to the overall stability of the financial system.

The core credit principles emphasize protecting the bank's interests by prioritizing credit quality over merely pursuing new opportunities. A robust credit risk management framework has been established, defining clear processes and mitigation strategies. The bank is committed to financing only those businesses it fully understands and ensures that every credit decision is made only after complete due diligence, thorough fact-checking and careful assessment of the borrower's creditworthiness and management integrity. Loan amounts are determined based on clear requirements, purpose and repayment capacity, with strict monitoring to ensure proper utilization. Additionally, credit approvals are not based solely on collateral, which should never substitute for sound cash flow. All practices strictly adhere to the relevant laws, regulations, and directives issued by Bangladesh Bank and UCB PLC.

UCB's credit risk management culture emphasizes sustainable growth and financial stability by minimizing potential losses and maintaining asset quality. Through robust risk assessment, due diligence, and mitigation strategies, the bank ensures informed lending decisions, reducing default risks. Effective credit risk management supports responsible lending, business expansion, and efficient capital allocation, contributing to long-term economic growth. Additionally, it enhances financial stability by mitigating systemic risks, preserving investor confidence, and ensuring regulatory compliance, ultimately safeguarding both the institution and the broader economy.

Credit Risk Governance Framework

UCB has a well-defined governance structure to ensure effective credit risk management, aligning with the bank's vision of financial stability and sustainable growth. The Board of Directors, the Credit Risk Management Committee (CRMC) and the Credit Risk Management Division (CRMD), each has distinct roles and responsibilities.



The Board plays a vital role in overseeing credit risk by approving key credit risk strategies and policies that align with the bank's overall business objectives. The Board also reviews credit risk trends, ensures prudent capital allocation and approves exposures beyond management's delegated authority. Additionally, it mandates internal audits to assess the effectiveness of credit risk policies.

The Credit Risk Management Division oversees the execution of the bank's credit policies, ensuring adherence to regulatory guidelines and internal risk management frameworks. It assesses credit applications, provides guidance to relationship teams and ensures the credit quality. The division also plays a crucial role in maintaining asset quality, leveraging risk management systems and integrating risk monitoring with banking software to enhance reporting and compliance.

The Credit Risk Management Committee (CRMC) is responsible for executing board-approved credit risk management policies. It holds regular meetings to review and make recommendations on credit proposals, financial covenants and rating standards. The committee also evaluates the bank's credit risk appetite, tolerance and strategy, taking into account both current and projected macroeconomic and financial conditions. CRMC members are committed to understanding customer needs and balancing business growth with risk through prudent decision-making, ensuring a controlled environment that protects stakeholders from potential unforeseen credit losses. The committee actively identifies emerging risks and vulnerabilities, ensuring their effective management. The CRMC is chaired by the AMD & Chief Risk Officer, with membership comprising the Business Heads, Head of Risk Management, Head of Treasury, Head of Finance and other relevant officials.

The governance structure reinforces UCB's commitment to financial stability, responsible lending and regulatory compliance. By integrating risk management into decision-making, ensuring robust oversight and leveraging technology for proactive risk assessment, UCB aligns its credit risk framework with its mission of fostering sustainable growth and maintaining trust in the financial system.

CRMD effectively manages and mitigates credit risk, implements a comprehensive set of policies, procedures and controls. These are designed to identify, measure, monitor and mitigate credit risk at every stage of lending and investment processes. Below is an outline of these components:

1. Credit proposal review
2. Identification of credit risks
3. Examination of probable solutions
4. Mitigating risks through the implementation of solutions
5. Proactive monitoring, periodic review and follow-up
6. Identifying deteriorating loans and processing early alerts
7. Policy review and compliance

This structured framework ensures proactive credit risk management, regulatory compliance and optimized returns. Adhering to regulatory frameworks like Central Bank Regulations, Basel III and IFRS 9 is crucial for financial institutions to ensure stability, transparency and investor protection.

Credit Portfolio Analysis

United Commercial Bank PLC (UCB) offers various loan products across different segments, including Corporate Banking, SME & Agri Banking, Retail Banking and Offshore Banking. UCB maintains a strong Corporate Credit Risk Management Division (CRMD) to ensure prudent risk assessment and compliance with regulatory standards. UCB's corporate banking services encompass diverse financial solutions, including large-scale project financing, foreign exchange risk management and structured loan facilities. With expertise in financial analysis, UCB supports major industries such as RMG and infrastructure development while maintaining rigorous credit risk assessment to mitigate potential financial exposure. Notably, CRM officials typically visit the business, warehouse, or projects prior to on-boarding. Afterward, periodic visits continue as needed. A visit from PAMU is mandatory for any project financing. The PAMU team consists of several engineers with strong educational qualifications and professional experience. As of December 2024, the total corporate portfolio of UCB PLC amounted to Tk. 41,909.39 crore.

UCB has significantly supported SMEs in Bangladesh, enhancing its position as a leading provider of SME banking services. UCB offers flexible loan products, efficient credit processing, and comprehensive advisory services, facilitating business growth and sustainability. Digital banking solutions enhance accessibility, empowering SMEs to expand operations and contribute more to the national economy. In 2023, the SME & Agri portfolio amounted to Tk. 13,799.00 crore and Tk. 656.81 crore, respectively. Last year, the total SME portfolio was Tk. 13,856.88 crore with a 0.42% growth, while the Agri portfolio was Tk. 815.90 crore with a 24.22% growth. Classified loans for the CMSME loan portfolio stood at Tk. 2,170.97 crore (15.67%) as of December 31, 2024.

UCB also offers export and import loans to deserving candidates, which helps the overall economy of the country through increased foreign exchange earnings. UCB has a long-standing presence in the retail loans and card market, being one of the strongest players in the credit card sector with around 101,000 cards. Additionally, UCB offers home loans for building construction and purchasing flats, personal loans, and car loans for purchasing new or reconditioned cars.

Macroeconomic conditions, including inflation, interest rates, GDP growth, and government policies, significantly influence credit risk and portfolio performance. High inflation reduces borrowers' repayment capacity, while rising interest rates increase loan servicing burdens, affecting credit demand and non-performing loans (NPLs). Economic growth fosters lending opportunities, but downturns heighten default risks, particularly for SMEs. Policy changes impact industry profitability and sector-specific credit risks. To mitigate these challenges, UCB PLC adopts dynamic credit risk strategies, including portfolio diversification, stress testing, and continuous monitoring, ensuring financial resilience amid economic fluctuations.

Risk Assessment and Measurement

The Credit Risk Management Division (CRMD) evaluates a borrower's creditworthiness using the Internal Credit Risk Rating System (ICRRS), which incorporates sector-specific criteria outlined by regulatory guidelines. Given the varying leverage, liquidity, and profitability across industries, the ICRRS is designed to account for these differences.

To strengthen risk assessment, CRMD employs stress testing and scenario analysis to gauge portfolio resilience under adverse conditions. Stress testing examines extreme economic scenarios, while scenario analysis anticipates potential future risks. Additionally, risk management is reinforced through Product Program Guidelines (PPG), debt burden ratio-based loan limits, accurate valuation of mortgaged properties, third-party legal verification of property documents, and KYC authentication via Contact Point Verification (CPV). These measures collectively enhance UCB's ability to manage credit risk effectively.

Credit Risk Mitigation Strategies

Credit risk mitigation strategies are designed to reduce the financial impact of credit defaults, enhancing the stability and profitability of lending institutions. These strategies involve developing, modifying and implementing measures to minimize, transfer or adjust credit risks from origination to resolution. They range from precautionary actions to reactive approaches, including credit insurance, guarantees, collateral management, diversification, credit scoring, credit analysis and loan restructuring.

Credit risk mitigation strategies aim to ensure loan repayment through multiple sources, primarily focusing on business cash flow, collateral value and personal or corporate guarantees. Insurance coverage further safeguards loans against asset loss or damage. While collateral serves as a fall-back, it is not a substitute for proper loan underwriting and administration. Banks categorize collateral into various types, including shares, securities, commodities, real estate, financial obligations and guarantees. The quality and marketability of collateral, particularly real estate, are critical factors in risk assessment. Third-party mortgages are generally discouraged unless under specific conditions, and banks evaluate third-party guarantees based on the guarantor's financial stability and legal capacity. Security norms emphasize first-party financial instruments, marketable goods and adequate personal or corporate guarantees supported by financial statements. Additionally, insurance coverage is essential for mitigating risks in business operations, ensuring protection against potential losses from fire, natural disasters, theft, or transportation issues. UCB PLC follows structured insurance preferences, requiring adequate coverage based on the type of collateral, transaction nature, and risk exposure, ensuring financial stability in case of defaults.

The Credit Risk Management Division (CRMD) assesses credit derivatives based on associated risk weightage and employs risk transfer mechanisms in evaluation processes. Additionally, it identifies, quantifies and addresses credit risks linked to digital lending and fintech partnerships while evaluating the bank's adaptability to credit digitalization.

Credit Risk Monitoring and Reporting

CRMD uses Loan Monitoring systems, Credit Risk Management Information, Early Alert, and Document Management as monitoring and reporting tools to track loan performance, detect risks, and ensure compliance. These tools generate monthly reports for Credit Risk Management (CRM) and quarterly reports for the Board, highlighting overdue payments, covenant breaches, and borrower financial health. Security and collateral monitoring ensure proper documentation and risk mitigation. Relationship Units submit quarterly repayment reports, while annual reviews reassess borrower relationships and credit facilities. These measures help minimize credit risk, enhance oversight, and ensure regulatory compliance.

Regulatory and Compliance Updates

United Commercial Bank PLC is undergoing regulatory changes, including microfinance regulations, monitoring of Basel III implementation, Credit Risk Management Guidelines, loan classification and provisioning standards, stress testing, and digital credit regulations. CRMD submits several reports to Bangladesh Bank on quarterly and monthly basis.

The Credit Risk Management Division ensures compliance with these regulatory requirements across the bank at every stage.

Key Achievements and Challenges

The Credit Risk Management Division has made significant strides in enhancing credit risk management through portfolio quality improvements, advanced risk modelling and technology integration, leading to reduced non-performing loans and stronger financial sector resilience. However, Bangladesh's financial sector continues to face challenges during economic downturns, sector-specific risks, and recessions. UCB has effectively addressed these issues through stress testing, provisioning, debt restructuring, and monetary policy interventions.

To mitigate risks in key sectors such as real estate, agriculture, manufacturing, and exports, CRMD has implemented exposure limits, diversification strategies, continuous monitoring, early warning systems, collateral management, and loan restructuring initiatives.

Future Outlook and Strategic Initiatives

United Commercial Bank PLC is focused on strengthening credit risk management by developing a standardized framework, minimizing concentration risk, diversifying credit facilities, and enhancing loan recovery mechanisms.

The integration of advanced technologies such as artificial intelligence and machine learning is transforming credit risk assessment by improving data analysis, minimizing errors, and detecting fraud. CRMD is evaluating these innovations for potential incorporation into the bank's lending framework.

Additionally, UCB CRMD is fostering a stronger risk-aware culture through enhanced staff training programs. By implementing a transparent risk-based framework and specialized training schedules, the bank aims to improve corporate governance, ethical standards, and operational efficiency across all credit processes.

Transaction Banking Division

Transaction Banking Division of United Commercial Bank PLC (UCB) continued to solidify its position as a leader in providing innovative and efficient financial solutions to businesses of all sizes. We are proud to deliver a suite of services that help our clients manage their financial operations with ease, speed and security. Our goal remains focused on providing seamless cash management experiences, cash flow management, payment process & liquidity solution while empowering businesses to thrive in the fast-evolving market.

We believe that the key to success lies in building strong relationships with our clients. Our Transaction Banking Division continues to provide personalized solutions designed to meet the unique needs of our valued clients. We have dedicated relationship managers to offer tailored service and support for each client.

Transaction Banking Committed to Serve

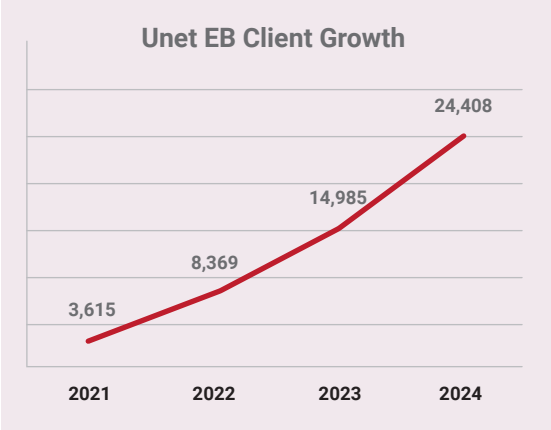
Transaction Banking Division always committed to offer the clients advanced cash management service with a view to empowering clients with real-time access to manage their banking operations. We are always promised to offer smooth and sound diversified cash management solution to our client by our tailored products, service and technological integration. Services we promisingly offer:

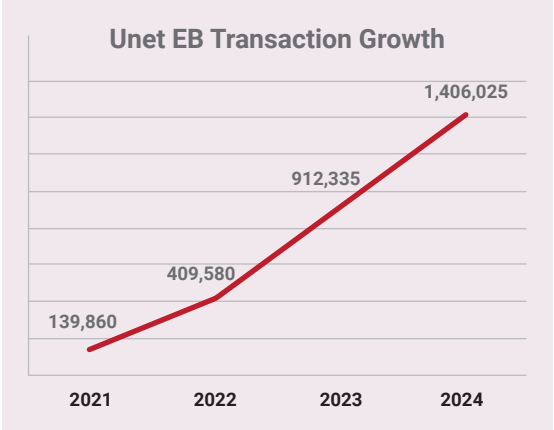
- Cash Management Solution
- Liquidity Management
- Corporate Payment transfer Solution (CPTS)
- Nationwide Over the counter collection service
- Collection booth service for corporate clients
- Providing real time Management Information (MI) to our clients
- 24/7/365 Internet Banking service for corporate clients
- Diversified product array
- Academic cash management solution
- Custodian Service (Security)-Ensures safekeeping of customer assets
- Automated Challan Service through all Branch & Sub-Branch network
- Nationwide Utility Bill Collection
- IPO service
- Pick up & drop service
- Tailored System Integration
- Customised MIS for clients
- Virtual Account solution
- H2H Connectivity
- Customised Deposit slip
- School Banking Service
- Spreading Financial Literacy nationwide

Digital Banking Solution

UCB Transaction banking offers the state-of-the art online banking solution for the corporate clients serving all sorts of transactional requirements. Over 40% of our transaction banking clients are now utilizing our online Unet Enterprise Banking platforms, up from 30% in the previous year.

Service provided by Unet Enterprise Banking		
Online Fund Transfer	Payroll Disbursement	Cheques Request
RTGS (Single & Bulk)	BFTEN (Single & Bulk)	Real Time MIS
Payroll Disbursement	Utility Bill Payment	ACS Payment (In process)





Highlights of the Year

The year 2024 was marked by significant milestones, transformative changes and a commitment to customer satisfaction and operational excellence. Some of the key highlights include:

- Growth in Transaction Volume: Our transaction banking business saw a remarkable increase in transaction volumes, reflecting the growing demand for our services. We processed a record number of payments and collections, demonstrating our capacity to handle high volumes efficiently and securely.
- Expansion of Digital Offerings: UCB Digital Payments and the upgraded Unet banking application provided a convenient, secure and user-friendly experience for our corporate clients, enabling them to manage their transactions on-the-go.
- Remarkable achievement in ACS: Transaction Banking has ensured remarkable growth in commission income by providing smooth ACS service nationwide. UCB ensured position in Top-10 ACS Commission earning banks in 2024.
- New School banking software solution: A customer oriented new school banking software has been launched to provide academic complete cash management solution to the clients.
- Growth in Number of customer: Transaction Banking Division has ensured a remarkable growth in number of clients with mix public & private organizations.
- Achievement in IPO service: In 2024, Transaction Banking Division has achieved remarkable growth in IPO service. We have gained highest ever IPO collection from a single client in the year 2024.

School Banking & Financial Literacy Wing			
Actively providing school banking service nationwide	Spreading Financial awareness nationwide through various programs	Conducted 144 Financial Literacy Program	Trained Around 9000 People to spread financial awareness

Digital Banking & Transformation

A Year of Innovation & Growth

Reflecting on 2024, our journey in digital banking has been transformative, defined by innovation, customer-centric solutions, and strategic expansion. With record-breaking digital adoption, we have strengthened our position in the industry by enhancing service offerings, expanding customer engagement, and driving financial inclusion.

The Digital Banking & Transformation Division (DBTD) remains committed to delivering seamless, secure, and sustainable digital banking solutions.

We extend our sincere gratitude to our customers, partners, and stakeholders for their trust and collaboration. Looking ahead, we remain steadfast in our mission to redefine digital excellence in banking.

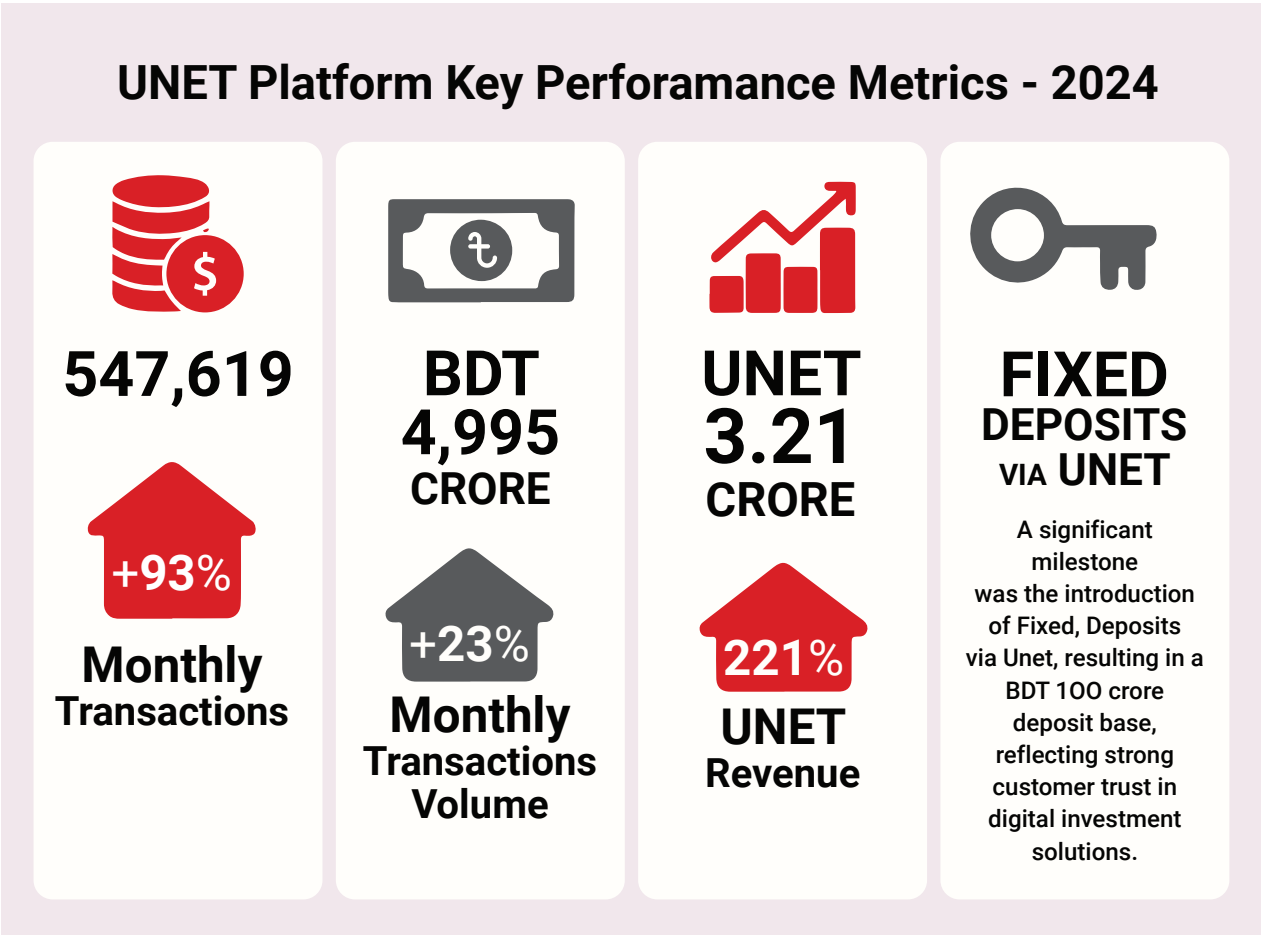
Key Achievements in 2024

Our commitment to digital transformation has led to remarkable milestones throughout the year:

- Unet Acquisition: The Unet platform witnessed unprecedented growth, welcoming 105,943 new customers, a 70% increase in acquisitions.
- Digital Nano Lending Pilot: Successfully launched a fully digital lending solution, completing the pilot phase.

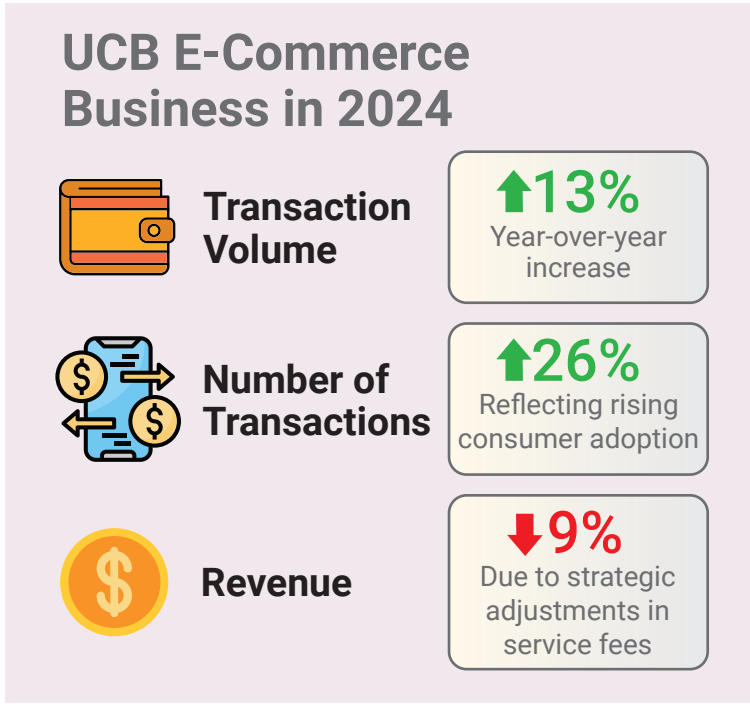
- E-commerce Growth: Achieved a 26% YoY increase in transaction volume, reinforcing our leadership in digital payments.
- QR Payment Expansion: A focused QR campaign led to 36% growth in merchant-based transactions.
- Branch Digital Officers (BDOs): Nationwide deployment to strengthen branch-led digital banking adoption.
- Super App Rollout: Initiated a phased launch with seamless digital onboarding and an enhanced UI/UX experience.
- Foreign Currency Fixed Deposits (FCFD): Introduced via Offshore Banking Unit (OBU) for international customers.
- Cybersecurity Enhancements: Implemented TCS Dispute Resolution for secure digital transactions.
- MFS Platform Integration: Expanded partnerships with Nagad, Pocket, Meghnapay, and Tap for seamless transactions.
- New Digital Payment Features: Enabled fund transfers to UCB Stock Brokerage, promoting digital investment opportunities.
- Strategic Collaborations: Active participation in Bangladesh Bank's Cashless Initiatives, including the Kurbani Hat project.
- Awards & Recognition:
  - Global Islamic Finance Award 2024
  - VISA Leadership Conclave Bangladesh 2024

Unet Performance: A Year of Exceptional Growth



The Unet platform saw substantial growth, with monthly digital transactions surging to 547,619 reflecting a 93% YoY increase. Monthly transaction volume surpassed BDT 4,995 crore, a 23% YoY growth, while Unet revenue soared by 221% to reach BDT 3.21 crore.

A significant milestone was the introduction of Fixed Deposits via Unet, resulting in a BDT 100 crore deposit base, reflecting strong customer trust in digital investment solutions.



In 2024, UCB's e-commerce business remained a significant contributor to digital revenue streams, showcasing growth in transaction activity and market reach.

- Transaction Volume: Increased by 13% year-over-year
- Number of Transactions: Rose by 26%, reflecting rising consumer adoption
- Revenue: Declined by 9%, primarily due to strategic adjustments in service fee structures

Despite the decline in revenue, the Bank successfully offset the impact through higher transaction volumes and expanded customer engagement, reinforcing our long-term strategy to grow scale, loyalty, and digital relevance in the e-commerce space.

Operational Performance

- OBDX Gap Analysis: Identified and addressed key customer experience gaps in the Omni channel Digital Banking Experience (OBDX).
- Customer Engagement Enhancement: Revamped strategies, including targeted SMS campaigns and a monthly engagement calendar.
- Digital Account Services: Expanded self-service banking with digital onboarding, account opening, and financial transactions.
- Cross-Selling of Digital Products: Leveraged data analytics to target potential customers for digital credit cards, deposits, and nano loans.
- CyberSource Integration: Strengthened digital payment security, reinforcing UCB's commitment to safe transactions.

Risk Factors & Compliance Updates

- Cybersecurity & Fraud Risk: Strengthened multi-layered authentication and TCS Dispute Resolution.
- Regulatory Compliance: Aligned with Bangladesh Bank's guidelines on digital lending, data security, and cashless initiatives.
- Transaction Monitoring Enhancements: Improved fraud detection with AI-powered tracking systems.
- Financial Crime Compliance (FCC): Strengthened AML/CFT measures to ensure safe and compliant digital banking operations.

Sustainability Initiatives

- Cashless Bangladesh Movement: Partnered with Bangladesh Bank to promote digital transactions in public markets and government services.
- Green Banking Initiatives: Increased digital transaction adoption from 48% to 59%, significantly reducing paper usage and contributing to environmental sustainability.

Finance Division

The Finance Division of United Commercial Bank PLC plays a central role in ensuring the Bank's financial stability, regulatory compliance, and strategic alignment with business goals. The division is responsible for a comprehensive range of activities, including financial planning, budgeting, forecasting, reporting, and regulatory compliance. These functions collectively ensure that the Bank's capital is efficiently managed, risks are prudently mitigated, and operations remain profitable in a competitive and highly regulated environment.

Key responsibilities of the Finance Division include:

- Monitoring and optimizing cash flows, and managing the Bank's asset and liability structure;
- Ensuring compliance with tax regulations and financial reporting standards;
- Providing accurate and timely financial information to support strategic decision-making;
- Overseeing the preparation and analysis of financial statements, enabling performance tracking and accountability;
- Actively managing financial risks, including market, liquidity, and operational risks, and implementing mitigation strategies;

In line with UCB's commitment to transparency and good governance, the Finance Division ensures the following in the preparation and presentation of the Bank's Financial Statements (FS):

- Appropriate accounting policies have been applied consistently across reporting periods;
- Proper books of account, as required by law, have been duly maintained;
- Accounting estimates and underlying assumptions are made on reasonable and prudent grounds and reviewed regularly;
- The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) and relevant guidelines and circulars issued by Bangladesh Bank (BB). Any deviations required by BB regulations have been transparently disclosed in the notes to the financial statements;
- The financial statements present fairly, in all material respects, the Bank's financial position, operational results, cash flows, and changes in equity as of 31 December 2024;
- There is no material uncertainty that casts significant doubt upon UCB's ability to continue as a going concern. The Bank has neither the intention nor the necessity to liquidate or materially reduce the scale of its operations;

In 2024, the Finance Division also played a pivotal role in the execution of transformational projects aimed at enhancing operational efficiency and strengthening enterprise-wide financial management capabilities:

Core Banking System (CBS) Upgradation

UCB successfully initiated the upgradation of its Core Banking System (FCUBS Version 14.7) to a more robust and scalable platform. This initiative will ensure faster processing, better customer experience, and improved integration with digital banking services.

Enterprise Resource Planning (ERP) Implementation

The Finance Division spearheaded the rollout of a next-generation ERP solution to modernize and integrate financial processes, procurement, asset management, and human resource functions. This system enhances data accuracy, ensures real-time reporting, and supports strategic decision-making across the Bank.

These initiatives are part of UCB's broader digital transformation journey, enabling the Bank to remain agile, responsive, and resilient in a fast-evolving financial services landscape.

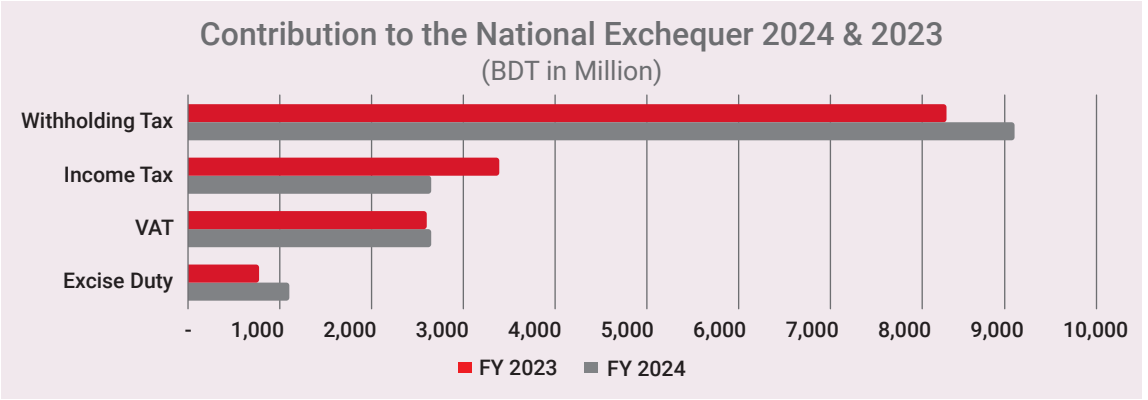
Major recognitions and events

UCB had been awarded with the joint third prize in the 24th ICAB best presented annual report.



Contribution to the National Exchequer

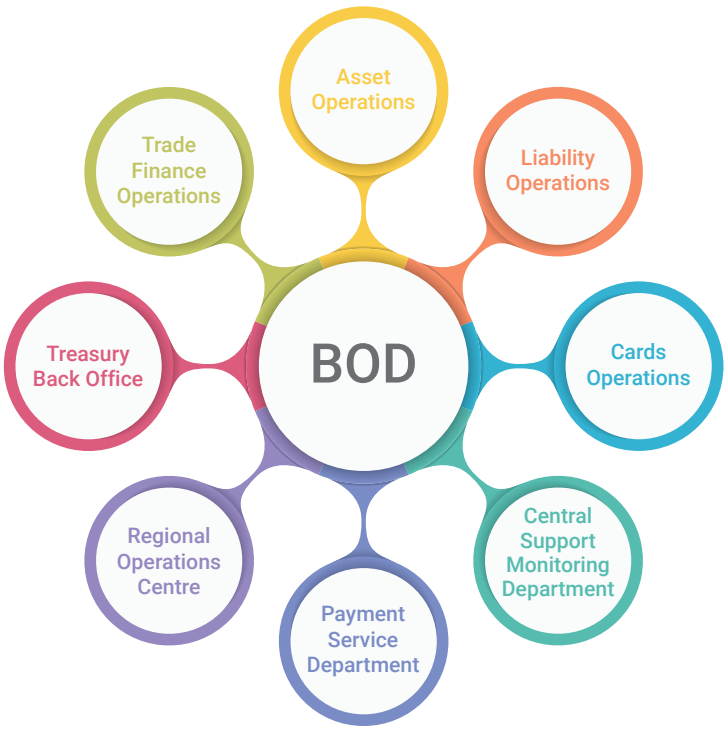
During the year 2024, UCB deposited BDT 14,558.13 million to the Government Exchequer out of which BDT 2,687.36 million as income tax, BDT 9,086.68 million of withholding tax, BDT 1,681.41 million of VAT and BDT 1,102.68 million of Excise Duty.



Overall, the finance division is integral to the strategic and operational success of UCB, providing essential financial oversight, strategic planning, and risk management to support sustainable growth and profitability.

Business Operations Divisions (BOD)

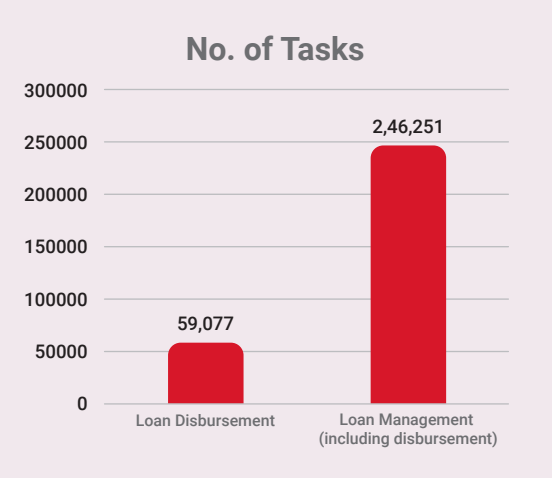
Business Operations Divisions (BOD)

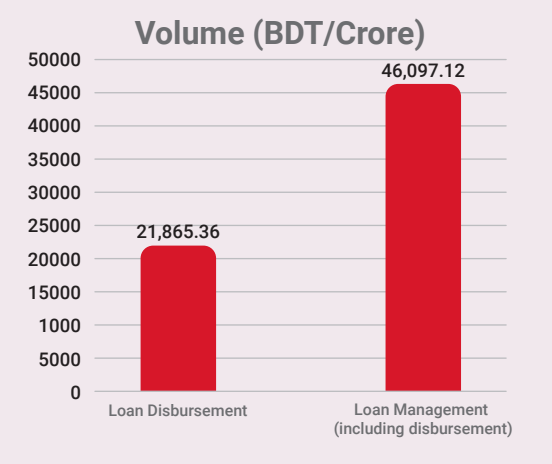


Asset Operations Highlights of 2024

- Loan Account Disbursed: The Asset Operations Department (AOD) processed the disbursement of 59,077 accounts worth BDT 21,865.36 crore in 2024 (Non-Funded: BDT 1,866.12 crore, Funded: BDT 19,999.24 crore).
- Loan Accounts Managed: AOD managed a total of 2,46,251 loan accounts (secured/unsecured), amounting to BDT 46,097.12 crore, representing a 3% increase compared to 2023.
- Turnaround Time Improvement: Implemented tools and processes to keep turnaround times under 30 minutes even for complex operations. Robotic Process Automation (RPA) for quick processing of Retail Loan disbursement, with average turnaround times as follows:
  - Manual Loan Processing: 30 minutes
  - Retail Loan Processing through RPA: 8 minutes
  - Manual Payment/Request processing: 8 minutes
  - EMF/EHBL Payment processing: 3 minutes
- Automation Initiatives and Digital Transformation: Successfully integrated RPA into various operational activities. Ready to integrate automation processes into digital customer onboarding for end-to-end automated disbursement.
- Compliance & Risk Management: Adheres strictly to the Bank's credit policies and regulatory requirements, with tools to detect and mitigate faulty operations/transactions.
- Service Quality & Customer Experience: Reduced turnaround time to under 30 minutes, enabling faster service. The Ulimit request platform keeps branches informed about each step of the process.

- Business Continuity and Resilience: Operates from both Dhaka and Chottogram, ensuring uninterrupted service. Workflow designed to seamlessly switch between centers in case of disruptions.
- Challenges & Roadmap: Committed to further automation and digitalization. Working on API integration of Ulimit and FlexCube, using DocuWare platform for approval documents.





Liability Operations Highlights of 2024

Significant Growth in CASA and Other Activities:

- Account openings increased by 51.98%.
- Static Data Change volume rose by 18.53%.
- Status Change volume increased by 33%.
- Process Automation & Digital Transformation:
  - On-boarded over 18,000 Bangladesh Air Force (BAF) officials digitally through Bulk CIF and Account Upload.
  - Implemented Robotic Process Automation (RPA) to automate Static Data and Status Change Processes, andquali Recurring Deposit (RD) encashment and account closure.
- Future Roadmap: Strategic plan aimed at enhancing operational efficiency, elevating customer experience, and promoting sustainability with the following key initiatives for 2025:
  - Leverage the Core Banking System (CBS) upgrade to implement API-driven processes.
  - Develop a unified platform for account opening and processing to streamline workflows.

Trade Finance Operations Highlights of 2024:

- Record Business Volume: Handled business worth USD 7,278 million, the highest among local banks in Bangladesh.
- Growth Amidst Challenges: Exports grew by 8% and imports of raw materials increased by 7% compared to 2023.
- Technological Advancements: Implemented RPA and automated regulatory reporting. Customers can view and download Import and Export Letters of Credit and Bills transactions, and SWIFT messages via Internet Banking portal and app. Future explorations include direct service request initiation through internet banking, direct API integration with customers' ERP systems, and implementation of AI and machine learning.
- Compliance and Expertise: Ensures compliance with international and local laws and regulations. A significant number of employees hold top-tier international certifications.
- Operational Scale: Issued and processed over 69,000 import LCs, 58,000 export bills, and 24,000 commercial remittance transactions. Motorcycle dispatch riders facilitate document delivery and pick-up for high-value customers.
- Sustainable Growth: Steady growth reflecting the sustainability and integrity of operations. Technological adaptations enabled a swift transition to work-from-home during the Covid-19 pandemic, ensuring uninterrupted service.

Card Operations and Payment Services Department Highlights of 2024

Key Achievements in Card Operations:

- Co-Branded Prepaid Card with Upay: Introduced the first co-branded prepaid card with a Mobile Financial Service in Bangladesh, issuing over 31,000 cards in one year.
- Debit Card for Bangladesh Air Force Employees: Issued over 15,000 debit cards with PINs in a single month.

- Taka Pay Card: Participated in the local scheme card issuance initiative by Bangladesh Bank, issuing 2,674 cards initially.
- Cyber Source E-Commerce Transactions Support Module & Fraud Management Solution: On-boarded in September 2024, resulting in:
  - Fewer chargebacks with stronger revenue protection.
  - Improved customer satisfaction.
  - Streamlined fraud management operations.

Payment Systems Department (PSD) Overview:

- Cheque Clearing Support & Operations: Processed 1.8M transactions worth BDT 1662.87B in 2024, ensuring seamless reconciliation for 231 branches.
- BEFTN Support & Operations: Handled 6M transactions, with a total value of BDT 5.11B, improving efficiency and payment settlement.
- U-net Transaction Reconciliation: Processed 6M transactions, with total payments reaching BDT 606.31B, enhancing digital banking operations.
- ACS Challan Process: Managed 16M transactions worth BDT 37.05B, supporting government payments and reconciliation.
- U-Collect Bill Collection: Facilitated 2.1M transactions worth BDT 224.67B, streamlining utility and corporate collections.
- Sanchaypatra Operations: Issued and settled transactions worth BDT 4.17B, supporting savings instruments.

Enhancing Customer Experience:

- Bangladesh Bank Nikash_BEFTN System: Manages high-volume transactions efficiently, reducing processing delays.
- BEFTN Payment Information Implementation: Enhances sender identification, ensuring transaction accuracy.
- UPAY (MFS) BEFTN Automation: Reduces processing time, offering faster and more reliable services.

Commission Earnings Growth:

- Clearing Cheque Commission: BDT 3.65M (2024)
- ACS Challan Commission: BDT 25.93M (2024)
- Sanchaypatra Commission: BDT 1.57M (2024)
- Transaction Banking Commission: BDT 7.31M (2024)

PSD's technological advancements and operational enhancements have driven significant improvements in transaction processing, customer experience, and revenue generation. Moving forward, PSD remains committed to further optimizing payment solutions for better efficiency and customer satisfaction.

Treasury Back Office Operations

Operational Performance & Key Metrics: Focused on automation, risk mitigation, and compliance enhancement to improve accuracy and reduce processing time.

FX Transactions

Fx Deal Category	Deal Volume	Bought Currency	Amount (Mil)	Sold Currency	Amount (Mil)
Corporate	7	AED	150.70	AED	1,465.41
Outright	964	BDT	270,626.47	BDT	273,946.14
Speculative	502	CYN	11.52	CYN	0.20
Swap	696	EUR	128.53	EUR	97.93
		GBP	14.51	GBP	12.50
		JPY	1,157.45	JPY	1,095.36
		USD	2,893.85	USD	2,545.85
FX lending	11	USD	15.00		
FX Borrowing	484	USD	1,749.95		

Money Market Transactions

Deal category	Deals volume	Currency	Figure in crore
LC Lending	474	BDT	21,590.00
LC Borrowing	934	BDT	67,366.00

Straight-Through Processing Rate

- Manual intervention for settlement of treasury deals, with plans for a new robust treasury solution from Oracle in 2025.

Settlement Failures

- Maintained 100% accuracy and zero errors for settlement of treasury deals.

Processing Time

- Average settlement time per transaction type: 10 minutes.

Improvements in Efficiency and Automation

- Reduced manual verification errors with deal confirmation matching.
- Enhanced Straight-Through Processing (STP) for faster settlements.
- Reduced manual data entry errors for Nostro statements upload.

Compliance & Risk Management

- Collaborated with various internal and external audits.
- Managed market risk for 6 deals with Bank of China due to US government embargo.
- Major risks include Market Risk, Liquidity Risk, Credit Risk, Operational Risk, and Compliance Risk.

Service Quality & Stakeholder Experience

- Enhanced communications for real-time tracking locally and globally.
- Maintained stakeholder communication via mobile, Swift, and query resolution desks.
- Responded to client inquiries with a minimum TAT.

Business Continuity & Resilience

- Disaster Recovery Plans with secondary processing locations.
- Shared computer for remote operational capabilities.
- Ability to move to the nearest branch or division for continuation of settlement purposes.

Key Treasury Operational Challenges and Mitigation Strategies

Challenges 2024:

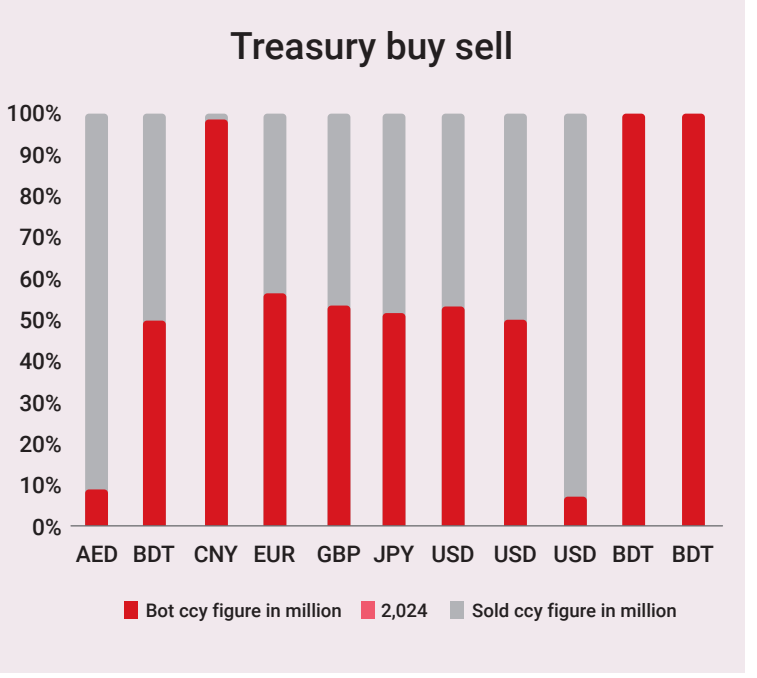
- Settlement delays due to counterparty issues.
- Manual reconciliation errors.
- Compliance complexity with new regulations.
- Liquidity management issues.

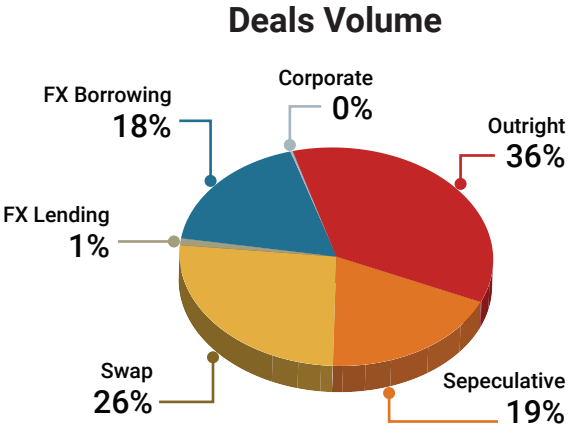
Mitigation Strategies 2025:

- Real-time tracking and follow-ups.
- Automated reconciliation tools.
- Regular training and automation of compliance checks.
- Predictive analytics for cash flow forecasting.

Future Roadmap

- Upgrade solutions for treasury settlement to enhance speed and accuracy.
- Expand automated settlements for transparency.
- Integrate cutting-edge Swift messaging standard for seamless interbank and cross-border communications.
- Automate EDF, ACU, and Federal Reserve transfers to improve efficiency.
- Ensure full audit trail digitization for enhanced transparency and accountability.





Human Resource Management Division

Human Resource Management Division (HRMD) has played a pivotal role in supporting UCB's growth and transformation by cultivating a resilient, skilled, and inclusive workforce. In 2024, HRMD continued to drive strategic initiatives that aligned employee development with the Bank's long-term objectives.

UCB has consistently focused on attracting and retaining high-caliber talent through structured recruitment campaigns and a strong employer brand. Once on boarded, employees benefit from a comprehensive framework of training, mentorship, and career development programs designed to foster both technical expertise and leadership capability.

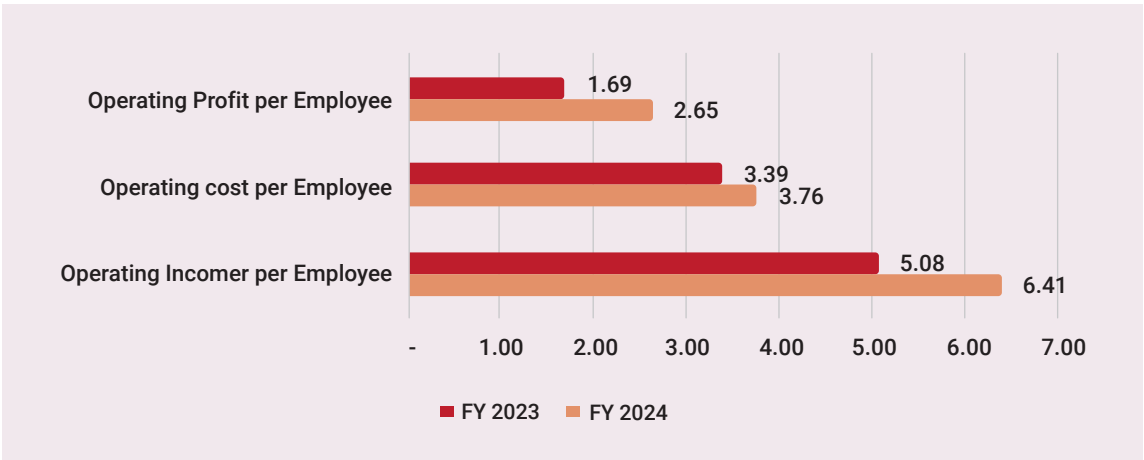
UCB is committed to providing a supportive and rewarding work environment. Competitive compensation packages, health and wellness initiatives, and a culture of recognition and performance-based reward systems have contributed to increased employee morale and engagement across the organization.

The Division has embraced digital HR solutions to streamline administrative processes, enhance employee self-service capabilities, and facilitate data-driven workforce planning. These digital tools have significantly improved efficiency, transparency, and employee experience.

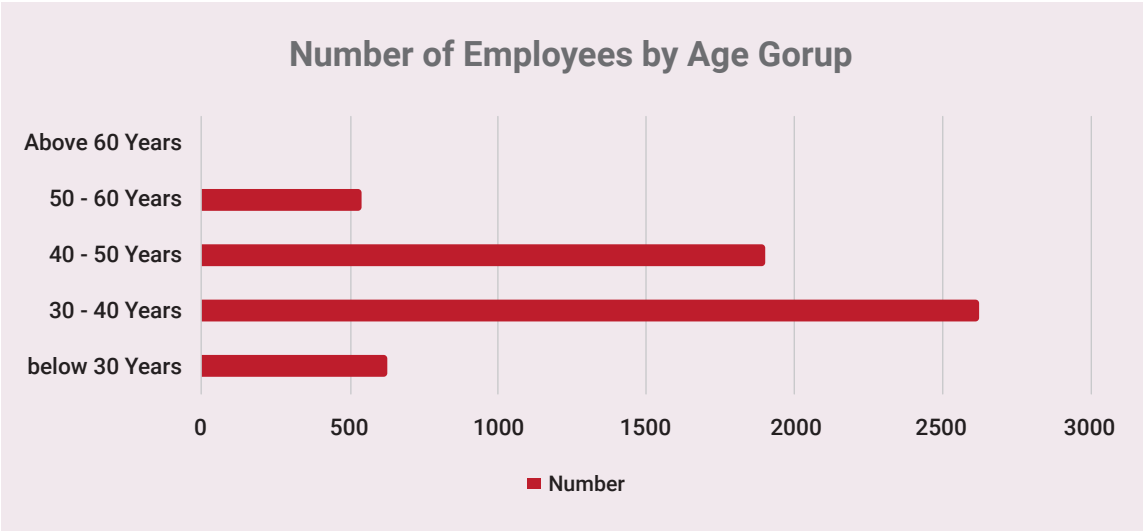
Our people-first philosophy remains at the heart of our success, enabling us to deliver superior customer service and operational excellence.

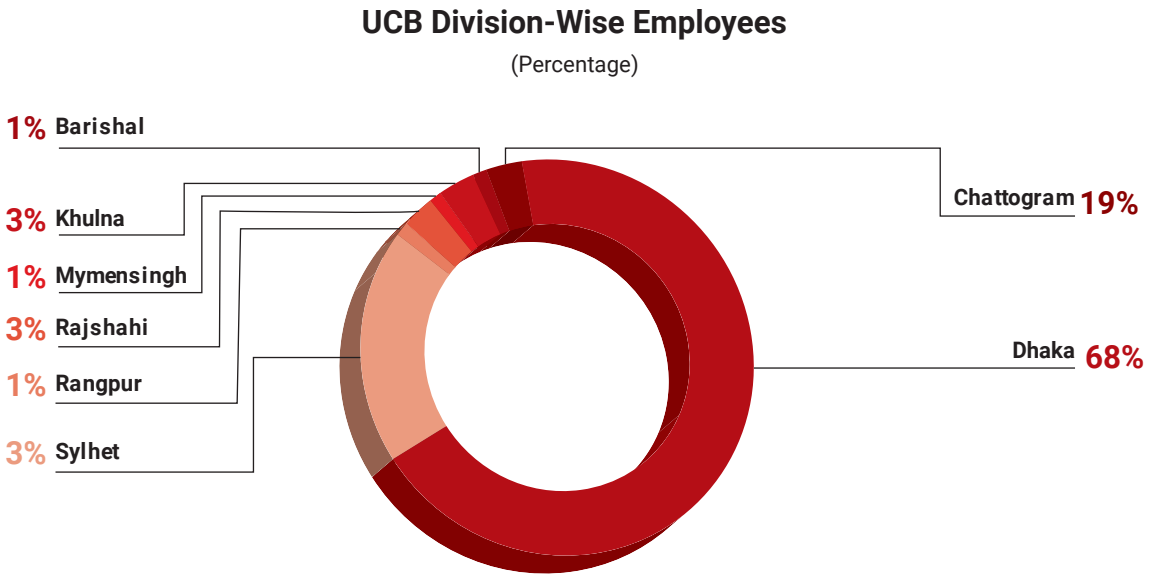
Human Resource Accounting

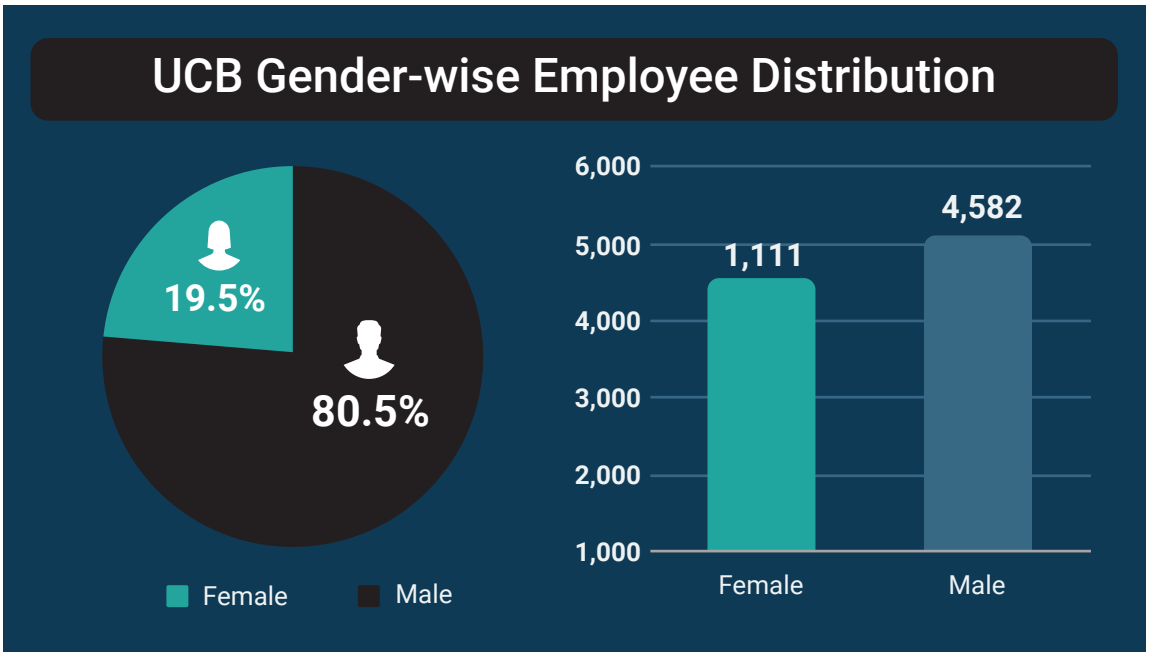
The insights gained from HRA enable senior management of UCB to make informed decisions. Human Resource Accounting assists UCB in allocating, budgeting, and reporting expenses invested in employees, and in turn, assessing their contributions to the UCB's growth, efficiency and profitability.



*BDT in Million







Learning & Development Centre (LDC)

At United Commercial Bank PLC (UCB), we place strong emphasis on the continuous development and upskilling of our employees, recognizing that a well-trained workforce is essential to delivering exceptional customer service and achieving operational excellence.

To institutionalize this commitment, UCB operates a dedicated Learning and Development Center, staffed by a team of experienced HR professionals. This center serves as the Bank's in-house training institute, focused on designing, organizing, and delivering structured training programs tailored to the evolving needs of our employees and the banking industry. UCB's training philosophy is anchored in the belief that investing in people leads to superior service quality and sustainable institutional growth. Accordingly, a wide range of training programs are offered throughout the year.

These programs are designed in alignment with regulatory requirements, industry best practices, and the Bank's internal strategic priorities. Training formats include classroom sessions, virtual modules, on-the-job learning, and external certifications—ensuring employees remain current, competent, and confident in their roles. Through this robust training framework, the Human Resources Division continues to build a pool of skilled, service-oriented professionals who not only meet but exceed customer expectations, while also contributing to the long-term success of the Bank.

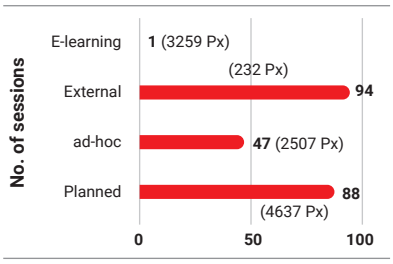
Learning & Development Center

January – December, 2024

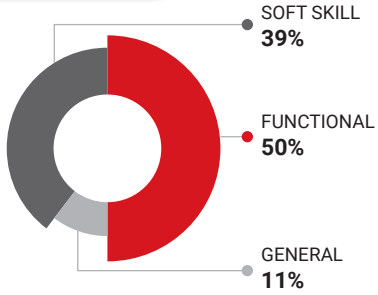
Participants 10635
Training- 7376
E-learning- 3259

Sessions 230
Training- 229
E-learning- 1

Training Hours 73820
Training- 70561
E-learning- 3259



E-Learning: Summary of 2024	
Participation	3259
with 50% or More Marks	3153
Successful Coverage (%)	**97%**



Major Learning Initiatives

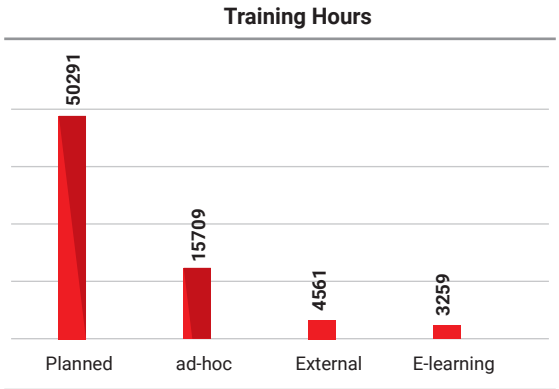
- Leadership Development Program for High Potentials
- Leadership Development Program for Operation Managers
- Internal Customer Experience Management for HO and Branch
- Communication Excellence Program for HO and Branch
- Level Up: Training for Cash Officials
- Credit Risk Management in Banks for Credit Desk
- Credit Appraisal & Management for Credit Desk
- Emotional Intelligence 2.0 for HO and Branch
- Trade & Foreign Exchange Regulation for Forex Desk
- Foundation Training Course & Banking Basics
- Product Knowledge Session for Branches
- 100% Coverage on Branch Knowledge Sharing Sessions
- e - Learning on “Service Excellence” for all Branches











To strengthen the core banking acumen of the comparatively fresh human capital of the institution, LDC organized the training titled 'Foundation Training Course' and 'Banking Basics'. In 2024, these learning intervention took place six times to cover 252 participants.



The exclusive outreach course titled 'Leadership Development Program for Operation Managers' was aimed at improving the skill sets, abilities and confidence of current Operation Managers of Branches across the country, LDC organized 5 batches of the training to cover 214 participants.

3 Batches of "DRIVE: Leadership Development Program" was designed considering the leaders involvement in the growth of the organization.



Diverse training on Credit was facilitated by LDC in this year titled 'Workshop on Credit Appraisal & Management', 'Training on Credit Risk Management in Banks', and 'Financial Analysis for Banks' to strengthen the technical understanding on these crucial area.

To effectively manage and recover NPLs training titled 'Laws and Practices Relating to Loan Recovery Actions in Bangladesh', and 'Training on Non Performing Loans: Case Based Analysis' was organized.



Emotional Intelligence refers to the ability to manage both own emotions and understand the emotions of people around you. The objective of the program titled 'Emotional Intelligence 2.0' is to develop the in-depth knowledge and practices on emotional intelligence which indicates that it can be a better indicator of workplace performance than IQ. 283 participants were covered in eight batches of this program.



A specialized training for Cash Officials was designed titled 'Level Up: Training for Cash Officials' which is an advanced level of learning for the employees working in cash management. An E-Learning Program on "Service Excellence Campaign-Chapter 1" was organized on Q1, 2024.

LDC organized the training titled 'Internal Customer Experience Management' to cover 138 participants.



General Service Division

The General Services Division (GSD) has remained instrumental in ensuring the smooth, secure, and efficient functioning of United Commercial Bank PLC's operations. In 2024, the division continued to support the Bank's strategic and operational goals through proactive management of procurement, facility services, and logistics infrastructure.

Procurement Division

Procurement division enhanced the procurement framework by introducing standardized, transparent, and cost-effective procurement practices. These improvements led to notable cost savings, improved vendor management, and optimized resource allocation, all while ensuring compliance with regulatory and internal standards.

Procurement Overview & Key Highlights

Value-Focused Sourcing: Procurement ensures delivery of quality goods/services at the right cost, time, and place.

Quarterly Spend Planning aligns with Finance for budgetary control and cost optimization.

Transparent & Centralized Process under strict Delegation of Authority (DOA).

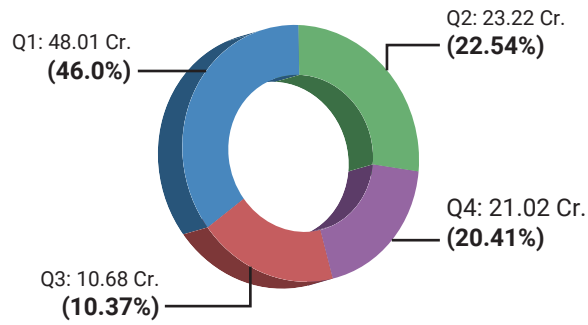
Procurement Division Landscape (2024)

Total Work Orders Issued-1153

Total Spent Throughout 2024- 103Cr.

Total Cost Savings Throughout 2024- 7.90 Cr.

Distribution of Procurement Spend by Quarter (2024, BDT)



Vendor Management & Sourcing Strategy

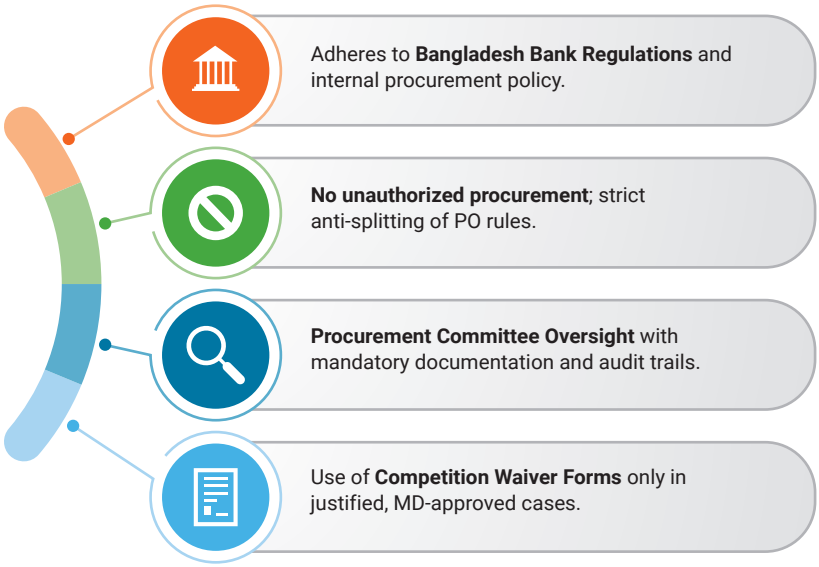
Multi-skilled Procurement Teams (MPTs) assess technical, commercial, and legal aspects.

Frame Contracts & Repeat Orders streamline frequently procured items.

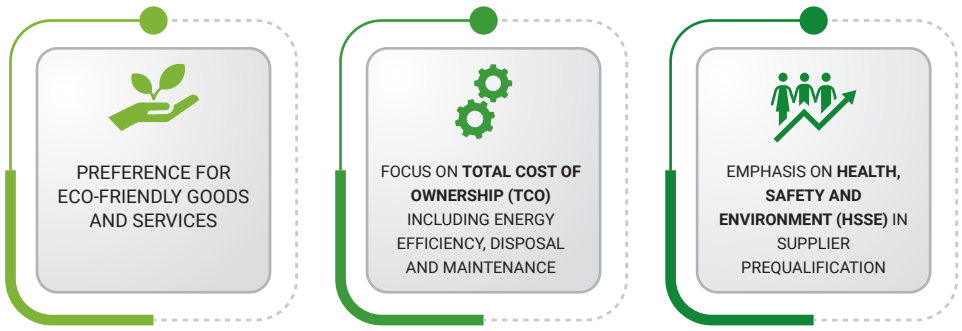
Supplier Evaluation tracks performance and risk mitigation.

Tendering & RFQ/RFP Systems ensure open competition and cost efficiency.

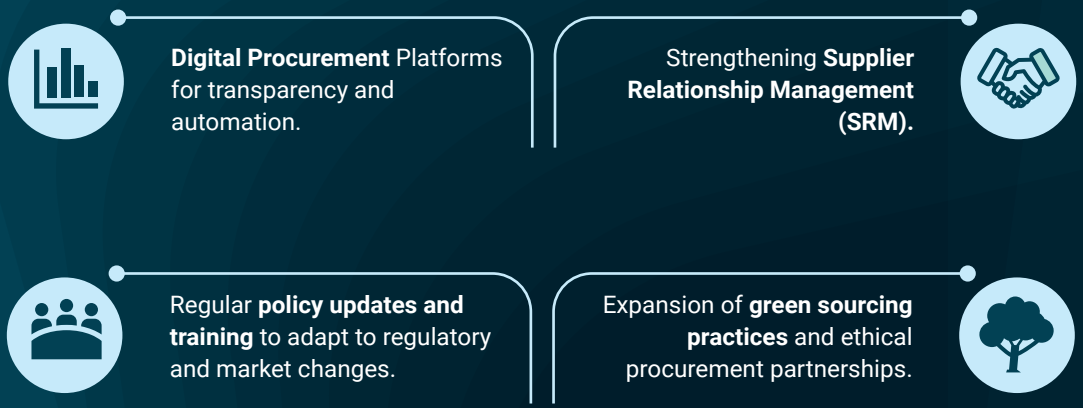
Compliance & Governance



Sustainable & Green Procurement

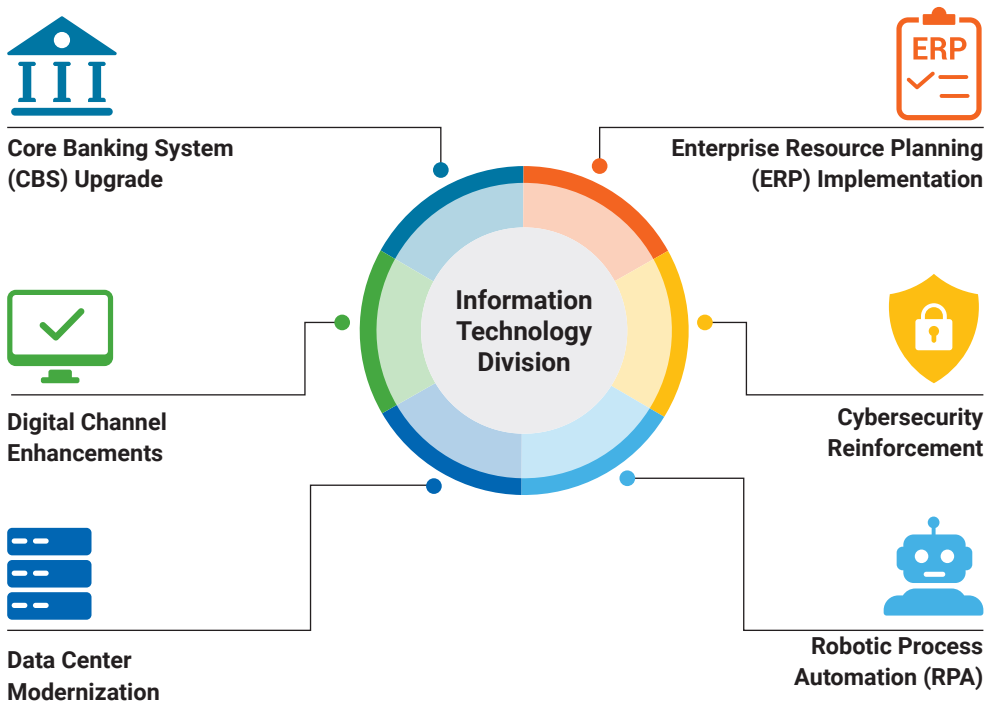


Future Outlook & Strategic Initiatives



Information Technology Division

In 2024, the Information Technology (IT) Division of United Commercial Bank PLC (UCB) continued to serve as a strategic enabler of the Bank's digital transformation journey. Guided by a vision of innovation, agility, and security, the Division implemented several key initiatives to enhance operational efficiency, customer experience, and cyber resilience.



Core Banking System (CBS) Upgrade

The Bank successfully completed a major upgrade of its Core Banking System, enhancing scalability, performance, and integration capabilities. The new platform facilitates real-time processing, robust compliance reporting, and seamless digital service delivery across all channels.

Enterprise Resource Planning (ERP) Implementation

UCB launched the implementation of a cloud-enabled ERP system to automate and integrate critical back-office functions including finance, procurement, HR, and inventory. This initiative aims to improve internal control, reporting accuracy, and data-driven decision-making.

Digital Channel Enhancements

- The UNET Digital Banking Platform experienced exponential growth, supported by backend optimizations for improved stability and transaction speed.
- Fixed Deposit Module and Bill Payment Services were integrated into UNET, providing greater convenience for retail customers.

Cybersecurity Reinforcement

Significant investment was made in cybersecurity infrastructure:

- Next-generation firewalls and threat intelligence systems were deployed.
- Regular Vulnerability Assessment & Penetration Testing (VAPT) and Cyber Drills ensured compliance with global standards and Bangladesh Bank directives.
- A Security Operations Center (SOC) was strengthened to provide 24/7 monitoring.

Data Center Modernization

UCB's Primary and Disaster Recovery (DR) Data Centers were upgraded with high-availability configurations, increased storage, and faster processing capabilities, ensuring business continuity and minimal downtime.

Robotic Process Automation (RPA)

Several routine operational tasks in trade, treasury, and reconciliation were automated using RPA bots, resulting in improved accuracy and turnaround time.

IT Governance & Compliance

IT Division continued to uphold industry best practices through:

- Alignment with COBIT, ITIL, and ISO/IEC 27001 frameworks.
- Regular IT audits, policy updates, and mandatory staff training.

Future Roadmap

- Rollout of AI-powered analytics and customer insights engines.
- Implementation of blockchain pilot projects in trade finance.
- Expansion of AI-driven chatbot services across all digital channels.
- Exploration of cloud-native banking applications and banking-as-a-service (BaaS) platforms.

Through continuous investment in technology and innovation, the IT Division is propelling UCB towards becoming a future-ready, digitally empowered bank that prioritizes efficiency, customer-centricity, and security.

Information Security Division

Cybersecurity is vital for protecting networks, devices, and data from threats like cyber-attacks and unauthorized access. The Information Security Division (ISD) of United Commercial Bank PLC (UCB) is committed to strengthening its cybersecurity coverage for the bank to safeguard customers, bank information as well as digital assets. Key initiatives revolves around implementation of strategies for combatting the current and emerging threats, maintaining internal policies for sensitive data protection, and communicating cybersecurity risks with regulatory authorities as well as the banking community at large.

UCB aims to create a secure business environment and improve resilience against cyber threats. UCB ISD runs a comprehensive information security program to protect its operations, assets, and sensitive financial information. Therefore, UCB has formed a fully-functional Information Security Division comprising of qualified and certified resources in order to ensure high levels of quality, security of IT systems and compliance with regulatory requirements.

ISD Key Components

Dedicated Governance, Risk & Compliance Unit

Governance, Risk & Compliance (GRC) unit at UCB has successfully implemented GRC framework and global standards for information security. Consequently, UCB has been able to achieve some noteworthy certifications that reflect its commitment to robust security practices. UCB has developed an ICT security policy and risk management framework focused on ensuring confidentiality, integrity, and availability of information. To foster a culture of risk awareness, UCB established ICT Steering, Security and Risk Management Committees. UCB's comprehensive ICT security strategy is aligned with regulatory guidelines and adheres to international standards on enhancing cyber security and mitigating ICT risks. Some of the notable certifications achieved by UCB include ISO 27001:2022 for Information Security Management Systems (awarded three times), ISO 22301:2019 for Business Continuity Management Systems (awarded twice), PCI-DSS accreditation (awarded seven times) and compliance with the SWIFT customer security program (awarded nine times). GRC team plays a crucial role in maintaining compliance documentation and facilitating audits thereby safeguarding the bank's integrity. Overall, UCB's governance and cyber-security program is continuously updated to address the evolving business needs, regulatory guidance, and emerging cyber threats.

24x7 Security Operations Center (SOC)

UCB has implemented a 24x7 Security Operations Center (SOC) dedicated to continuous monitoring of its enterprise systems for cyber threats. This facility not only detects and analyzes threats in real time but also employs proactive threat-hunting strategies to enhance its cyber threat intelligence database facilitating quicker future detections. Automated alerts help streamline operations among resources ensuring efficiency. The SOC's constant surveillance aids UCB in maintaining compliance with regulatory standards while promoting a proactive security posture that reduces the risks of data breaches and other cyber incidents. Additionally, the SOC is vital in incident management. Upon identifying a potential threat, the SOC team coordinates and maintains collaboration across all the teams involved in cybersecurity resulting in better intelligence, faster response times, reduced costs, and increased productivity.



Dedicated Application, System Security and Responsive Incident Handling Team:

The dedicated Application, System Security and Responsive Incident Handling team protects UCB's digital assets while promoting a culture of security awareness across the organization. These efforts help to defend against cyber threats and maintain customer trust. By prioritizing these initiatives, our bank can better defend against cyber threats and thereby ensure customer confidence in their services while complying with regulatory requirements. The Responsive Incident Handling Team is a dedicated unit tasked with managing and mitigating incidents that may affect the operations as well as uphold commitment to maintain its operational resilience and security.

In-house Cyber Security LAB for Synthetic and Emerging Cyber Threats Testing

The bank has established a dedicated cyber security laboratory designed to address the challenges posed by synthetic and emerging cyber threats. This facility is



staffed with certified information security professionals who are actively engaged in R&D and conducting comprehensive Vulnerability Assessments and Penetration Testing for the UCB IT infrastructures.

National Recognition: UCB has ranked first (champion) in National Cyber Drill 2023.

Building Cyber Aware Culture

Awareness is crucial for having effective cybersecurity. The bank educates employees and customers about cyber risks through phishing simulations, training sessions, seminars, and campaigns during an annual Cyber Awareness month. Communication channels via email and SMS to keep the customers informed about emerging threats.

Annually, UCB dedicates a month for Cyber Security Awareness featuring various engaging activities such as distributing educational materials, emails, stickers, booklets, e-books, and posters to promote vigilance among its employees and customers.



Key Initiatives

a. Leveraging the momentum of AI

Initiative will be taken for on-boarding AI based Threat Detection, Security Assessment, Quality Control, Source Code Review, Compliance Tracker, etc. to process enhancement and gaining optimum value.

b. Contributes toward ECO friendly Banking

In line with its commitment towards promoting green banking, UCB introduced automation of paperless review report generation for different applications. This shift improves efficiency while reducing deforestation and carbon footprints. Paperless reports reduce the paper usages, landfill waste, etc. Digital reports enhance data management by making storage and access easier for both employees and customers.

c. Proactive cybersecurity initiatives for both Bank and Customers

- Our Bank is going to implement dark web and external attack surface monitoring solutions. By leveraging on these tools, bank will be able to promptly detect cyber issues as well as be equipped to identify stolen credentials & other personal data on dark web networks. This allows access to compromised credentials quickly so that bank can proactively take necessary actions and prevent unauthorized accesses.

- Monitoring tools also offer Attack Surface Management (ASM) detection capabilities that help to identify and monitor internet-connected or publicly exposed digital assets for potential vulnerabilities.
- Harnessing AI/ML Tools - Expanding the Visibility: Building customer reliability and trustworthiness together; these initiatives mark an exciting step forward in our journey toward a safer digital world!

d. People's Development – Creating Contemporary Human Capital

Self-paced learning modules are designed to assess and develop end users' basic cybersecurity awareness. UCB launched a professional skill development learning platform tailored for UCB employees to enhance cybersecurity competencies. Cybersecurity awareness initiatives, including both in-person and online training sessions, are going on across all levels of UCB employees.

Through the synergistic integration of its personnel, operational processes, and technological infrastructure, UCB not only bolsters its cybersecurity framework but also nurtures a pervasive culture of security awareness, uniting its employees in the proactive defence against cyber threats.



Service Quality Department (SQD



A **Symphony** of UCB Customer Experience

UCB always meticulously orchestrates every interaction with a customer, creating a harmonious and memorable experience where all aspects, from marketing to sales to customer service, work together seamlessly to produce a positive overall feeling for the customer. Essentially, it signifies a carefully crafted, multi-faceted customer journey that leaves a lasting positive impression.

VISION of Service Quality Department (SQD)

"To enable customer delivery touch-points and concerned service delivery units to provide outstanding quality of service to our valued customers for making United Commercial Bank PLC a top service exemplary brand in banking industry and also be a catalyst in establishing a customer centric culture across the bank."

Core Functions of **Service Quality Department**



Complaint Management
(Identify Process & Service gap to Ensure Better Customer Experience)

Bangladesh Bank

Regulator Issues & Meeting Compliances
(Complaint, Compliance & Reports)



Mystery Shopping
3rd Party Physical Visits
(Identify Knowledge Gap, Service Deviation, Administration & Compliance)



NPS (Net Promoter Scores)
3rd Party Survey Calls
(Capture Customer's Voice on Service)



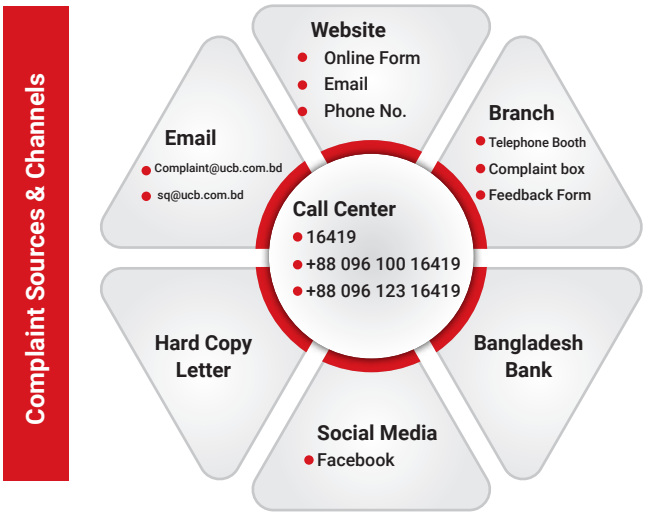
Service & Process Improvement
(From Root Cause Analysis)



Training & Coaching
(Ensure Improvement on Service)

Complaint Management & Resolution

UCB receives complaints generally from the following sources & channels.



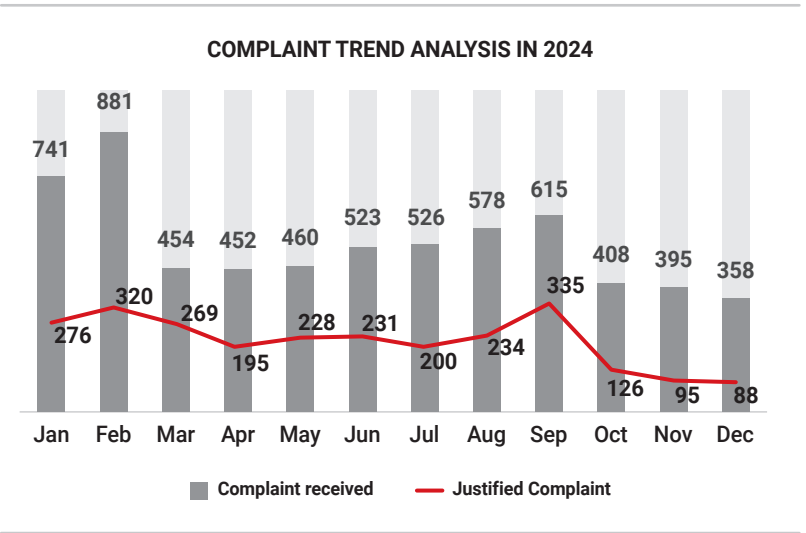


2024 Total Complaints Report

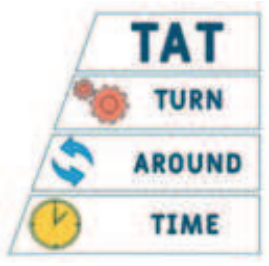
Total 6,391 complaints received from different channels in 2024. Service Quality Department receives majority of complaints registered through UCB Call Center.

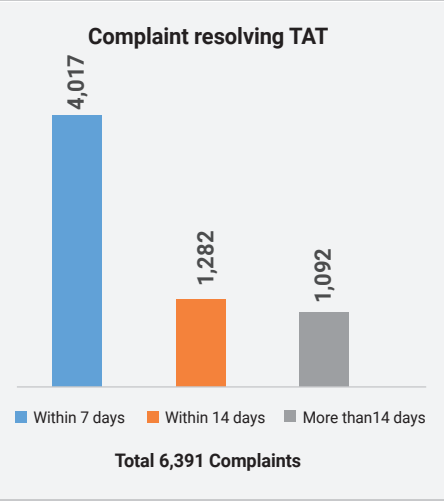
STATUS OF COMPLAINTS





Around **62.85% (4,017)** complaints closed within **7** calendar days, around **20.05% (1,282)** complaints closed within **8-14** calendar day and rest **(1,092)** were taken more than **14** calendar days



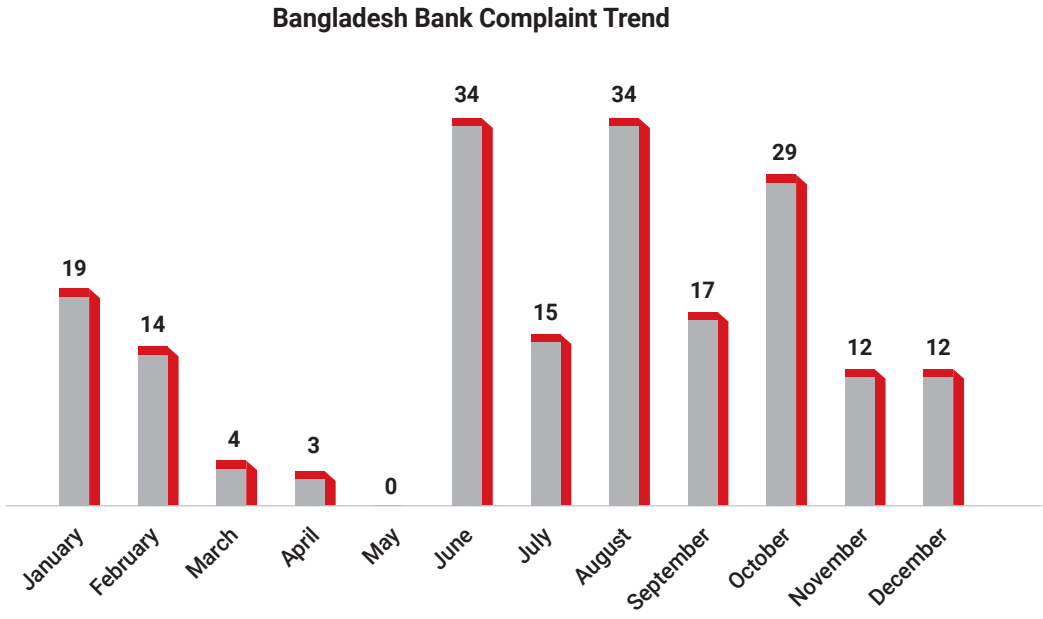




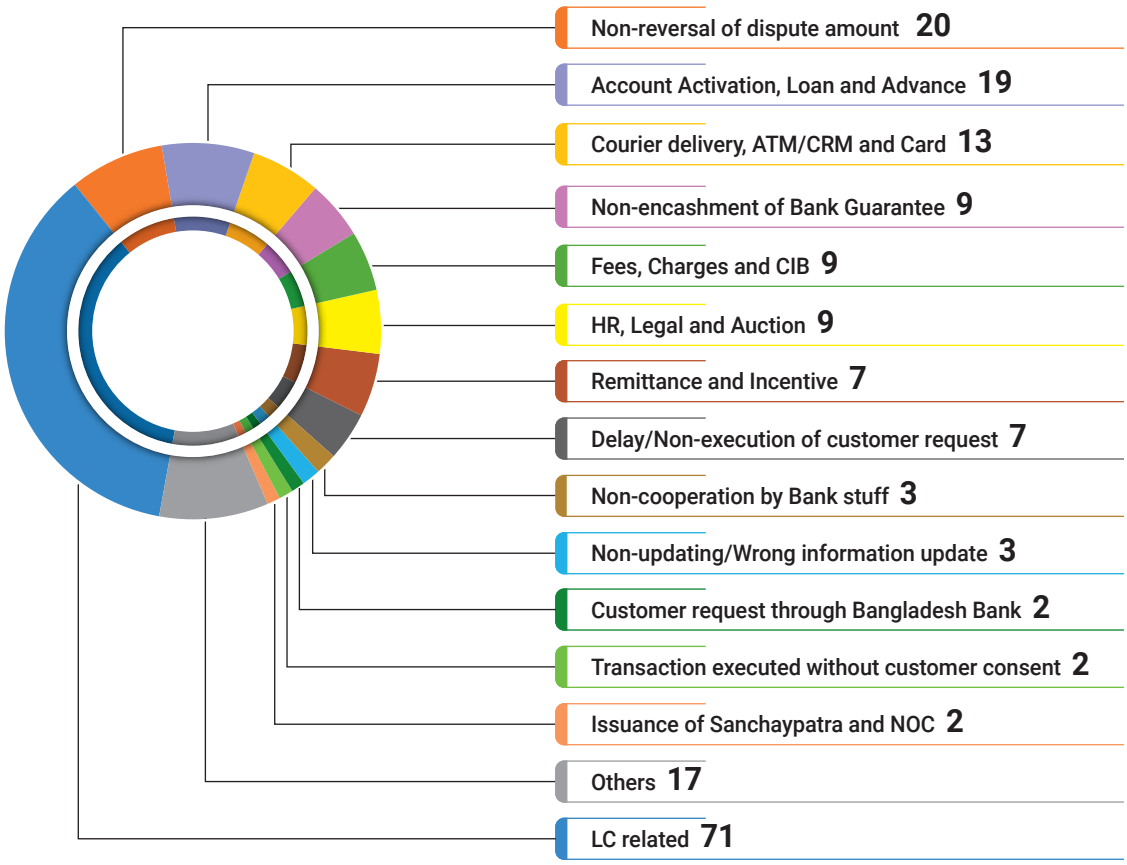
Bangladesh Bank

Regulatory Issues & Compliances

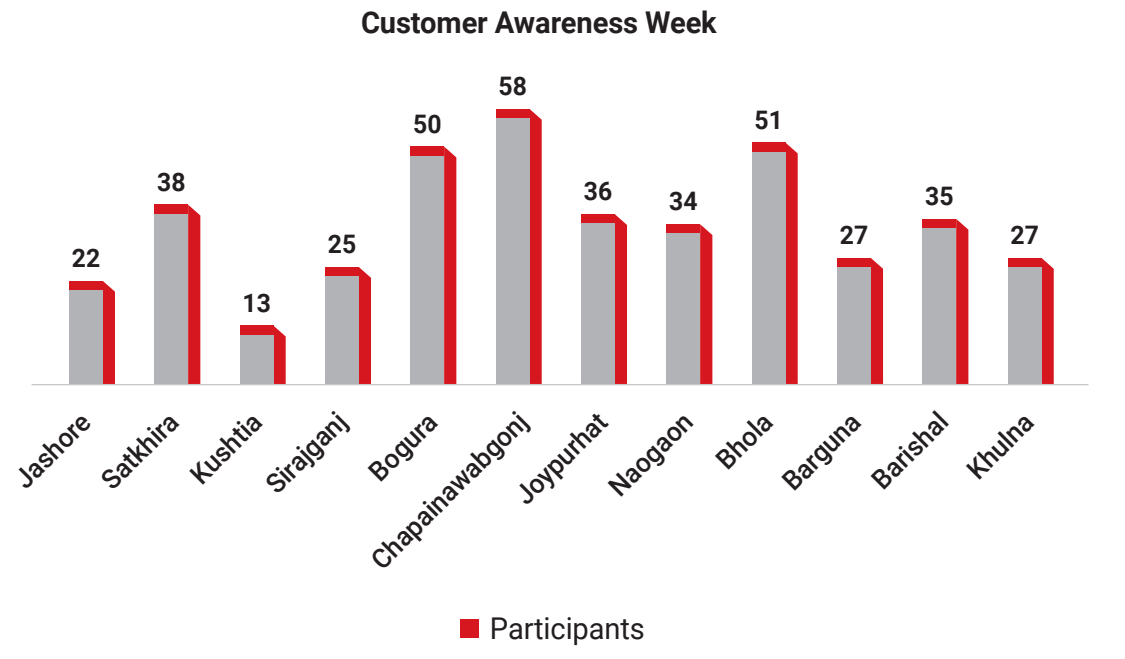
A total of 193 issues received from Bangladesh Bank (Regulator) through e-mail & hard copy and accordingly resolved with timely response.



Bangladesh Bank Complaint Category



As per Bangladesh Bank instruction, 61 branches under 5 divisions were conducted "Customer Awareness Week" in 2024 covering banking information at all segments of customers related to loan guarantor, loan defaulter, remittance benefits, agent banking transactions, anti-money laundering issues etc.





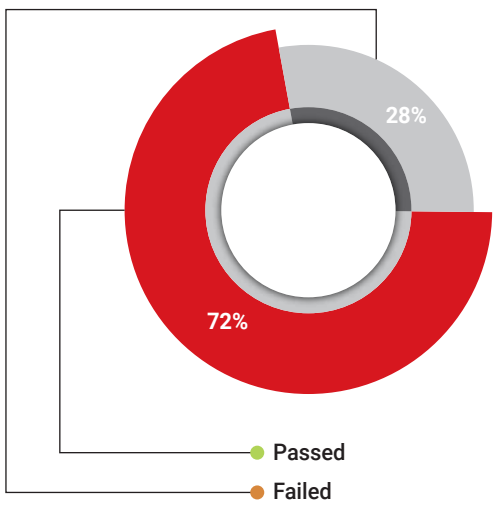




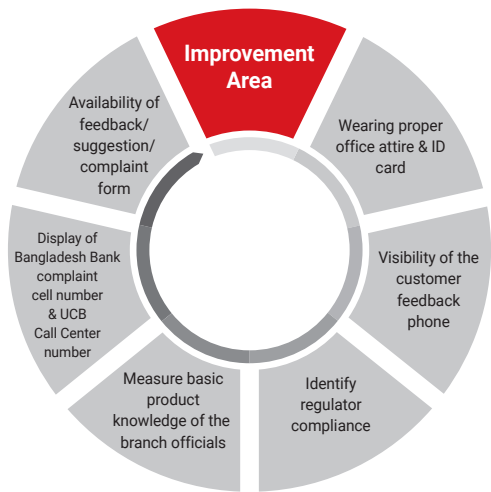
Mystery Shopping Management

In the year 2024, Service Quality Department conducted Mystery Shopping for 224 Branches through 3rd Party to measure the real service standard of the branch from a third eye. Based on the threshold of 85%, 62 branches scored below the threshold where below improvement areas are required to regain the score.

MYSTERY SHOPPING BY 2024



IMPROVEMENT AREAS



Customer Experience & Satisfaction Metrics (NPS)

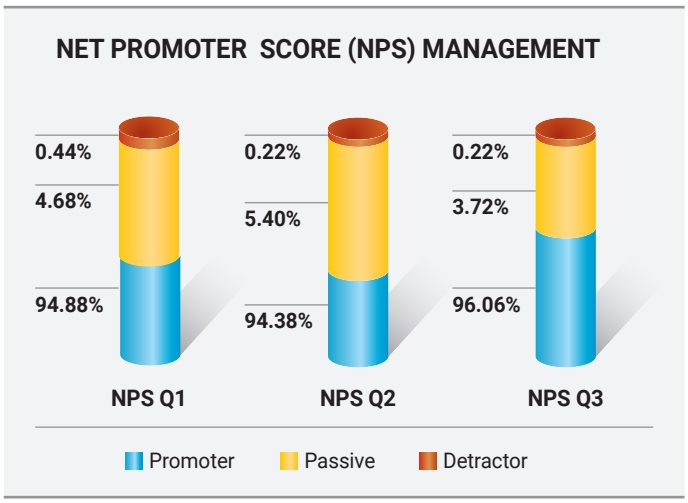
UCB has gathered customer experience through capturing customers' voices by using **Net Promoter Score (NPS)** survey calls through 3rd Party. NPS is a widely used metric for measuring customer loyalty and satisfaction. It is calculated based on responses to the question "***On a scale of 0 to 10***".





UCB 2024 NPS Scores -

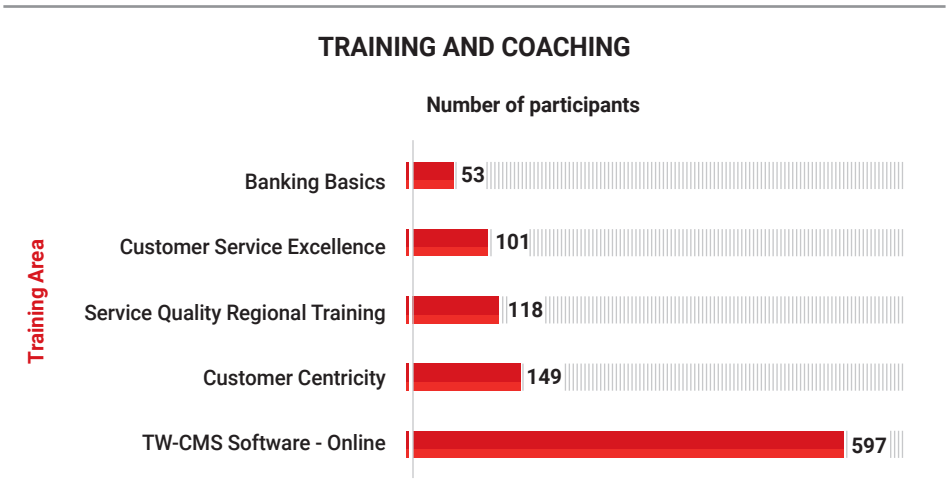
Year 2024	NPS Q1	NPS Q2	NPS Q3
NPS Scores	94.44%	94.16%	95.84%





Employee Training & Service Excellence Programs

To perform the tasks individually, skill set is essential which is a combination of abilities, qualities and experiences that requires training and coaching all through year to provide one stop service which will enhance better customer experience. Below training was conducted by SQD in the year 2024.











The following topics were covered while conducting the above trainings –

Banking Basics/Customer Centricity/Customer Service Excellence:

- Creating an organization wise customer centric or customer focused culture
- Strategies to serve customers better
- Purpose of Service Quality
- Creating customer delight
- Managing customer expectations
- Proper approach of complaint handling

Regional Training (Cumilla, Faridpur & Khulna Region Branches):

- Review Branch Complaint issues.
- Review Mystery Shopping & NPS Survey Results.
- Strategies to improve Service Quality and reduce complaints
- Customer Service Policy Guidelines for Complaint Management at Branches
- Awareness of Zonal Customer Service & Complaints Management Cell

TW-CMS Software Learning:

- Successfully trained the operational activities of Card Management System for all branches customer service employees through online session.

E-Learning on Service Quality:

- Common Complaint Issues & Root Causes
- Strategies to Serve Customer Better
- Service Quality Vs Service Recovery
- Importance of Knowledge on Products, Process and Fees
- Case Studies
- The Purpose of Service Quality

Service & Process Improvement (From Root Cause Analysis)



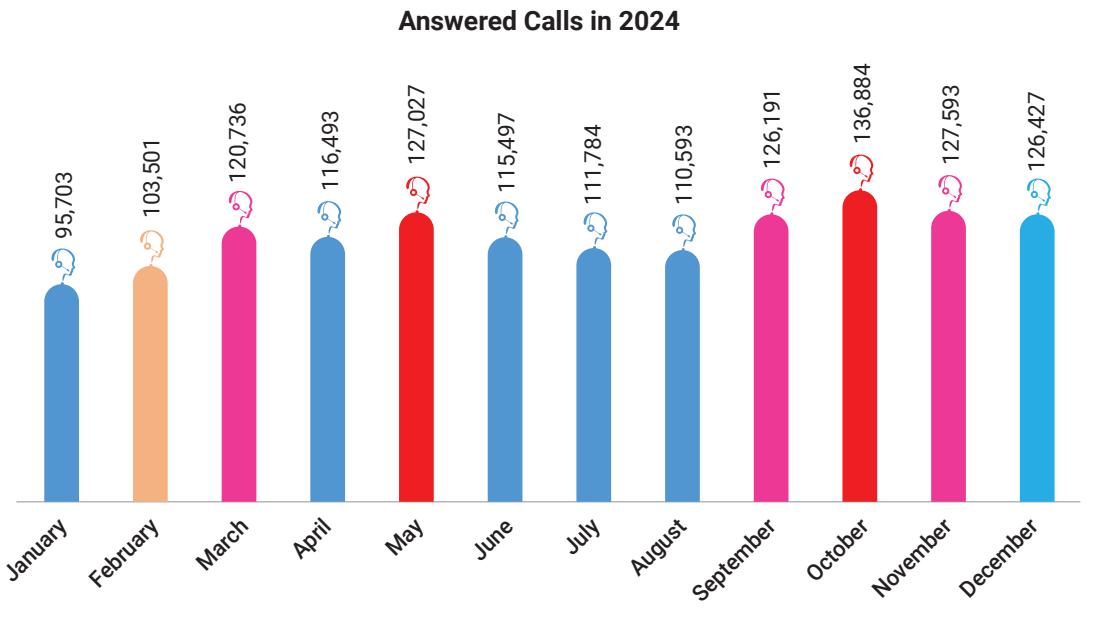
Below initiatives were taken in the year 2024 by Service Quality Department.

1) Established Account regularization TAT for Branch/Sub-Branch/Liability Operations to minimize account opening complaint and to increase customer satisfaction

2) Established MASTER Debit Card refunded transaction process without customer claim
3) Implemented a process with collaboration with Retail business so that customer has the options (YES/NO) to apply for Debit Card.
4) With involvement of SQD, Youngster account holders are now getting notification prior set the Account Status as No Debit and request to change the Account class while age become 18 years.
5) Conduct online knowledge sharing session on TWCMS among customer service officers of all the Branches/Sub-Branches with collaboration with Card operations and Card Business.
6) Conduct regional training on Service Quality in Faridpur, Cumilla and Khulna region.
7) Previously Credit Card payment was not accepted through NPSB channel, with involvement of SQD now we are accepting card payment through NPSB channel from other Bank
8) Established the process to Disable/Enable Card NFC/Pay wave option due to customer's security concern.
9) Establishing to increase the TP limit of E-KYC account (On Process)

UCB Call Center: 16419 One Call, That's All...

UCB Call Center has been an integral part of the Bank and a trusted ally to its customers, since its inauguration in 2016, by providing variety of services, ensuring utmost satisfaction of the customers. Initially the services were limited to Credit & debit Card products only, which with time has expanded its periphery to all other banking products. The introduction to Card PIN generation any time, absolutely free of cost, through the IVR, has reduced the hassle & cost of PIN issuing, replacement & delivery. The Center is dedicated to providing 24 hours' assistance to customers, 7 days a week, 365 days a year and excels in its' endeavor to make UCB's valued customer happy and satisfied. Our state of the art technology, initiatives and innovations, that have driven our commitment to service excellence towards a new height, are as follows:



14,18,429 Calls Answered –





– Feedback/ Apology Calls – 27,662

32,786 E-Mails Replied –





– 257,938 Cards Activated

- Debit Card – 1,96,667
- Credit Card – 33,658
- Pre-Paid Card – 27,613

2,86,126 Nos. of Card PIN Generated through IVR –





– 1,45,174 Nos. of Service Requests Processed

46,747 Nos. of Complaints Received





250,213,216 (Around 25.2 Crore) Revenue Generated by selling EMI at 11% interest (Flat Rate) on Credit Card Transactions.

Highlights

- 42% more calls have been received
- Started apology call-back to the abandoned calls (more than 40 Seconds)
- 15% improvement achieved in service levels
- Increased agent licenses from 25 to 75 for higher response rate and better service levels
- Recruited 20 new agents to ensure customer's call to be answered quickly and more efficiently

Moving Forward

In 2025 and onwards, UCB aims to enhance customer satisfaction, exceeding expectations by consistently delivering unparalleled service. Our focus is to establish a culture of innovation, by offering a variety of digital solutions, ensuring seamless customer interactions and courteous conversations. By making use of our customer feedback and continuously reengineering our processes, we strive to ensure a banking environment where every conversation brings happiness and strengthen our relationships with the customers, as a trusted financial partner in the industry.

Internal Control & Compliance Division

Through the integration of audit, compliance, Shari'ah assurance, and monitoring functions, ICCD ensures that United Commercial Bank PLC remains compliant, risk-aware, and operationally sound. Its efforts directly contribute to the Bank's credibility, regulatory standing, and strategic resilience in a dynamic financial landscape.

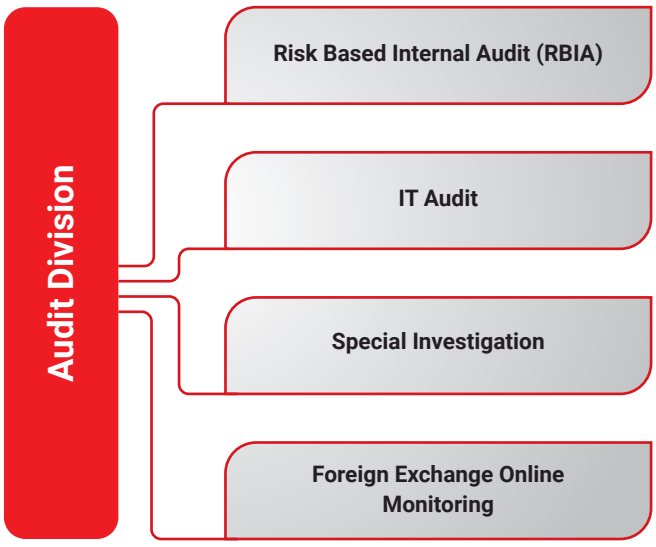
Audit Division

Risk-Based Internal Audit (RBIA)

In compliance with Bangladesh Bank directives, ICCD's Audit Division conducts comprehensive Risk-Based Internal Audits to evaluate the effectiveness of internal controls and operational practices. Audits also included key divisions at the corporate office and subsidiary entities, ensuring a robust, institution-wide risk assessment framework.

IT Audit

Acknowledging the evolving landscape of digital banking and cybersecurity threats, the Division intensified its focus on IT governance. These audits evaluated IT infrastructure, security protocols, data protection controls, and alignment with regulatory guidelines, ensuring the Bank's readiness in managing technology-driven risks.



Compliance Function

The Compliance Unit within ICCD ensures the Bank's adherence to both internal policies and external regulatory frameworks. The unit ensured timely reporting and resolution of observations from Management Reports and Bangladesh Bank Inspection Reports, enhancing UCB's compliance discipline and governance culture.

Shari'ah Audit – UCB Taqwa

To uphold the sanctity of Islamic banking under the UCB Taqwa brand, a dedicated Internal Shari'ah Audit Team, led by certified Muraqib (Shari'ah Auditors), conducted reviews across Islamic Banking Windows. These audits, executed under the annual Shari'ah Audit Plan, ensure that all activities remain compliant with Islamic principles and reinforce customer confidence in the Bank's ethical offerings.

Monitoring Unit

The Monitoring Unit operates as a proactive risk oversight function within ICCD. Using advanced control tools and MIS dashboards, the unit monitors branch and departmental activities to:

- Identify operational and compliance risks in real time
- Recommend corrective actions
- Support audit and compliance initiatives

This unit functions independently and reports directly to the Head of ICCD, ensuring prompt and effective escalation of critical issues.

Anti-Money laundering Division

1. Regulatory Compliance& Key Initiatives

United Commercial Bank PLC is fully committed to regulatory compliance, particularly in Anti-Money Laundering (AML) practices, in line with Bangladesh's legal requirements and international standards. Key initiatives include implementing directives of AML/CFT related laws, regulatory circulars internal policies, conducting regular training sessions for staff, and utilizing advanced technology to detect and prevent financial crimes. The bank continually reviews and updates its AML/CFT framework to ensure effective risk management and regulatory adherence.

Major Key Initiatives

- Prepared policies on Money Laundering and Terrorist Financing Risk Management and reviewed accordingly.
- Prepared policies on the Prevention of Trade-Based Money Laundering and reviewed accordingly.
- Developed various guidance notes, internal circulars, and directives on AML/CFT issues (example: Circular on Conducting Enhanced Due Diligence(EDD) for Imperial customers, Guidance for submitting STR/SAR, Circular on Submission of Self-Assessment Report to CCC and Compliance Advisory on Transaction Monitoring and Reporting).
- Arranged various training (physical & Virtual) and awareness programs.

Transaction Monitoring & Suspicious Activity Reports (SARs)

Transaction monitoring is a critical component in identifying and preventing suspicious activities and potential financial crimes. At UCB, both branch-level and centralized monitoring mechanisms are in place to ensure effective detection and reporting of such activities.

Branch Responsibilities

Regular Monitoring: Branches consistently monitor customer transactions through both manual checks and automated systems.

Transaction Monitoring Tools for Branches

- CTR Reporting and Analysis
- Automated Transaction Alerts
- Identify Structuring Transaction
- Transaction Profile Monitoring
- Transaction monitoring High risk account and IP account
- Monitoring adverse media report

Scope of Monitoring

Foreign Currency & Electronic Transfers

All transaction types (Unet Card etc), including foreign currency transactions and electronic fund transfers, fall within the scope of monitoring activities.

Sanctions & Risk-Based Considerations

- Monitoring also include screening through various solutions against:
- UN Security Council Resolutions (UNSCRs) sanction lists,
- Sanctioned individuals/entities designated by the Government of Bangladesh,
- Office of Foreign Assets Control (OFAC) of the US Department sanction lists
- Maintained Australian, Bank Internal list, Canadian, EU list and UK list
- Countries not compliant with international AML/CFT standards.

Role of AML & ATF Division

The Anti Money Laundering and Terrorist Financing Division will:

- Analyse Cash Transaction Reports (CTR) on high risk account and other threshold-based transactions
- Identify suspicious transactions/activities and submit Suspicious Transaction Reports (STR) or Suspicious Activity Reports (SAR) to Bangladesh Financial Intelligent Unit (BFIU) where additional due diligence justifies further action.
- Analyse Adverse Media News.
- Review process and broader scope of Policies and Procedures
- Dissemination of circular/ directives issued by Bangladesh FIU and The Bank
- Ensure Compliance of the Yearly Plan
- Self- Assessment Review, Independent testing and Half-yearly report submission to BFIU
- Manage Inspection by internal audit and Regulatory Inspections
- Advisory Support
- Regulatory Communication
- Manage Regulatory Relationship

Suspicious Transactions/Activity Reports (STRs/SARs)

We report suspicious transactions/ activities from time to time in compliance with BFIU guidelines and other applicable laws. The main outcome of an Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) compliance program is the submission of Suspicious Transaction Reports (STRs) or Suspicious Activity Reports (SARs). These reports are essential tools for reducing AML and CFT risks for Reporting Organizations (ROs). As of December 31, 2024, the AML & ATF Division has submitted a total of 1,172 STRs and SARs.

Customer Due Diligence (CDD) & Know Your Customer (KYC) Compliance

Together Customer Due Diligence (CDD) & Know Your Customer (KYC) help businesses mitigate risk and ensure they are not unknowingly involved in illegal activities. They also promote transparency, customer trust and regulatory compliance. Under supervision of AML & ATF Division, UCB PLC has a strong compliance culture of Customer Due Diligence (CDD) & Know Your Customer (KYC). To comply with the regulatory requirement of periodic KYC review, during 2024, over 2.36 Lac customers' s KYC (both high risk and low risk) were reviewed.

Training & Awareness Programs

AML & CFT training programs aim to raise awareness, ensure employees understanding their roles in preventing financial crimes and comply with local/international regulations such as the Financial Action Task Force (FATF) guidelines & BFIU guidelines. AML & ATF Division has arranged a number of training programs on prevention of money laundering and combating financing of terrorism for 1479 Executives/Officers of different branches and Corporate office through-out 2024 to develop their professional skill and ensure better regulatory compliance.

Technology & System Enhancements

In 2024, the AML and ATF Division improved the TBML software to keep it up-to-date. Another enhancement made the adverse media report solution more effective with a new upgrade. Additionally, efforts were made to obtain new reports from CBS. Another improvement was the update to the AML Solutions Suite Velocity software to strengthen AML compliance with Transaction Monitoring.

Challenges

1. Increasing complexity of money laundering techniques.
2. Limited availability of skilled manpower in AML and ATF operations.
3. High informal economy & cash transactions.
4. Corruption and Political influence.
5. Lack of awareness of customer on AML/CFT issues.
6. Difficulties in tracking transactions across multiple platforms.
7. Limited access to real-time data and intelligence.
8. Complex beneficial ownership structure.
9. Difficulty in monitoring high-volume and cross-border transactions.
10. Building awareness & train all the employees within short period.

Future Outlook

1. Plan to strengthen risk-based monitoring and customer due diligence.
2. Enhanced beneficial ownership transparency.
3. Enhancing internal training programs for staff capacity building.
4. Digital financial inclusion with compliance.
5. Streamlining reporting systems for faster response and accuracy.
6. Updating internal policies to align with best practices.
7. Continuous review and improvement of AML/ATF frameworks.



Corporate Social Responsibility (CSR) Activities

At United Commercial Bank PLC, we firmly believe that our success as a business is deeply connected to the well-being of the communities we serve and the health of the environment we all share. At UCB, we remain committed year after year to embracing and supporting initiatives, programs, and activities that generate meaningful, long-lasting impact. These efforts are not only central to our CSR strategy but are also embedded in our identity as a responsible corporate citizen. We understand that the true measure of our growth lies in how much we contribute back to society.

Our approach to CSR is driven by purpose and guided by the real needs of the communities around us. Each initiative we undertake is designed to be impactful, relevant, and sustainable — forming the foundation for inclusive development and economic progress.

As a financial institution, we recognize the powerful role we play in shaping positive change. Whether it's financing the shift to a low-carbon economy, championing financial inclusion, or upholding the highest standards of ethics and governance, we treat every decision as an opportunity to build a better future.

With that spirit, we are proud to present our Corporate Social Responsibility (CSR) Report for 2024, highlighting the strides we've made and the initiatives that continue to drive us toward a more inclusive, equitable, and sustainable tomorrow.

In the year 2024, our total expenditure in CSR was an amount of BDT 74.46 Million. the detailed of the CSR activities comes as follows:

Education

At UCB, we believe education is the cornerstone of sustainable development and inclusive growth. Our CSR efforts in education focus on bridging the gap in access to quality learning opportunities, especially for underprivileged communities. We aim to empower the next generation with the knowledge and skills needed to thrive in a rapidly changing world. An amount of Taka 8.84 Billion has been donated in the sector of Education. UCB contributed in the areas like financial assistance to Bandarban University, financial assistance to students of Department of Law, Dhaka University on attending Monroe E Price Media Law Moot Court Competition 2024 and many more.

Health

Access to quality healthcare is fundamental to human well-being and economic progress. We are committed to improving healthcare outcomes for underserved communities through sustained, impactful interventions. Our health-focused CSR initiatives aim to enhance accessibility, awareness, and affordability of medical services for those who need them most. In 2024, an amount of Taka 31.32 Million has been donated in the sector of Health. Some of the major contributions are medical support to various individual patients suffering from lymphoma, leukaemia, cancer, brain stroke etc. Support to Moonflower Autism Center, Assistance to Satarkul Protibondhi, financial support to student protesters admitted at Dhaka Medical College and Hospital, financial support to injured protesters admitted to NITOR.

Environment

Environmental sustainability is an integral part of our CSR vision and long-term strategy. As a responsible corporate citizen, we are committed to mitigating our environmental footprint and supporting community-led initiatives that promote ecological balance, climate resilience, and sustainable resource use. In 2024, an amount of Taka 3.87 Million has been contributed.

Disaster Management

We highly recognize the critical role that timely and coordinated disaster response plays in saving lives and restoring communities. Our CSR strategy incorporates a strong focus on disaster preparedness, response, and recovery to support vulnerable populations affected by natural and man-made calamities. Through strategic partnerships, community engagement, and rapid

mobilization of resources, we have worked to build resilience and provide meaningful aid where it's needed most. In 2024, 5.25 Million has been contributed in Disaster Management Sector. Some interventions in this sector covers donation for flood affected people, blanket distribution etc.

Sports

Sports play a vital role in shaping well-rounded individuals and fostering social inclusion, discipline, teamwork, and leadership. Through our CSR initiatives in sports, we aim to promote grassroots participation, nurture emerging talent, and ensure that people have access to quality sports infrastructure and training. In 2024, our contribution to sports has been an amount of Taka 5.00 Million.

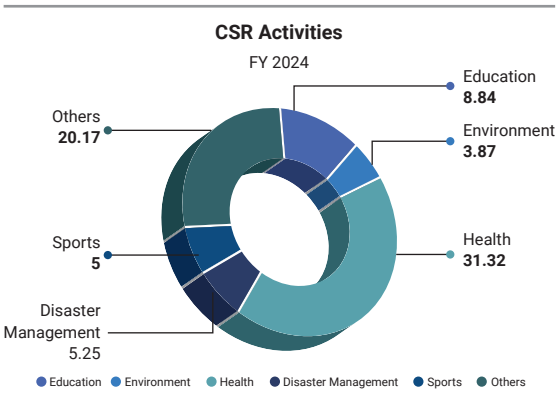
Others

Financial assistance to war torn Palestine, donation to July Shaheed Smriti Foundation are some of the other notable areas, UCB also contributed as part of CSR which is an amount of Taka 20.17 Million.

Looking ahead, we remain steadfast in our mission to integrate sustainability into our core business strategy. We will continue to collaborate with stakeholders, embrace innovation, and expand our reach to address the evolving needs of society. With each initiative, we aim to build not just a stronger bank, but a better future for all.

We thank our partners, employees, and communities for their trust and participation. Together, we are banking on a brighter, more equitable tomorrow.

The detailed of the CSR activities comes as follows:



Risk Management

The Risk Management Committee (RMC) of the Board is entrusted with overseeing the Bank's overall risk management framework. It regularly reviews and monitors risk exposures across all major risk areas and provides updates and recommendations to the Board to ensure informed decision-making. The risk management processes are continuously evaluated by the Internal Control & Compliance Division (ICCD) and are under the direct supervision of the Risk Management Division (RMD) to maintain the effectiveness, integrity, and appropriateness of the Bank's risk governance practices.

Statement of Directors Responsibility to establish appropriate system of internal control

The Board of Directors acknowledges its overall responsibility for establishing and maintaining a robust system of internal control across the Bank. This includes ensuring operational efficiency, effectiveness, reliability, timeliness, and completeness, as well as full compliance with applicable laws and regulations. The Board affirms that throughout the year, and up to the date of signing the financial statements, appropriate internal control systems were in place in accordance with best practices in financial reporting.

This responsibility also extends to the continuous assessment of the processes used for the identification, evaluation, and management of key risks, as well as the oversight of the roles performed by various Board committees and the Bank's dedicated risk management functions in safeguarding the Bank's stability and integrity.

Statement of Directors on adequacy of the system of internal control

The Board of Directors confirms that it has reviewed the effectiveness of the Bank's internal control systems for the year ended 31 December 2024 through its designated committees. In particular, the Audit Committee has actively overseen the implementation of internal control policies and monitored key business functions to ensure that the control environment remains robust and effective.

The Board has duly adopted and implemented its business strategy, as well as key policies relating to internal controls and risk management, in alignment with the provisions of the Banking Companies Act, 1991 (as amended), Bangladesh Bank guidelines, and the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission.

Furthermore, internal audit functions have been executed in accordance with regulatory requirements and best practices to uphold the Bank's commitment to sound governance, transparency, and operational excellence.

Protection of interest of minority shareholders and effective means of redress

United Commercial Bank PLC operates in strict accordance with its Articles of Association and all applicable laws and regulations of the land to safeguard the interests of all shareholders, including minority shareholders. The Bank upholds sound governance practices rooted in integrity, transparency, fairness, professionalism, and accountability, thereby fostering trust and confidence among its stakeholders.

Any complaints or concerns raised by shareholders—whether during the Annual General Meeting (AGM) or throughout the year—are addressed promptly and resolved in compliance with legal and regulatory frameworks. The Bank remains committed to ensuring equitable treatment of all shareholders and maintaining effective mechanisms for redress and grievance resolution.

Going concern

After careful evaluation of United Commercial Bank PLC's current and projected business performance, financial position, liquidity, and strategic plans, the Board of Directors is confident in the Bank's ability to continue its operations in the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. There are no material uncertainties that cast significant doubt on the Bank's ability to continue as a going concern. A separate report detailing financial highlights and operational strengths supporting this assessment is included in the Annual Report.

Compliance with corporate governance guidelines

As a responsible corporate citizen, UCB duly complied with the provisions of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission (BSEC). The compliance status of UCB on the said guidelines has been presented in the section 'Corporate Governance Report'. Also, ITRAT Husain & Associates Chartered Secretaries in practice, has certified the compliance status of UCB on the BSEC's corporate governance guidelines during 2023 which has been mentioned at the end of 'Corporate Governance Report'.

Focusing on the Future Requirement

In line with Bangladesh Bank's "Guidelines on Risk-Based Capital Adequacy" under the Basel III framework, United Commercial Bank PLC remains committed to maintaining capital well above the regulatory minimum. While external capital raising is considered a short-term and cost-intensive measure, the Bank prioritizes internal capital generation through profit retention and prudent risk asset management. Efforts continue to enhance portfolio quality by restructuring toward lower-risk assets and ensuring external credit ratings for all unrated corporate and medium enterprise clients. Additionally, UCB is laying the groundwork to transition from the standardized approach to an Internal Ratings-Based (IRB) approach for risk assessment. As part of Basel III readiness, the Bank actively monitors and reports key liquidity metrics—such as the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR)—to the central bank, reinforcing its robust liquidity risk management practices.

Declaration by CEO and CFO on the compliance of the conditions of BSEC's notification

In exercise of the power conferred by section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 (XVII of 1969), Bangladesh Securities and Exchange Commission (BSEC) issued notification no. SEC/CMRRCD/2006-158/134/Admin/80 dated June 3, 2018 to comply with certain conditions for corporate governance. The notification was issued for establishing a framework for ensuring good governance practices in the listed companies for the interest of the investors and the capital market. A statement on the compliance with the BSEC's has been presented at the end of Corporate Governance Report at Page No.177 of this Annual Report.

The Declaration or Certification of CEO and CFO has been presented at the end of the Report on Corporate Governance at Page No. 221 of this Annual Report.

Credit Rating Status

With a view to safeguard the interest of the prospective investors, depositors and creditors and to improve the functioning of the capital market of the country, Bangladesh Bank vide BRPD Circular No.06 dated July 05, 2006 has made it mandatory for the Bank's to have themselves credit rated. Accordingly, Credit Rating of United Commercial Bank PLC was done by Emerging Credit Rating Limited (ECRL) based on audited Financial Statements as on December 31, 2024. The rating report is summarized as under

Particulars	Long Term	Short Term
Entity Rating	AA	ST-2
Based on the Financial Statements as on 31 December 2024		
Validity Date: May 06, 2026		

ECRL has assigned AA (pronounced as Double A) the long term credit rating and ST-2 short term credit rating to the United Commercial Bank PLC based on audited financials from FY2024 and other available information up to the date of rating declaration. The outlook on the rating is Negative. The ratings are consistent with ECRL's methodology for this type of company. ECRL considered financial performance, capital base, asset quality, liquidity position, management experience and prospect of the industry while assigning the rating.

Senior Management

Name	With UCB since	Functional Designation
Mr. Mohammad Mamdudur Rashid	30-Sep-24	Managing Director and CEO
Mr. Nabil Mustafizur Rahman	01-Oct-24	Additional Managing Director & Chief Risk Officer
Mr. Abul Alam Ferdous	27-May-84	Additional Managing Director & Head of RMG Business
Mr. Adnan Masud	16-Feb-25	Additional Managing Director & Head of Wholesale Banking
Mr. Md. Abdullah Al Mamoon	01-Mar-17	Deputy Managing Director and Chief Operation Officer
Mr. Md. Shah Alam Bhuiyan	12-Dec-17	Deputy Managing Director and Head of SAMD
Mr. Faruk Ahammad, FCA	15-May-19	Deputy Managing Director and Group Chief Financial Officer
Mr. S. M. Mainul Kabir	30-Aug-23	Deputy Managing Director & Head of Structure Corporate
Mr. Md. Ridwanul Hoque	05-Nov-24	Senior Executive Vice President & Head of Distribution and Strategy
Mr. Zeeshan Kingshuk Huq	20-Jan-25	Senior Executive Vice President & Chief Communication Officer
Mr. Syed Hasnain Mamun	31-Oct-24	Executive Vice President & Head Of HRMD

Declaration of dividend

The Board of Directors of the Bank has recommended no dividend for the year 2024 in its meeting no. 513 held on 29 May 2025.

Auditors Report

The Board of Directors reviewed the Auditors Report issued by the Bank's auditor ACNABIN, Chartered Accountants based on their audit of financial statements for the year ended 31 December 2024. The auditor didn't mention about any material misstatement or significant disagreement regarding review of the Bank's financial statements. However, the auditor has drawn the shareholder's attention regarding the shortfall in provisions and shortfall in regulatory capital requirement in their audit report. The Board also reviews the auditors' suggestion which auditor provides through a separate management report and gives the strategic guidelines to the management for improvement.

Appointment of Auditors

The existing auditors, ACNABIN Chartered Accountants, have completed their third year as auditors of the Bank. According to the Bank Company's External Audit Regulation 2024, issued by Bangladesh Bank on 01 January 2025 ACNABIN Chartered Accountant is ineligible for reappointment for the upcoming year. Therefore, the existing auditors of the Bank cannot continue for the statutory audit of the financial year 2025 as they are not eligible for re-appointment for the year 2025. The appointment of the auditor and their remuneration have been recommended by the Board of the Directors of the Bank and subject to approval by the shareholders' at the Annual General Meeting (AGM).

Acknowledgement

The Bank concluded 2024 with outstanding performance across all key operational areas, thanks to the unwavering dedication of its employees and the sincere cooperation of all involved. The achievement of excellent results throughout the year was made possible by a strong liquidity base, prudent management of funds and credit, and ongoing guidance and support from the Board. I extend my gratitude to my fellow Board members for their consistent support and contributions, which have steered the Company in the right direction. I also express appreciation to all Company employees, upon whom our success relies. On behalf of the Board, I extend thanks to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC, Central Depository Bangladesh Limited, borrowers, depositors, and other stakeholders who have contributed to the bank's growth. We eagerly anticipate their continued support going forward.

Last but not the least, I wish to thank our shareholders for their continued support and trust placed on us and UCB aspires to do better in future and with this expectation we are pleased to place the annual report, the audited financial statements for the year ended 31 December 2024 together with the auditor's report thereon for approval.

(On behalf of the Board of Directors)



Sharif Zahir
Chairman

Management Discussion and **ANALYSIS**

United Commercial Bank PLC (UCB) is moving into an important new chapter in its long-established journey as one of Bangladesh's most trusted and prominent financial institutions. With decades of service behind it, the Bank has remained dedicated to innovation, inclusive banking, and operational excellence. In 2024, these values were put to the test as Bangladesh experienced a year of significant political change, economic pressure, and regulatory reform.

The year witnessed the historic "July Revolution," a significant political upheaval that led to the dissolution of the previous regime and the formation of an interim government. This shift reshaped the country's governance landscape and triggered widespread reforms across public and private institutions, including the banking sector. Against this backdrop of uncertainty and volatility, UCB demonstrated commendable resilience, guided by prudent risk management, disciplined governance, and a customer-centric operational model.

This section of the annual report outlines UCB's strategic responses, financial performance, risk posture, industry positioning, and roadmap for the future.

Economic and Industry Overview

The global economy in 2024 remained under pressure, characterized by persistent geopolitical conflicts, energy market volatility, and tightening monetary policies across major economies. These factors collectively impacted trade flows, foreign investment, and currency markets in developing nations like Bangladesh.

Bangladesh's economy grew modestly during the year, with GDP expansion slowing to 5.82% (FY 2023-24) amid inflationary pressures, forex volatility, and structural reforms driven by the interim administration. The July Revolution, while disruptive in the short term, laid the groundwork for improved governance, transparency, and institutional reform. However, it also prompted a period of economic recalibration as both public and private sectors adapted to new regulatory directives and strategic priorities.

The banking sector faced multifaceted challenges:

- Elevated non-performing loans (NPLs) due to sluggish industrial growth and borrower stress, particularly in the RMG and real estate sectors.
- The central bank implemented aggressive monetary tightening measures to control inflation and stabilize the local currency.
- Liquidity stress across banks, following capital outflows and reduced access to low-cost funding sources.
- Regulatory shake-up, including the restructuring of boards and enhanced reporting and provisioning requirements.

Despite these headwinds, UCB remained agile, recalibrating its strategic priorities to remain relevant and resilient in this volatile climate

Key Financial Highlights – 2024

Profitability

UCB recorded an operating profit of BDT 1,508 crore, reflecting an impressive 55% growth year-on-year, driven by enhanced operational efficiency, rising net interest income, and tight cost control measures. However, the Bank consciously took bold steps to clean its balance sheet and recognize legacy risks, booking BDT 1,293 crore in loan loss provisions. As a result, net profit after tax declined significantly, reflecting the Bank's responsible stance toward long-term sustainability over short-term gains.

Asset Quality

- Total assets rose to BDT 76,878 crore, up 12% from 2023, mainly due to loan book expansion and strategic investments.
- The NPL ratio increased to 14.90% from 5.50%, mirroring sector-wide credit deterioration and stress in large corporate accounts.
- UCB proactively strengthened its credit administration and provisioning buffer, adopting aggressive recovery strategies and legal action where necessary.

Capital Adequacy

UCB's Capital Adequacy Ratio (CAR) declined to 10.59% from 12.58% in the previous year due to high provisioning and limited retained earnings. Nonetheless, the ratio remains above the regulatory threshold. The Bank has initiated efforts to bolster capital through internal profit retention, Tier-2 capital instruments, and a proposed rights issue.

Deposits and Loans Growth

- Deposits grew by 7.95%, totaling BDT 55,422 crore, largely fueled by retail deposit campaigns and branch network expansion.

- Loans and advances increased by 13.21%, supported by strategic disbursements to the SME sector, agriculture, and sustainable housing.

Liquidity and Funding

Despite sector-wide liquidity stress, UCB maintained adequate levels of CRR and SLR, barring temporary shocks around August. The loan-to-deposit ratio stands at 91%, prompting the Bank to focus on deposit mobilization, bond issuance, and more cautious loan approvals.

Branch Expansion and Digital Footprint

In 2024, UCB continued expanding its physical and digital presence to reach underserved segments:

- Opened 3 new branches and 25 sub-branches, bringing the total to 231 branches and 177 sub-branches.
- Installed 48 ATMs/CRMs and 5 new agent banking outlets to deepen financial inclusion.
- Card transactions surged, with 23% growth in debit card and 13% in credit card usage.
- UCB also made strategic investments in its mobile app and internet banking platform, increasing transaction volume and customer engagement.

Peer Comparison – 2024

A comparative analysis of the Bank's financial performance and position relative to its peer banks for the year 2024 is presented below:

Name of the Bank	Loan growth	Deposit growth	BS Size growth	OP growth	PAT growth	EPS	NPL	CRAR
UCB	13%	8%	12%	55%	-77%	0.40	14.90%	10.59%
Brac	20%	34%	28%	68%	66%	6.86	2.63%	14.90%
City	12%	31%	25%	71%	76%	8.06	3.72%	15.97%
EBL	16%	25%	22%	39%	23%	5.53	3.34%	15.11%
Prime	9%	18%	16%	52%	54%	6.58	4.34%	17.00%
DBBL	4%	10%	14%	54%	-41%	5.39	7.73%	13.83%

UCB's financial performance reflects the Bank's deliberate and prudent decisions to prioritize long-term sustainability over short-term profitability, especially in light of systemic challenges.

Risk Management

Credit Risk

The Bank has implemented more stringent credit approval procedures, sectoral risk caps, and risk-based pricing models. The recovery and legal division has been revamped to expedite litigation, collateral enforcement, and negotiation with defaulting clients.

Market and Liquidity Risk

Market risk exposures, particularly interest rate and FX volatility, are continuously monitored through scenario-based stress testing. UCB is gradually increasing its share of stable retail deposits and issuing medium-term bonds to diversify its funding base.

Operational Risk

UCB has significantly enhanced its operational risk framework through:

- Robust IT governance
- Enhanced cybersecurity protocols
- Frequent employee training on fraud prevention and compliance
- Internal control enhancements following the July Revolution-led regulatory expectations

Accounting Policies and Estimates

UCB has consistently complied with relevant circulars issued by Bangladesh Bank, including BRPD Circular No. 14 dated 25 June 2003, and applicable updates till now. The Bank continues to follow applicable IASs and IFRSs where not overridden by local regulations. There were no changes in accounting policies or estimates in 2024, nor were any new IFRSs adopted.

Strategic Priorities for 2025

Despite the lingering effects of the political transition and economic slowdown, UCB is positioning itself for strategic recovery and long-term growth. The major priorities for 2025 are:

1. **Deposit Growth Initiatives**
   - Targeting BDT 12,000 crore inznetdeposit growth.
   - Enhanced marketing and customer acquisition campaigns.
   - Monthly targets tracked by all branches and divisions.
2. **Accelerated Recovery of NPLs**
   - Dedicated taskforce for top defaulters.
   - Strengthened legal actions and one-time settlement schemes.
   - Collaboration with regulators to expedite recoveries.
3. **Digital Transformation**
   - Upgrade of core banking system.
   - Expansion of mobile and internet banking offerings.
   - Integration of artificial intelligence for credit scoring and customer service.
4. **Diversification of Revenue Streams**
   - Growth in non-interest income through treasury operations, investment banking, and fee-based services.
   - Diversification of the loan book across less-cyclical sectors (healthcare, logistics, renewable energy, etc.).
5. **Sustainability and ESG Integration**
   - Development of green finance products.
   - Introduction of ESG scorecards for borrowers.
   - Implementation of environment-friendly banking practices.
6. **Capital Strengthening**
   - Exploring rights issue or Tier-2 subordinated debt instruments.
   - Retained earnings optimization and cost rationalization.

The year 2024 was a breaking point moment for UCB and the broader banking industry. The socio-political shift initiated by the July Revolution and the advent of the interim government have created both disruption and new possibilities. UCB's leadership has taken decisive steps to clean the balance sheet, embrace innovation, and align with the future regulatory direction.

With a renewed focus on governance, operational resilience, and stakeholder value creation, UCB enters 2025 well-positioned to regain growth momentum, strengthen its fundamentals, and contribute meaningfully to Bangladesh's financial stability and development.



Mohammad Mamdudur Rashid
Managing Director & CEO



GOVERNANCE REPORTS

Corporate Governance Report

Corporate Governance

The principles of corporate governance—accountability, transparency, fairness and responsibility—are essential for ensuring sustainable corporate success and fostering stakeholder confidence. United Commercial Bank PLC (UCB) is committed to maintaining a robust corporate governance framework that adheres to regulatory requirements and international best practices. The bank upholds the highest ethical standards, ensuring compliance with applicable laws and regulations while prioritizing the interests of its shareholders, customers and other stakeholders. Through responsible governance, UCB aims to enhance long-term value creation and strengthen trust across all levels of its operations.

Board Oversight and Leadership

United Commercial Bank PLC (UCB) has established a strong corporate governance framework to ensure accountability, transparency and ethical business conduct across its operations. The bank complies with all regulatory requirements set by Bangladesh Bank, the Bangladesh Securities and Exchange Commission (BSEC) and other relevant authorities while aligning its practices with international corporate governance standards. UCB's governance structure includes an effective Board of Directors, independent board committees, and a well-defined risk management framework to oversee strategic decision-making and operational efficiency. The bank emphasizes integrity, fairness, and responsible banking, ensuring that stakeholder interests are safeguarded. By fostering a culture of compliance, ethical leadership, and continuous improvement, UCB aims to enhance long-term sustainability and create value for its shareholders and customers.

Corporate Governance Structure

United Commercial Bank PLC (UCB) has a well-defined corporate governance structure designed to ensure effective oversight, accountability, and transparency in its operations. At the core of this structure is the Board of Directors, responsible for strategic direction, policy formulation, and overall governance. The Board is supported by various Board Committees, including the Audit Committee, Risk Management Committee, and Executive Committee, each overseeing key aspects of governance and regulatory compliance. The Management Team, led by the Managing Director & CEO, is responsible for implementing board-approved policies and managing day-to-day operations. Additionally, internal control mechanisms, including risk management, compliance, and internal audit functions, ensure adherence to regulations and corporate ethics. This structured approach enables UCB to maintain corporate integrity, stakeholder confidence, and sustainable growth.

Guiding Philosophy of Governance Practices

United Commercial Bank PLC (UCB) upholds a governance philosophy centered on accountability, transparency, integrity, and stakeholder value creation. The bank is committed to ethical leadership, regulatory compliance, and risk management to ensure sustainable growth and long-term success. UCB's governance framework is designed to foster responsible decision-making, protect shareholder interests, and maintain public trust. By integrating best corporate governance practices with its strategic objectives, UCB aims to uphold financial stability, operational excellence, and a strong corporate culture. The following acts, regulations, notifications, and circulars played a major role in shaping the governance structure and practices of the bank:

External	Internal
• The Companies Act, 1994 (amended upto 2020) • The Bank Company Act, 1991 • Bangladesh Securities and Exchange Commission (BSEC) Ordinance 1969, Rules 1987, Act 1993 and Public Issue Rules 2015 • Circulars, Rules, and regulations issued by Bangladesh Bank from time to time • Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited rules and regulations	• Financial Reporting Act 2015 • Articles of Association of UCB • Organizational Structure • Resolutions of meetings of Management Committees • Board-approved policies on all major operational aspects • Code of Conduct of UCB • Internal Circulars

1. Board of Directors, Chairman and Managing Director & CEO

The Board of Directors of United Commercial Bank PLC (UCB) currently consists of five directors, all of whom are non-executive, including the Chairman. In compliance with Section 15 of the Bank Company Act 1991, the Board includes 3 (three) independent directors to ensure transparency and independent oversight. The bank's corporate governance framework is supervised and monitored by the Senior Management, with the Board of Directors providing strategic guidance and oversight. Any deviation from corporate governance principles is taken seriously and addressed with due diligence to uphold the highest standards of integrity, compliance, and accountability.

Composition of the Board and its Committees

SL	Name of Directors	Designation	Executive Committee	Audit Committee	Risk Management Committee
1	Mr. Sharif Zahir	Chairman	Member	-	Member
2	Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman	Member	-	Member
3	Mr. Md. Tanvir Khan	Director	Chairman	-	-
4	Mr. Obaidur Rahman FCA	Independent Director	-	Chairman	Member
5	Mr. Md. Yusuf Ali	Independent Director	-	Member	Chairman
6	Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	-	-	-

1.1 Bank's Policy on Appointment of Directors

The Directors of United Commercial Bank PLC (UCB) are appointed in accordance with the provisions of the Companies Act 1994, the Bank Company Act 1991, the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, as well as the bank's Articles of Association. The Board comprises distinguished entrepreneurs and business professionals with extensive experience in various fields, including banking, economics, IT, accounting, marketing, and administration, bringing valuable insights to the bank's governance. Directors are elected by the shareholders at the Annual General Meeting (AGM), and all appointments are subject to the approval of Bangladesh Bank. In cases of nomination, removal, or casual vacancies, UCB strictly adheres to all applicable laws, regulations, and governance guidelines.

1.1.1 Roles and Responsibilities of the Board

The operational affairs of United Commercial Bank PLC (UCB) are governed and managed under the strategic and prudent policies approved by the Board of Directors. The Board sets the core values of the bank and ensures that its operations comply with all relevant laws, rules, and regulations. In accordance with BRPD Circular No. 02, dated February 11, 2024, the key roles and responsibilities of the Board include:

- Reviewing operational performance to ensure alignment with the bank's strategic objectives.
- Approving policies and operational manuals to strengthen risk management and internal control in core banking areas.
- Enhancing corporate governance by reviewing and improving governance standards.
- Overseeing corporate social responsibility (CSR) initiatives and taking steps for improvement.

- Developing a strong compliance culture within the organization.
- Approving business, financial, and administrative proposals beyond management's delegated authority.
- Appointing the Managing Director (CEO) and determining his benefits.
- Approving property acquisitions and major capital expenditures.
- Ensuring employee welfare through appropriate policies and initiatives.
- Approving donations for charitable causes in line with corporate social responsibility.
- Setting an annual work plan and monitoring its progress.
- Analyzing budget performance, and identifying reasons for success or shortfalls.
- Periodically reviewing operational budget achievements and financial performance.
- Implementing risk management initiatives to safeguard the bank's stability.
- Assessing the effectiveness of internal control mechanisms and addressing any gaps.
- Reviewing and updating human resources policies for a dynamic workforce.
- Overseeing financial management and ensuring periodic reviews.
- Approving key policies and strategic decisions to enhance operational efficiency and compliance.

By fulfilling these responsibilities, the Board ensures sustainable growth, stakeholder confidence, and long-term success for UCB.

1.1.2 Induction Policy of the Directors

Each new director undergoes a comprehensive induction program to familiarize them with the bank's operations, as well as the relevant laws and regulations governing its activities. The induction includes meetings with the Chairman, Managing Director & CEO, Board Committee Chairs, and senior executives of the bank, ensuring that the new director gains a thorough understanding of the bank's governance structure, strategic priorities, and regulatory framework.

1.1.3 Rotation, Retirement and Removal of Directors

In accordance with Section 91 of the Companies Act 1994, Sections 79–87 of Schedule I of the Act, and Clauses 20.12 and 20.13 of the Bank's Articles of Association, one-third of the directors are required to retire from office each year and are eligible for re-election upon their retirement. The election of board members follows the resolution passed at the shareholders' meeting, as stipulated in the Articles of Association.

List of Directors Retired, Appointed/Re-appointed (01-01-2024 to 31-12-2024)

SL	Name of the Director	Designation	Remarks
1	Mrs. Rukmila zaman	Chairman	Removed by Bangladesh Bank on 27.08.2024
2	Mr. Bashir Ahmed	Vice Chairman	Removed by Bangladesh Bank on 27.08.2024
3	Mr. Anisuzaman Chowdhury	Chairman Executive Committee	Removed by Bangladesh Bank on 27.08.2024
4	Mr. Touhid Shipar Rafiquzzaman	Chairman Audit Committee	Removed by Bangladesh Bank on 27.08.2024
5	Mr. M.A.Sabur	Chairman Risk Management Committee	Removed by Bangladesh Bank on 27.08.2024
6	Mr. Bazal Ahmed	Director	Removed by Bangladesh Bank on 27.08.2024
7	Mr. Nurul Islam Chowdhury	Director	Removed by Bangladesh Bank on 27.08.2024
8	Mrs. Roxana Zaman	Director	Removed by Bangladesh Bank on 27.08.2024
9	Mr. Asifuzzaman Chowdhury	Director	Removed by Bangladesh Bank on 27.08.2024
10	Mrs. Afroza Zaman	Director	Removed by Bangladesh Bank on 27.08.2024
11	Mr. Md Nasim Kalam	Director	Removed by Bangladesh Bank on 27.08.2024
12	Mrs Masuma Parvin	Director	Removed by Bangladesh Bank on 27.08.2024
13	Mr. Syed Kamruzzaman, FCMA	Director	Removed by Bangladesh Bank on 27.08.2024
14	Mr. Muhammed Shah Alam, FCMA	Director	Removed by Bangladesh Bank on 27.08.2024
15	Mr. Kanak Kanti Sen, FCMA	Director	Removed by Bangladesh Bank on 27.08.2024

SL	Name of the Director	Designation	Remarks
16	Mr. Md. Aksed Ali Sarker	Director	Removed by Bangladesh Bank on 27.08.2024
17	Dr. Aparup Chowdhury	Independent Director	Removed by Bangladesh Bank on 27.08.2024
18	Prof Iftekhar Uddin Chowdhury	Independent Director	Removed by Bangladesh Bank on 27.08.2024
19	Mr. Md. Abdul Hannan	Independent Director	Removed by Bangladesh Bank on 27.08.2024
20	Mr. Arif Quadri	Managing Director	Removed by Bangladesh Bank on 27.08.2024
21	Mr. Sharif Zahir	Chairman	Appointed by Bangladesh Bank on 27.08.2024
22	Mr. Md Tanvir Khan	Chairman, Executive Committee	Appointed by Bangladesh Bank on 27.08.2024
23	Mr. Md.Yusuf Ali	Independent Director	Appointed by Bangladesh Bank on 27.08.2024
24	Mr. Obaidur Rahman, FCA	Independent Director	Appointed by Bangladesh Bank on 27.08.2024
25	Mr. Md.Shazzad Hossoin	Independent Director	Appointed by Bangladesh Bank on 27.08.2024
26	Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	Appointed on 30.09.2024

1.1.4 Directors' Shareholding Status

In accordance with the regulations, all sponsors/promoters and directors of United Commercial Bank PLC (UCB) are required to hold a minimum of 30% (thirty percent) of the bank's shares on a perpetual basis. Each director, excluding independent directors, must also hold a minimum of 2% (two percent) of the bank's paid-up capital. In compliance with BSEC Notification on Corporate Governance, dated November 22, 2011, all directors, other than the independent directors, have adhered to these shareholding requirements.

Shares held by the Directors: Appointed by Bangladesh Bank on 27.08.2024

SL	Name of Directors	Position	No of Shares	% of Share
1	Mr. Sharif Zahir	Chairman	31217326	2.01
2	Mr. Md. Shazzad Hossoin	Independent Director & Vice-Chairman	Nil	--
3	Mr. Md. Tanvir Khan	Director & Chairman, Executive Committee	31100000	2.01
4	Mr. Obaidur Rahman FCA	Independent Director & Chairman, Audit Committee	Nil	--
5	Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee	Nil	--
6	Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	Nil	--

1.1.5 Directors' Remuneration

In accordance with Bangladesh Bank guidelines, directors of United Commercial Bank PLC (UCB) are entitled to receive Tk. 10000 for attending each Board and Board Committee meeting. Directors do not receive any additional remuneration beyond attendance fees for these meetings. However, like all other shareholders, directors are entitled to receive their respective portion of dividends. UCB strictly adheres to the applicable regulations of Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC) regarding director remuneration.

1.2 Adequate Representation of Non-Executive Directors

A non-executive director is one who does not hold any position within the bank other than serving on the Board of Directors and its committees. At United Commercial Bank PLC (UCB), all directors, including the Chairman, are non-executive, except for the Managing Director & CEO. Non-executive directors remain independent of management and do not engage in the bank's day-to-day operations. Their adequate representation ensures a clear separation between ownership and management, which is a fundamental principle of good corporate governance and helps uphold transparency, accountability, and effective oversight.

1.3 Appointment & qualification of Independent Directors

Before their appointment, independent directors of United Commercial Bank PLC (UCB) undergo a rigorous evaluation by the Board of Directors, followed by shareholder approval at the Annual General Meeting (AGM). Their appointment is then subject to clearance from the Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC).

UCB emphasizes a diverse blend of knowledge, skills, experience, and strategic insight in selecting independent directors. These individuals are expected to bring extensive expertise and sound judgment to guide the bank effectively. Currently, UCB's independent directors include a distinguished chartered accountant, a former Deputy Managing Director of leading government banks, and a former Executive Director of Bangladesh Bank, each contributing valuable industry knowledge and leadership experience.

1.3.1 Independence of Independent Directors

In accordance with corporate governance guidelines, the Board of Directors of UCB has appointed three independent directors with expertise in financial, regulatory, and corporate laws. These directors operate with full autonomy, ensuring they can effectively fulfill their responsibilities. They provide independent and objective perspectives on the bank's policies and decisions, always prioritizing the best interests of the organization. To maintain compliance with regulatory requirements, UCB's independent directors do not hold any shares in the bank, reinforcing their impartiality and commitment to good governance.

1.3.2 Role of Independent Directors

UCB ensures the independence of its independent directors by appointing individuals who are not shareholders and have no family or other affiliations with the Board of Directors, executives, or management. In addition to their core responsibilities as directors, they play a crucial role in:

- Overseeing matters involving potential conflicts of interest to ensure transparency and accountability.
- Reviewing, evaluating, and supervising related-party transactions to confirm they are fair and in the best interests of UCB.
- Ensuring the bank maintains an independent and effective compliance function in line with regulatory requirements.
- Providing objective and independent judgment to support informed decision-making at the board level.

Through their expertise and impartiality, independent directors strengthen corporate governance and contribute to the long-term sustainability of the bank.

1.4 Chairman to be independent of CEO

In compliance with Bangladesh Bank BRPD Circular No. 02, dated February 11, 2024 and Clause 1(4) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 (dated June 3, 2018) on the Corporate Governance Code, the roles and responsibilities of the Chairman of the Board and the Managing Director & CEO of United Commercial Bank PLC (UCB) are kept distinct and independent from each other.

Bangladesh Bank has appointed Mr. Sharif Zahir as the Chairman and the Board has appointed Mr. Mohammad Mamdudur Rashid as the Managing Director & CEO of the bank.

The Chairman of the Board oversees the agenda for board meetings, including approvals for loan proposals exceeding the CEO's authority and strategic matters related to the bank's corporate strategy, financial performance, core risks, credit policy, corporate governance, corporate social responsibility (CSR), organizational structure, human resources policy, customer service strategies, and procurement policy.

The Managing Director & CEO, as the head of the management team, is accountable to the Board and its committees. Their responsibilities include managing the day-to-day operations of the bank in line with the policies, principles, and strategies established by the Board, as well as complying with the rules, regulations, and guidelines set forth by Bangladesh Bank, BSEC, and other regulatory authorities.

1.5 Roles and Responsibilities of the Chairman of the Board

In accordance with Bangladesh Bank BRPD Circular No. 02, dated February 11, 2024 and the Corporate Governance Code issued by BSEC (dated June 3, 2018), the Chairman of the Board of Directors of UCB has the following key roles and responsibilities:

Roles of the Chairman:

- Providing leadership to the Board to ensure effective decision-making.
- Supporting the Managing Director & CEO in fulfilling the bank's strategic objectives.
- Acting as a bridge between the Board and Management to ensure alignment of goals.
- Assisting in setting the agenda for Board meetings in collaboration with the Managing Director and Company Secretary.
- Ensuring the Board remains focused on key strategic and governance issues.
- Overseeing the succession planning for the Board to maintain effective leadership.

Responsibilities of the Chairman:

- Ensuring the Board sets and implements the bank's direction and strategy effectively.
- Organizing Board activities to enhance effectiveness and structuring meeting agendas appropriately.
- Overseeing the efficient functioning of the Board and its committees in line with corporate governance best practices.
- Ensuring all critical issues are discussed by the Board in a timely and constructive manner.
- Preventing any director from interfering in the day-to-day operations of the bank.
- Signing the minutes of Board meetings as a formal record of discussions and decisions.

Through these responsibilities, the Chairman ensures that the Board operates effectively, upholds corporate governance standards, and provides strategic guidance for the sustainable growth of the bank.

1.5.1 Independence of Non-Executive Directors

The Non-Executive Directors of UCB have full autonomy to execute their responsibilities effectively. They actively participate in Board meetings, contribute to shaping the bank's strategic direction, and ensure adherence to governance principles. Additionally, they maintain strict confidentiality regarding the bank's affairs, reinforcing trust and transparency in corporate governance.

1.6 Annual Appraisal of the Board's Performance and Disclosure

The performance of the Board is critically evaluated by shareholders during the Annual General Meeting (AGM), where they assess the bank's financial position, operational performance and overall governance framework. During the AGM, shareholders may also raise questions and inquiries, which the Chairman of the Board addresses with detailed responses.

The Board's performance is assessed based on key indicators such as shareholder return, share price, return on capital employed, and earnings per share (EPS). Each Board meeting ensures the active participation of directors in reviewing strategic agenda items and assessing the adequacy and effectiveness of internal controls. The Board also approves the annual budget and conducts quarterly reviews to monitor financial variances and track progress toward achieving strategic goals.

Furthermore, supporting committees of the Board present performance reports at regular intervals during Board meetings, allowing for continuous assessment and enhancement of the Board's effectiveness. Through these mechanisms, UCB maintains a strong governance structure that ensures accountability, transparency, and strategic alignment with the bank's long-term objectives.

1.7 Annual Performance Evaluation of the Chief Executive Officer by the Board

The Board of Directors of UCB has clearly defined and approved the roles, responsibilities, and duties of the Managing Director & CEO. To ensure effective leadership and strategic direction, the Board conducts an annual performance evaluation of the CEO based on various reports, including the financial position and overall performance of the bank.

Key evaluation parameters include:

- Financial performance indicators, such as profitability, return on assets, and shareholder value.
- Strategic goal achievement, including business growth, operational efficiency, and regulatory compliance.
- Risk management effectiveness and adherence to corporate governance standards.
- Leadership and decision-making in driving organizational success.

Given the competitive landscape of the banking industry, the Board also assesses the marketing and customer management capabilities of the CEO to ensure strong client relationships and sustainable business growth.

1.7.1 Rules and Regulations for Appointing the Managing Director & CEO

The Board of Directors is responsible for appointing the Chief Executive Officer (CEO) in compliance with the relevant circulars and rules issued by Bangladesh Bank and BSEC's Notification. The appointment process is finalized only after obtaining a No Objection Certificate (NOC) from Bangladesh Bank. The following factors are considered during the appointment of the CEO:

- **Moral Integrity:** The candidate must not have been convicted by any criminal court or penalized for regulatory violations.
- **Experience and Suitability:** The candidate must have at least 15 years of banking experience, with at least 2 years in a role immediately below the CEO. A Master's degree from a recognized university is also required.
- **Transparency and Financial Integrity:** The candidate must not have been involved in any illegal activities during their tenure and must not be a defaulter or adjudicated insolvent.

1.7.2 Appointment of Chief Financial Officer (CFO), Company Secretary (CS), and Head of Internal Control and Compliance (ICCD)

As per the bank's policies and applicable rules, UCB has appointed a Chief Financial Officer (CFO), Head of Internal Control & Compliance (ICCD), and Company Secretary (CS). These individuals are well-qualified in their respective fields of financial, regulatory, and corporate legislation. The roles, responsibilities, and duties of the CFO, CS, and ICCD are clearly defined and authorized by the Board of Directors to ensure effective management and governance.

1.8 Policy on Training of Directors

The Director Training Policy aims to equip directors with the latest updates and knowledge in the banking industry, including relevant legislation, regulatory guidelines, and circulars issued by regulatory bodies. The policy includes special training sessions with experts on technical and complex issues. Directors are encouraged to participate in various business, economic, technical, professional, and corporate governance programs and seminars, both locally and internationally. Every newly appointed director receives a comprehensive induction, covering their roles and responsibilities, legal obligations, governance framework, policies, and the terms of reference of the board committees.

1.9 Directors' Knowledge and Expertise in Finance and Accounting

UCB's Board of Directors comprises highly skilled professionals with diverse expertise. The board includes accomplished entrepreneurs and seasoned professionals with vast experience in business, economics, and administration. Among them, Mr. Obaidur Rahman FCA brings extensive experience in finance and accounting. Another board member has served as Deputy Managing Director of a government bank, while another has held the position of Executive Director at Bangladesh Bank, providing valuable insights into banking, finance, and regulatory matters. Their collective expertise ensures strong governance, oversight of accounting and audit practices, and adherence to financial reporting standards, fostering compliance and sustainable financial performance.

1.10 Number of Meetings of the Board and Participation of Each Director

The Board of Directors holds meetings monthly or more frequently if needed. Management provides detailed information, references, and discussion papers on each agenda item ahead of the meeting. The Company Secretary, under the Chairman's guidance, ensures that board meetings are organized regularly throughout the year. Below is the record of board meetings held during 2024:

SL	Particulars	No. of Meeting
1	Board Meeting	16
2	Executive Committee (EC) Meeting	9
3	Audit Committee Meetings	9
4	Risk Management Committee (RMC) Meeting	4

1.10.1 Key Activities Performed by the Board in 2024

The operational management of the bank is directed under strategic policies approved by the Board of Directors, which also sets the bank's core values and establishes standards to ensure compliance with relevant laws, rules, and regulations. The Board's key activities in 2024 included:

- Authentication of quarterly and annual financial statements for 2024.
- Approval of the annual business plan for 2024.
- Adoption of the directors' report for 2024.
- Appointment of statutory and corporate governance auditors and determination of their remuneration.
- Convening the Annual General Meeting (AGM).
- Declaration of dividends for the year 2024.
- Approval of amendments to various policies of the bank.
- Approval of the sustainability and corporate governance strategy.
- Approval of the audit plan for the year 2025.
- Deliberation and decision-making on anti-money laundering issues.
- Discussion and decision-making on ethical concerns.
- Regular review of the bank's operational performance in achieving its objectives.
- Review of the bank's policies and operational manuals to enhance risk management and internal controls in core banking operations.
- Evaluation of the bank's corporate governance standards for further improvements.
- Review of the bank's corporate social responsibility (CSR) status and implementation of required actions.
- Approval of proposals that exceed the delegated business/administrative powers of management.

1.10.2 Board Committees and their Responsibilities

In accordance with Bangladesh Bank BRPD Circular No. 02, dated February 11, 2024, banks are allowed to form up to three committees or subcommittees to ensure proper governance. In line with this directive, UCB has established the following three committees to oversee

and manage the bank's operations, performance, and strategic direction:

- Executive Committee
- Audit Committee
- Risk Management Committee

Executive Committee (EC)

The Executive Committee (EC) of UCB consists of 3 members, in compliance with Section 15B (2) of the Bank Company Act 1991 and Bangladesh Bank BRPD Circular No. 02, dated February 11, 2024. The Company Secretary serves as the secretary of the committee.

The EC typically functions as a proxy for the Board of Directors, convenes emergency meetings, and performs various tasks to ensure the smooth operation of banking activities. However, any decision made by the committee must be ratified by the full board. During 2024, the EC held 09 meetings.

Audit Committee (AC)

The Audit Committee (AC) operates as the sub committee of the Board of Directors. To ensure quorum, at least one Independent Director must be present at meetings. The Company Secretary acts as the committee's secretary.

In accordance with Bangladesh Bank's BRPD Circular and the BSEC Corporate Governance Code, the Audit Committee has been reconstituted with two members. Its primary responsibilities include reviewing and monitoring the company's financial reporting, non-financial corporate disclosures, internal control systems, and overall compliance framework.

Risk Management Committee (RMC)

The Risk Management Committee (RMC) is composed of four members and was established in compliance with Bangladesh Bank BRPD Circular No. 02, dated February 11, 2024. The committee's primary objective is to minimize the risks arising from the implementation of the board-approved policies, strategies, and processes. The RMC also ensures that management is effectively identifying, managing, and mitigating risks that may emerge during business operations. All four members of the RMC are Non-Executive Directors of the Board.

Responsibilities of the Risk Management Committee (RMC)

The RMC is responsible for:

- Identifying and assessing the bank's risks and guiding management in developing risk mitigation strategies.
- Analyzing the risk management policy and proposing any necessary revisions.
- Ensuring that the committee meets at least four times a year.

The CEO, Chief Risk Officer (CRO), or any other relevant executive may be invited to attend RMC meetings. In 2024, the RMC held 04 meetings, where detailed discussions and review sessions were held with the CRO regarding their findings, observations, and recommendations related to the bank's operations and risk management.

1.11 Directors' Report on Financial Statements and Corporate Governance

In line with the Companies Act, 1994, the Board ensures the preparation of the bank's financial statements for each accounting year. The Board maintains comprehensive records to safeguard the bank's assets, prevent fraud, and comply with applicable accounting policies. It also makes reasonable judgments and estimates when necessary. A detailed statement on the Directors' responsibility for financial reporting and corporate governance is available in this Annual Report.

1.12 Board's Accountability on Audit and Financial Reporting

The Board fulfills its responsibilities by preparing a balanced and comprehensive assessment of the bank's operations at the end of each financial year. The Annual Financial Statements and Annual Report are audited by an external auditor. These documents are available on the bank's website for stakeholders to access.

1.13 Experienced Leadership Team

At UCB, developing competent leadership is a primary focus. The leadership process centers on listening, learning, and leading, ensuring that leaders are not only proficient in their respective fields but also able to apply their expertise for the benefit of others. The management team is committed to understanding employee and client concerns before proposing solutions. During product and service development, the team emphasizes gathering insights before making decisions, promoting sustainable leadership within the bank's board and management.

1.14 Succession Plan

Effective succession planning is essential for achieving the bank's long-term goals and ensuring its leaders possess the knowledge, experience, and abilities needed to navigate the evolving financial industry. UCB has a clear succession strategy for both senior management and the board. Employees are promoted based on the bank's needs and established standards. When appointing a new director, the bank considers the individual's qualifications and abilities to fulfill the responsibilities required. The succession planning process includes the following steps:

- Identifying critical roles.
- Developing successor profiles.
- Assessing the qualifications of potential successors.
- Formulating development plans.
- Developing and preparing successors for higher roles.
- Regular review and adaptation of the strategy to meet evolving needs.

1.15 Related Party Transactions

Related party transactions refer to the transfer of resources, services, or obligations between parties with the ability to influence each other's financial and operational decisions. As per IAS 24 – Related Party Disclosures, Bangladesh Bank guidelines, and BSEC regulations, such transactions are disclosed in this annual report.

The bank conducts transactions with related parties in the ordinary course of business on an arm's length basis at commercial rates, except for certain transactions involving key management personnel who are offered benefits at concessional rates applicable to all eligible staff. The following process ensures compliance with related party transaction guidelines:

- Quarterly reporting of related party transactions to Bangladesh Bank.
- Review by the Audit Committee to ensure compliance and regular updates to the Board.
- Board approval for the rescheduling of loans to any Director or their related entities.
- Ensuring that all related-party transactions are conducted on an arm's length basis and disclosed in accordance with IAS 24.

1.16 Management Committees

As part of a robust corporate governance framework, the management team, led by the Managing Director, operates with a collective mandate to serve the best interests of shareholders. To support effective banking operations, UCB has established several committees alongside its functional units. These committees play a key role in the bank's strategic direction and operational efficiency.

i) Senior Management Team (SMT): The Senior Management Team (SMT) of United Commercial Bank (UCB) comprises all Additional Managing Directors (AMDs), Deputy Managing Directors (DMDs), the Chief Financial Officer (CFO), the Head of Risk Management Division (RMD), and the Head of Board Operations Division (BOD). The SMT, chaired by the Managing Director, is responsible for guiding the bank's daily operations prudently and effectively. The decision-making process within SMT is open and transparent, fostering a proactive management culture.

ii) Supervisory Review Process (SRP) Team: The SRP Team consists of divisional heads from Internal Division (ID), Internal Risk Management Division (IRMD), Internal Control & Compliance Division (IC&CD), Treasury, Special Asset Management Division (SAMD), Financial Administration Division (FAD), Risk Management Division (RMD), and Anti-Money Laundering Division (AMLD). Led by the Managing Director, the SRP Team is responsible for estimating additional capital requirements in line with Pillar II of BASEL-III.

iii) Risk Management Committee (RMC): The RMC is composed of divisional heads from IRMD, IC&CD, AMLD, ITD, Treasury Division, and FAD. It is led by the Chief Risk Officer and is tasked with identifying, measuring, and managing the bank's current and potential risks through rigorous analysis and mitigation strategies.

iv) Credit Committee (CC): The Credit Committee, headed by the Chief Business Officer (CBO), reviews and discusses critical loan proposals requiring formal evaluation and approval. The committee ensures that lending decisions align with the bank's strategic objectives and risk appetite.

v) Asset-Liability Management Committee (ALCO): ALCO includes the Managing Director, AMDs, DMDs, and divisional heads of strategic importance. The Treasury Division manages market risks, including liquidity risk, interest rate risk, and foreign exchange risk, based on ALCO's recommendations.

vi) Anti-Money Laundering (AML): Committee The AML Committee oversees all anti-money laundering (AML) and combating the financing of terrorism (CFT) initiatives. It ensures that all bank employees receive AML training at least once a year and that the bank complies with relevant regulatory requirements.

vii) Sustainable Finance Committee (SFC): The Sustainable Finance Committee is responsible for implementing and monitoring the bank's green banking initiatives in accordance with regulatory policies. The Sustainable Finance Unit (SFU) keeps the SFC informed about developments in sustainable and environmentally responsible banking practices.

viii) Procurement Committee (PC): The Procurement Committee ensures transparency, efficiency, and cost-effectiveness in the bank's procurement processes. The committee is responsible for maintaining neutrality and fairness in all tender processes, supported by an E-Tender system for unbiased decision-making.

ix) Central Compliance Committee (CCC): The Central Compliance Committee reports directly to the Managing Director and ensures adherence to the policies and guidelines of Bangladesh Bank and other regulatory authorities. It also oversees compliance with the bank's internal policy manuals.

x) Integrity Committee: The Integrity Committee identifies and recognizes five officers and executives who demonstrate exceptional professional commitment and integrity. Annual integrity rewards are granted in accordance with regulatory instructions from Bangladesh Bank.

1.17 Roles and Responsibilities of Chief Executive Officer (CEO)

Mr. Mohammad Mamdudur Rashid serves as the Managing Director & CEO of UCB. He is responsible for formulating and implementing strategic business plans, overseeing daily operations, and ensuring compliance with legal and regulatory frameworks. His key responsibilities include:

- Achieving financial and operational targets.
- Ensuring adherence to the Bank Company Act 1991 and other regulations.
- Managing recruitment and promotions, except for senior executives directly below his level.
- Authorizing business delegations, staff transfers, and disciplinary actions, except for senior positions directly below his level.

1.18 Role of the Company Secretary

The Company Secretary provides governance advisory services to the Board of Directors and ensures that the Board and its Committees operate efficiently. The Company Secretary is responsible for regulatory compliance and proper documentation of board proceedings.

1.19 Role of the Chief Financial Officer (CFO)

The CFO is responsible for setting financial goals, managing budgets, and maintaining high standards of financial control and reporting. The CFO also oversees accounting, tax, regulatory compliance, and financial reporting functions to support the bank's strategic direction.

1.20 Role of the Head of Internal Control & Compliance (ICCD)

The Head of IC&CD conducts risk assessments and ensures the implementation of risk mitigation strategies. This role includes internal auditing, providing reasonable assurance on risk management, and ensuring adherence to the bank's internal control frameworks.

1.21 Governance of the Board of Directors of Subsidiary Companies

UCB ensures oversight of its subsidiary companies while respecting their independent governance responsibilities. The parent company's Board is actively engaged in monitoring material risks and issues affecting both the bank and its subsidiaries to maintain alignment with strategic goals and regulatory requirements.

2. VISION, MISSION AND STRATEGY

2.1 Vision, Mission Statements of UCB

The vision and mission statements of UCB, as approved by the Board of Directors, are provided in this Annual Report. These statements can also be accessed on the bank's website and other official publications.

2.2 Business Objectives and Areas of Business Focus

UCB's business objectives, areas of business focus, and strategies to achieve these objectives have been updated and detailed in the Integrated Reporting chapter of this Annual Report. A comprehensive overview of the Business Objectives and Areas of Business Focus is available on in this Annual Report.

2.3 General Description of Strategies to Achieve the Bank's Business Objectives

At the beginning of each year, UCB formulates strategies and action plans that align with its mission, vision, and business objectives. The Board of Directors provides strategic priorities that guide these plans. Further details on UCB's sector-specific objectives, strategic plans, priorities, and future business outlooks are elaborated in the "Management Discussion and Analysis" section of this report.

3. Audit Committee

The Audit Committee (AC) is a subcommittee of the Board of Directors and operates under the Terms of Reference (ToR) approved by the Board. The committee is accountable to the Board of Directors and ensures oversight of financial reporting, compliance, and internal control processes. At least one independent director must be present to form the quorum of an AC meeting. The Company Secretary serves as the secretary of the committee.

3.1 Appointment and Composition

The Board Audit Committee is reconstituted periodically by the Board in compliance with Bangladesh Bank's BRPD Circular No. 11 dated October 27, 2013, and the BSEC's Corporate Governance Code dated June 3, 2018. The Audit Committee is responsible for reviewing and overseeing the bank's financial reporting, non-financial corporate disclosures, internal control systems, and compliance with applicable laws and regulations, among other functions.

3.1.1 Chairman of the Audit Committee as an Independent & Non-Executive Director and His Qualification

The Audit Committee of UCB is chaired by Mr. Obaidur Rahman FCA, an independent and non-executive director who maintains objectivity and impartiality by not engaging in the bank's daily operations. Mr. Rahman is a distinguished Chartered Accountant with an MBA in accounting from the University of Dhaka. He has held top positions in various renowned corporate organizations, bringing extensive experience in banking and financial governance.

With his deep expertise, Mr. Rahman provides invaluable insights to the committee, significantly enhancing the bank's audit oversight and corporate governance framework. His contributions to the banking sector and the economic landscape of Bangladesh have earned widespread recognition.

3.1.2 Terms of Reference of the Audit Committee

The Audit Committee of UCB is entrusted with the responsibility of overseeing and managing various risks associated with banking operations. To ensure disciplined banking practices, the Committee strengthens the internal control system and serves as a key liaison for internal and external auditors.

Terms of Reference

i. Internal Control
ii. Financial Reporting
iii. Internal Audit
iv. External Audit
v. Compliance with existing regulations
vi. Other related functions

3.1.2.1 Major Responsibilities of the Audit Committee as per Terms of Reference

The Audit Committee supports the Board of Directors in fulfilling corporate governance obligations and overseeing financial reporting, internal control, risk management, and audit functions. The Committee provides recommendations to the Board in accordance with its terms of reference. The responsibilities of the Audit Committee include:

- Supervising the financial reporting process;
- Monitoring the accounting policies and principles in use;
- Overseeing the Internal Audit & Compliance functions;
- Supervising the appointment and performance of external auditors;
- Conducting meetings with external auditors as necessary;
- Reviewing quarterly, half-yearly, and annual Financial Statements;
- Evaluating the adequacy of the internal audit function;
- Reviewing the Management's Discussion and Analysis prior to its inclusion in the Annual Report;
- Scrutinizing all related party transaction disclosures;
- Reviewing Management Letters issued by statutory auditors;
- Supervising the determination of audit fees and assessing the performance of external auditors;
- Reporting to the Board of Directors on the above matters.

The Chairman of the Audit Committee is an independent director with full discretion to perform his duties. The Bank's Company Secretary serves as the Secretary to the Audit Committee.

3.1.3 Composition of the Audit Committee

The Audit Committee of UCB consists of two (2) members, both of whom are independent directors. All committee members are Non-Executive Directors, ensuring unbiased oversight. No executive of the bank is allowed to serve on the committee. The Company Secretary of the bank functions as the Secretary to the Audit Committee.

3.1.4 Qualification and Expertise of Audit Committee Members

The members of the Audit Committee are highly qualified professionals with substantial experience in the banking and financial sectors. The Chairman of the Audit Committee, Mr. Obaidur Rahman FCA is a distinguished Chartered Accountant with an MBA in accounting from the University of Dhaka. He has held top positions in various renowned corporate organizations, bringing extensive experience in banking and financial governance. With his deep expertise, Mr. Rahman provides invaluable insights to the committee, significantly enhancing the bank's audit oversight and corporate governance framework. His contributions to the banking sector and the economic landscape of Bangladesh have earned widespread recognition.

Mr. Md. Yusuf Ali serves as an Independent Director and a member of the Audit Committee. He holds a Bachelor of Commerce (Hons) and a Master of Commerce in Accounting from the University of Dhaka. With extensive experience in the banking sector, he has previously served as the Deputy Managing Director of Agrani Bank PLC and Sonali Bank PLC. Mr. Ali is highly committed to continuous learning and professional development, having attended numerous training programs throughout his career. He is also a distinguished fellow of the National Defense College (NDC).

3.1.5 Accessibility of the Head of Internal Control and Compliance Division to the Audit Committee

The Head of the Internal Control and Compliance (ICC) Division has direct access to the Audit Committee as necessary. Additionally, the Audit Committee meets with the Head of ICC at least once annually, in the absence of management, to discuss internal audit-related concerns. The Head of ICC has the authority to raise issues at any time as required.

3.1.6 Meeting and Attendance Requirements

During the year 2024, the Audit Committee convened nine (9) meetings. The Committee engaged in extensive discussions with the Head of ICC and external auditors, addressing their findings, views, and recommendations. Corrective measures for critical banking operations were deliberated upon and executed accordingly. The minutes of the Audit Committee meetings, along with various proposals and recommendations, were regularly submitted to the Board for approval. Key areas of focus for the Audit Committee in 2024 are detailed in the "Report on the Activities of the Audit Committee" section of this annual report.

Audit Committee Meeting, Attendance, and Remuneration

The following table presents the details of Audit Committee Meetings, Attendance, and Remuneration for the period from January 1, 2024, to December 31, 2024:

SL	Name of Directors	Position	Meeting Held	Attended	Remuneration (Per meeting)	Remarks
1	Mr. Touhid Shipar Rafiquzzaman	Chairman	9	4	10,000.00	Total 4 nos. meeting held during their tenure.
2	Mr. Syed Kamruzzaman	Member	9	4	10,000.00	
3	Mr. Muhammad Shah Alam	Member	9	4	10,000.00	
4	Dr. Aparup Chowdhury	Member	9	4	10,000.00	
5	Mr. Kanak Kanti Sen	Member	9	4	10,000.00	
6	Mr. Obaidur Rahman, FCA	Chairman	9	5	10,000.00	Total 5 nos. meeting held during their tenure.
7	Mr. Md Yusuf Ali	Member	9	4	10,000.00	

This report outlines the structure, responsibilities, and performance of the Audit Committee of UCB for the year 2024, demonstrating our commitment to transparency, accountability, and sound corporate governance.

3.1.7 Quorum of the Audit Committee Meetings

The quorum for an Audit Committee meeting shall be composed of either two members or two-thirds of the members of the Audit Committee, whichever is greater, with the presence of an independent director being mandatory. The company secretary serves as the secretary of the Committee.

3.1.8 Presence of the Chairman of the Audit Committee in the AGM

The Chairman of the Audit Committee attends every Annual General Meeting (AGM) of UCB to ensure transparency and accountability. In the absence of the Chairman, another designated member of the Audit Committee will attend the AGM.

3.1.9 Reporting to the Board of Directors

The Audit Committee provides reports on its activities to the Board. If any of the following findings arise, the Audit Committee shall immediately report them to the Board:

- Conflicts of interest;
- Suspected or presumed fraud, irregularity, or material defect identified in internal audit and compliance processes or in the financial statements;
- Suspected violation of laws, regulatory compliance, including securities-related laws, rules, and regulations;
- Any other matter deemed necessary by the Audit Committee that must be disclosed to the Board immediately.

No such incidents were reported at UCB during the year 2024.

3.1.10 Reporting to the Authorities

If the Audit Committee reports to the Board any matter with a material impact on the financial condition and operations, and such rectification is unreasonably ignored after being reported three times or within six months, the Audit Committee shall report the findings to the BSEC. No such incidents occurred at UCB in 2024.

3.1.11 Reporting to Shareholders and General Investors

The activities of the Audit Committee, including any reports made to the Board under the BSEC Corporate Governance Code, are disclosed in the Annual Report.

3.2 Objectives and Activities of the Audit Committee

The Audit Committee regularly reviews the internal control systems and financial statements before submission to the Board. Details of these activities are presented in the "Report on the Activities of the Audit Committee" in this Annual Report.

3.2.1 Internal Controls Assessment

The Audit Committee affirms that the internal control and compliance procedures are well-conceived, properly administered, and satisfactorily monitored based on a review of ICCD activities in 2024.

3.2.2 Compliance with Laws and Regulations

The Audit Committee ensures that UCB complies with all applicable laws and regulations. It reviews internal control effectiveness and takes necessary actions on identified lapses in ICCD reports.

3.2.2.1 Ensuring Timely Settlement of Statutory Dues

The Audit Committee oversees the timely settlement of statutory dues and instructs the Internal Control and Compliance Division to report on the status of such payments.

3.2.3 Review of the External Audit Function

The Audit Committee proposed the appointment of M/s ACNABIN, Chartered Accountants, as the statutory auditors for 2024, which was approved at the 41st AGM. The external auditors provided only statutory audit services in compliance with BSEC regulations.

Key functions of the Audit Committee related to external audit:

- Ensure effective coordination of external audits;
- Safeguard the independence of external auditors;
- Review external audit findings and ensure corrective actions;
- Prevent assignment of non-audit work to statutory auditors;
- Oversee appointment/reappointment of external auditors.

Services Not Provided by External Auditors

In compliance with BSEC Notification, M/s ACNABIN, did not provide the following services during 2024:

- Appraisal or valuation services;
- Financial information system design and implementation;
- Bookkeeping or accounting-related services;
- Broker-dealer and actuarial services;
- Internal audit or special audit services;
- Corporate governance compliance audit or certification services.

3.2.4 Selection of Appropriate Accounting Policies

In each year the audit committee reviews the selection and application of accounting policies. The Audit Committee reviewed the 2024 financial statements and confirmed compliance with IASs and IFRSs. The statutory auditors verified and expressed satisfaction with the preparation and presentation of financial statements. accounting methods used.

3.2.5 Review and Recommendation of Financial Statements

The Audit Committee reviewed the quarterly, half-yearly, and annual financial statements and make recommendations if required. After review of Audit Committee, the quarterly, half-yearly, and annual financial statements are forwarded to the Board for approval in compliance with BSEC regulations.

3.2.6 Compliance with Central Bank Inspections

Bangladesh Bank conducted inspections at UCB in 2024, covering core risks and various operational aspects. The Audit Committee reviewed compliance with Bangladesh Bank's recommendations and instructed management to ensure full compliance.

3.2.7 Reliability of Management Information

The Audit Committee reviewed the reliability of management information used in financial statement preparation. Based on internal audits and statutory auditors' observations, the Committee confirmed the accuracy and effectiveness of the bank's internal controls in preventing fraud and ensuring data integrity.

4. INTERNAL CONTROL & RISK MANAGEMENT

Internal control is a structured process designed to ensure the achievement of objectives related to operational efficiency, financial reporting reliability, and compliance with applicable laws, regulations, and internal policies. The internal control system at UCB provides effective oversight of policies, procedures, legal requirements, operational tasks, and overall governance mechanisms. Internal Control & Risk Management facilitates the bank's ability to respond effectively to various business, operational, financial, and compliance risks, ensuring the successful attainment of its objectives.

4.1 Directors' Responsibility for Establishing an Internal Control System

The Board of Directors is committed to maintaining a robust internal control framework to uphold high qualitative standards in the bank's loan portfolio. The Board has established an independent internal audit system, ensuring objective assessment of management practices. The Board periodically reviews reports submitted by the Audit Committee, focusing on compliance with recommendations from internal and external audits, as well as Bangladesh Bank inspection reports.

4.2 Key Features of the Internal Control System and Monitoring Techniques

The Board ensures a sound internal control system to protect the bank's assets and operational integrity. Through its Audit Committee, the Board conducts annual reviews to evaluate the effectiveness of internal controls. The core components of the internal control system include:

- Control Environment: The Board fosters integrity, ethical standards, effective management philosophy, and clear delegation of authority, creating a strong control culture.
- Risk Assessment: A structured risk management process is in place to identify, analyze, and mitigate potential risks that could adversely impact the bank's operations.
- Control Activities: Policies and procedures, including top-level reviews and segregation of duties, ensure proper governance, accountability, and prevention of errors or fraud.
- Information & Communication: Efficient information exchange between management and employees ensures clarity in responsibilities and adherence to compliance.
- Monitoring: Regular evaluations of management and supervisory activities ensure effective operation and maintenance of internal control mechanisms.

4.3 Directors' Review of the Adequacy of Internal Controls

UCB has implemented a comprehensive internal control system aligned with global best practices and regulatory guidelines. The Board conducts regular reviews of the system and provides necessary directives for improvement. To enhance oversight, the Internal Control & Compliance Division (ICCD) operates independently, segmented into three distinct units per Bangladesh Bank guidelines, ensuring objectivity in its operations.

4.4 Identification and Management of Internal and External Risks

UCB prioritizes proactive risk identification and mitigation through its Risk Management Division (RMD), which integrates risk oversight within the Board Risk Management Committee (BRMC). The Risk Management Committee (RMC) regularly reviews and updates the Board on risk exposures and mitigation strategies.

a) **Credit Risk Management:** Governed by Board-approved Credit Risk Management Guidelines, UCB monitors credit risks at both the borrower and portfolio levels. A diversified credit strategy is pursued, with a focus on high-rated corporate clients.

b) **Foreign Exchange Risk Management:** Despite fluctuations in foreign exchange rates, UCB maintains minimal exposure by primarily facilitating forex transactions on behalf of its clients. The bank ensures controlled foreign exchange operations through its independent Treasury Division, which oversees trade finance activities with a structured risk management approach.

c) **Asset Liability Risk Management:** The Asset Liability Committee (ALCO) oversees liquidity requirements, asset-liability maturity, pricing strategies, and contingency plans. ALCO regularly reports balance sheet risk exposures to the Board.

d) **Money Laundering Risk Management:** To combat money laundering, the bank appoints a Chief Compliance Officer at the corporate level and branch compliance officers at branch level. Suspicious transactions are independently reviewed, and compliance with "Know Your Customer" (KYC) and "Transaction Profile" (TP) policies is ensured.

e) **Internal Control & Compliance Risk Management:** A comprehensive compliance policy enables UCB to identify and manage risks at all organizational levels. The Board and Management remain accountable for upholding compliance standards and regulatory requirements.

f) **ICT Risk Management:** The bank's IT policy ensures alignment with business strategy. The ICT Security Unit conducts periodic reviews of IT projects, major incidents, technology risks, and regulatory compliance, ensuring robust cyber risk management.

g) **Liquidity Risk Management:** UCB implements proactive liquidity risk management by setting limits on key liquidity indicators and establishing early warning systems to detect potential market risks.

Risk Management Committee (RMC) of the Board

In addition to the Audit and Executive Committees, the Board operates a Risk Management Committee (RMC) to oversee the bank's risk management framework. The RMC plays a crucial role in aligning risk management practices with the bank's strategic objectives. Detailed insights into its roles and responsibilities are provided in the "Report on Risk Management."

UCB remains committed to maintaining a strong internal control and risk management culture, ensuring financial stability, regulatory compliance, and sustained stakeholder confidence.

4.5 Disclosure of Strategies for Risk Management and Mitigation

As outlined earlier, the UCB business unit serves as the first line of defense against banking risks. The Risk Management Division operates as the second line of defense, while the Board of Directors represents the third and final line of defense. The Board is responsible for determining and directing the bank's overall risk-taking strategies. All core risk policy guidelines are approved by the Board and undergo periodic reviews to ensure effectiveness and alignment with regulatory and operational requirements.

5. Ethics and Compliance

As a leading commercial bank, UCB's foundation and growth are built on a strong commitment to ethics and compliance. Ethics encompass the decisions, choices, and actions that reflect and uphold the bank's core values. Compliance, on the other hand, refers to adhering to established rules, regulations, and requirements. While the terms "ethics" and "compliance" are often used interchangeably, at UCB, they collectively represent the bank's dedication to conducting business with integrity, transparency, and ethics.

5.1 Statement of Ethics and Values

UCB has established a "Code of Conduct and Ethical Guidelines" applicable to both the Board of Directors and employees. This code ensures that every employee prioritizes the bank's interests above personal considerations. Key highlights include:

- **Honesty and Integrity:** Employees must act with honesty and fairness in all dealings with clients, colleagues, and stakeholders.
- **Integrity of Records:** Employees must maintain accurate records, ensure transaction integrity, and safeguard client confidentiality.
- **Conflict of Interest:** Employees must not exploit their position for personal gain or undue benefits for family or friends.
- **Compliance with Laws and Regulations:** Employees must adhere to all applicable laws and internal policies.
- **Misappropriation of Assets:** Employees are prohibited from misusing bank funds or property for personal benefit.
- **Acceptance of Gifts:** Employees should refrain from accepting gifts or favors from clients unless disclosed and approved by management.

5.2 Dissemination of Ethics, Business Practices, and Code of Conduct

All UCB employees are required to sign a declaration form confirming their understanding of the ethics, business practices, and code of conduct. The Human Resources Division distributes these forms, while the Internal Control and Compliance Division ensures adherence through periodic audits.

5.3 Board's Commitment to High Standards of Ethics and Compliance

The Board of Directors is dedicated to fostering a culture of ethics and compliance. They provide strategic direction and encourage management to uphold these values. Additionally, the bank has introduced Integrity Awards to recognize employees demonstrating exemplary ethical conduct.

5.3.1 Conflict of Interest

Board members must prioritize the bank's interests over personal matters. If a conflict arises, full disclosure to the Board is required for approval before proceeding with any transaction or relationship.

5.3.2 Insider Trading

Board members and executives must not engage in insider trading. They are prohibited from buying or selling securities while in possession of material non-public information or sharing such information with others for personal gain.

5.4 Establishing Effective Anti-Fraud Programs and Controls

UCB has a comprehensive fraud risk management program to safeguard against financial and operational risks. Employees are responsible for reporting any suspected fraud to management.

5.4.1 Whistleblower Policy

The bank encourages employees to report fraudulent or unethical activities confidentially. Whistleblowers are protected from retaliation and victimization.

5.4.2 Protection of Whistleblowers

UCB ensures that whistleblowers are shielded from dismissal, demotion, or discrimination for reporting fraud in good faith.

5.4.3 Fraud Prevention and Control Measures

The bank has implemented policies to detect and prevent fraud, including staff training and periodic fraud risk assessments.

5.4.4 Hotline for Reporting Irregularities

UCB has introduced a 24/7 hotline number 16419 (Local), +8809610016419 (Overseas) for customers, employees, and stakeholders to report irregularities or seek assistance.

5.4.5 Confidentiality of Information

UCB is committed to maintaining the confidentiality of client and business information, ensuring it is disclosed only as required by law.

5.4.6 Accountability

The bank has a structured accountability framework where management reports to the Board, which, in turn, is accountable to shareholders and stakeholders.

5.5 Disclosure of Directors' Interests in Significant Contracts

Details of significant contracts involving directors' interests are disclosed in the financial statements, in compliance with IAS 24 and relevant banking regulations.

5.6 Related Party Transactions

All related party transactions, relationships, and shareholding percentages are disclosed in the financial statements, in line with the Banking Companies Act, 1991, and Bangladesh Bank regulations.

5.7 Board's Review of Business Continuity and Disaster Recovery Plans

In compliance with Bangladesh Bank directives, UCB has developed a Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP), which have been reviewed and approved by the Board.

5.8 IT Governance Policy

UCB follows IT governance guidelines as per regulatory requirements, including risk management, security protocols, disaster recovery, and data protection.

5.9 Encouraging Employee Participation in Management

UCB promotes employee engagement through regular meetings and forums, allowing staff to contribute to decision-making processes.

5.10 Measuring Customer Satisfaction

The bank conducts annual customer satisfaction surveys and mystery shopping exercises to assess service quality and identify areas for improvement.

5.11 Timely Payment to Vendors

UCB ensures timely payments to approved vendors in accordance with established procurement policies.

5.12 Compliance with Tax Obligations

UCB adheres to tax regulations, paying income tax, VAT, and other statutory dues on time while ensuring accurate tax collection and reporting.

5.13 Supply Chain Management

The Procurement Committee oversees the bank's supply chain management, ensuring seamless procurement processes and operational efficiency.

By implementing these comprehensive ethics and compliance measures, UCB reaffirms its commitment to maintaining high standards of corporate governance, transparency, and accountability.

6. NOMINATION AND REMUNERATION COMMITTEE

6.1 Charter of the Nomination and Remuneration Committee

In line with BRPD Circular No. 02, dated February 11, 2024, it is mandatory for each bank's Board of Directors to establish three key committees: the Executive Committee, the Audit Committee, and the Risk Management Committee. Forming any additional permanent or temporary committees or subcommittees is prohibited. Furthermore, as per Bangladesh Bank's letter (BRPD(R-1)717/2021-5064 dated June 16, 2021), the formation of a Nomination and Remuneration Committee is not permitted. Consequently, UCB does not have a Nomination and Remuneration Committee. However, the Board actively oversees the recruitment and compensation processes through the review of policies such as the HR Policy, Recruitment and Promotion Policy, and Pay Package Policy.

6.2 Composition of the Nomination and Remuneration Committee

At the management level, the Managing Director, Head of Human Resources, and Chief Financial Officer are responsible for overseeing compensation and remuneration governance. These individuals typically present proposals to the Board of Directors, which is then reviewed, amended as necessary, and approved by the Board. Their key responsibilities include making recommendations on remuneration, compensation packages, incentive schemes for management, and retirement benefits for all employees. They also work to ensure fair and performance-based remuneration for all employees by implementing effective compensation policies. This ensures the bank's compensation practices remain transparent, equitable, and aligned with its business goals.

6.3 Key Policies Regarding Remuneration of Directors, Senior Management, and Employees

In accordance with BRPD Circular No. 02, dated February 11, 2024, directors are entitled to an honorarium of Tk. 10,000 per meeting for attending Board and subcommittee meetings (including the Executive, Audit, and Risk Management Committees). The remuneration of the Managing Director & CEO is proposed by the Board and requires approval from Bangladesh Bank. Meanwhile, the remuneration of senior management and other employees is determined according to the bank's HR Policy. These policies ensure that directors and employees are fairly compensated, in line with industry standards and regulatory guidelines.

6.4 Remuneration Committee Meetings and Activities

Although UCB does not have a formal "Remuneration Committee" due to regulatory constraints, employee compensation and benefits are regularly discussed in Board meetings. In 2024, topics such as employee promotions, pay increases, performance bonuses, and related matters were addressed during various Board meetings. Even without a dedicated committee, the Board ensures that all employees are fairly compensated and acknowledged for their contributions. This includes carefully reviewing and approving changes to compensation and benefit policies to ensure they remain aligned with the organization's goals.

6.5 Remuneration of Directors, Chairman and CEO

UCB adheres to a clearly defined remuneration policy, regularly reviewed by management. The bank offers market-competitive compensation to senior executives to attract, motivate, and retain talented employees. The compensation of the Chairman, directors, and the CEO follows the guidelines provided by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank circulars, ensuring alignment with industry standards and regulatory requirements while fostering effective recruitment and retention of top talent.

6.5.1 Remuneration of Chairman and Directors

The remuneration of the Chairman and directors is determined in line with the provisions of Bangladesh Bank Circular. The detailed breakdown of directors' fees and expenses is included in Note No. 32 of the bank's financial statements, ensuring transparency and regulatory compliance.

6.5.2 Remuneration of the Chief Executive Officer

The remuneration of the Chief Executive Officer is recommended by the Board and approved by Bangladesh Bank at the time of appointment. The detailed remuneration information for the Managing Director & CEO is provided in Note No. 31 of the financial statements.

7. Human Capital

UCB is committed to excellence in banking, operating with a high level of professionalism to achieve continuous and sustainable growth in the industry. The Human Resources Management Division (HRMD) plays a pivotal role in securing the bank's future success by fostering an environment where employees can thrive and contribute to sustainable organizational performance. UCB believes that a motivated, balanced, and high-quality workforce is a key success factor for its business. The bank's clear mission, vision, and strategic goals guide the HRM Division in identifying and placing talented individuals with the right attitude in appropriate roles to drive the organization forward. UCB emphasizes the creation of a learning-oriented and innovative culture to meet industry challenges and advance the bank's position. Employee capability development remains a top priority, as skilled and efficient personnel are essential for managing financial risks and maximizing organizational value.

7.1 HR Policies & Practices with respect to Human Resource Development and Management

UCB adheres to a comprehensive set of Human Resources policies and guidelines that encompass all aspects of Human Resources Management, ensuring a consistent and effective HR practice throughout the organization. UCB's HR policies broadly cover areas such as talent acquisition, HR development, performance management, remuneration and compensation policy allowances, disciplinary and grievance management, sexual harassment prevention, National Integrity Strategy (NIS), Know Your Employee (KYE) protocols, employee background screening, employee house building loan and ECF, welfare fund policy and internship policies Vis-a-vis developing human resources. These policies serve as a roadmap for daily HR operations and decision-making processes, thereby streamlining internal procedures.

7.1.1 Succession Planning

HR plays a pivotal role in securing the future success of UCB by fostering an efficient and capable workforce. To achieve this, the bank focuses on building the capabilities of middle management, supporting their professional and personal development, and appropriately positioning them within the organization. A structured talent management process is in place to cultivate a pool of trained and skilled executives ready to assume key roles as vacancies arise. This succession planning process begins with a rigorous recruitment process for new hires. Once onboard, UCB emphasizes developing employees' skills, expertise, and knowledge to prepare them for leadership roles within branches, divisions, and departments, in response to organizational growth or attrition. Regular leadership training programs are conducted to prepare middle management for higher responsibilities, ensuring smooth transitions when senior employees exit.

7.1.2 Merit-Based Recruitment

UCB is committed to attracting, retaining, and investing in top talent to ensure the bank remains future-ready. In alignment with the organization's strategic plan, HRMD regularly evaluates current workforce capacity and future requirements. The knowledge, skills, and abilities of existing employees are assessed through a performance management system. Following a thorough gap analysis, the bank conducts rigorous recruitment processes to hire fresh graduates and experienced professionals, strengthening organizational competencies. UCB believes that a balanced mix of experienced and new employees enhances operational effectiveness, with juniors receiving targeted training to meet organizational needs. Talent acquisition is a continuous, long-term strategy, supported by various programs designed to help recruits leverage their unique skills for the bank's growth.

7.1.3 Performance Appraisal System

UCB recognizes that an efficient reward system positively impacts performance by instilling a sense of ownership among employees, enhancing motivation, fostering long-term focus and continuous improvement, promoting teamwork, minimizing dissatisfaction, and improving overall performance. Given the strategic importance of performance appraisals in employee recognition and reward, the HR Division employs a standardized performance appraisal system integrated into its HR management software. This system facilitates the timely completion of appraisals across the organization. The appraisal process incorporates key principles and evaluates all officials against set parameters, with reviews by senior management to ensure transparency and eliminate biases. The performance appraisal system is integral to decisions regarding promotions, compensation, placements, and employee development.

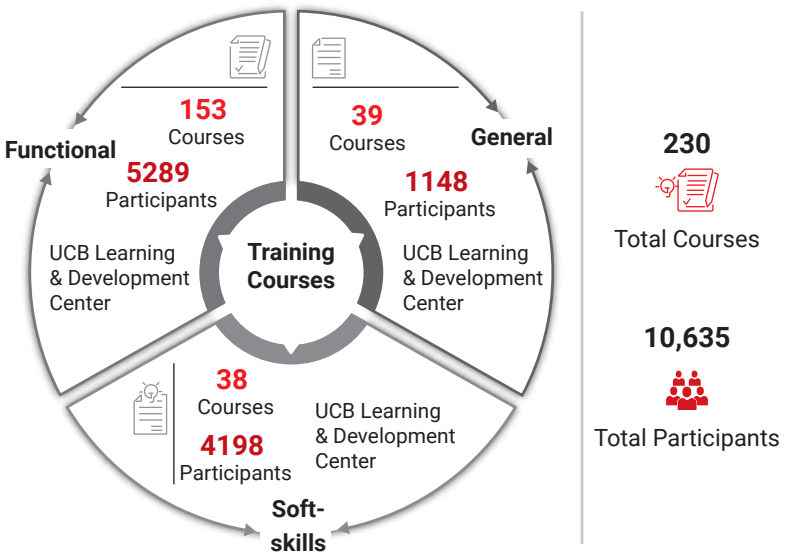
7.1.4 Promotion, Reward, and Motivation

Employee motivation is critical to UCB's success, as motivated employees demonstrate greater dedication, productivity, and engagement. The bank fosters employee motivation through promotions, rewards, incentives, appreciation letters, and opportunities for foreign training for deserving staff. The HRM Division also considers employees' residential locations and permanent addresses when planning transfers and postings, facilitating proximity to family members and enhancing job satisfaction. UCB provides a healthy working environment and competitive compensation packages, contributing to employees' sense of belonging and commitment to the organization.

7.1.5 Training and Development

UCB views training and development as essential for enhancing human resource capacity and skills. The bank consistently creates an environment conducive to learning and innovation, enabling employees to acquire new competencies, develop skills, and adopt behaviors that enhance productivity and business potential. To stay abreast of rapidly evolving business dynamics, product offerings, customer preferences, technological advancements, and regulatory requirements, training is a focal strategy for UCB. The bank identifies specific training needs based on priority areas in banking and business, tailoring programs to employees' knowledge levels and positions. Training courses are meticulously designed with clear objectives, and qualified trainers are engaged to ensure programs effectively build the necessary skills and capabilities for handling complex issues. Training is provided at all levels throughout the year at the bank's Training Academy.

Additionally, UCB regularly nominates officers and executives to participate in courses, seminars, and workshops organized by reputable institutions such as the Bangladesh Institute of Bank Management (BIBM), the Bangladesh Bank Training Academy (BBTA), and the Bangladesh Association of Banks (BAB). In 2024 the employees participated in the following training courses:



7.1.6 Diversity in the Workplace & Organizational Culture (Gender, Ethnicity, and Faith Diversity)

United Commercial Bank (UCB) recognizes that workplace diversity is a vital driver of organizational synergy and long-term success. By fostering an inclusive environment that brings together individuals from diverse backgrounds, education, skills, and experiences, UCB enhances its ability to create sustainable value across the Bank. The Bank is committed to upholding diversity in thought, culture, religion, and gender, strengthening its capacity to serve clients effectively and achieve strategic goals. UCB actively promotes gender balance and ensures equal employment opportunities, reinforcing a culture of fairness, respect, and inclusion.

Employee Type & Gender

Name of Position	Male	Female	Total-2024	Total-2023
Executive	800	103	903	850
Officer	2707	770	3477	3571
Cash Officer	825	225	1050	1039
Sub-Staff	250	13	263	289
Total	**4582**	**1111**	**5693**	**5749**

Year-wise employee position

S.L	Employee Type	2024	2023	2022	2021	2020
1	Executive	902	850	711	660	546
2	Customer Service, Manager, Officer, Relationship Manager, Officer	3476	3570	3227	3047	3079
3	Cash Management Manager, Officer	1050	1039	1091	1006	882
4	Sub-Staff	265	290	325	347	393
Total		**5693**	**5749**	**5354**	**5060**	**4900**
Change over this year		-56	395	294	160	
% of Change		-0.97%	7.38%	5.81%	3.3%	
Number of Branches		**231**	**228**	**224**	**215**	**204**

Employee Distribution

a. Division-wise position (Branch Level):

Name of Division	No. Branch	No. Employees	Percentage
Dhaka*	103	1773	49.96%
Chattogram**	71	1086	30.60%
Khulna	12	190	5.35%
Sylhet	18	183	5.16%
Rajshahi	12	155	4.37%
Barishal	7	83	2.34%
Rangpur	8	79	2.23%
Total	**231**	**3549**	**100.00%**

**.Also includes CHO, OBU & CPC **. Also includes Zonal office & CPC*

Age Group Wise Position

Name of Position	Male	Female	Total-2024	Total-2023
Below 30 Years	472	153	625	884
30 to 40 Years	2065	558	2623	2640
40 to 50 Years	1552	341	1893	1687
50 to 60 Years	479	59	538	527
Above 60 Years	14	0	14	11
Total	**4582**	**1111**	**5693**	**5749**

7.1.8 Policy on Recruitment, Retention, Training, and Empowerment of Differently-Abled Employees

UCB is dedicated to fostering an inclusive work environment by implementing comprehensive Human Resources (HR) policies and guidelines that address all facets of HR management. These policies offer a structured framework for recruitment, retention, training, and the empowerment of differently-abled employees, ensuring fair opportunities and support for all staff members. The HR policies also cover areas such as employee development, performance management, remuneration and benefits, disciplinary and grievance procedures, prevention of workplace harassment, and background screening. Additionally, specific policies like employee housing and car benefits, as well as internship opportunities, are included. By adhering to these standardized policies, UCB promotes consistency, fairness, and inclusivity in HR management across the organization.

7.1.9 Grievance Management and Counseling

UCB is committed to fostering a supportive and transparent work environment by ensuring an effective grievance management and counseling framework. The Bank has established a structured grievance redressal mechanism that allows employees to voice concerns and seek resolution in a fair and confidential manner. UCB encourages open communication and addresses grievances through a well-defined escalation process, ensuring impartial review and timely resolution. Additionally, the Bank provides professional counseling services to support employees' well-being, enhance workplace harmony, and promote a culture of trust and respect. Through these initiatives, UCB reinforces its commitment to employee welfare, ethical practices, and a positive organizational culture.

7.2 Organizational Chart

The organizational chart of UCB is a visual representation that outlines the relationships between various officials and departments within the Bank. It demonstrates the overall structure of the organization, highlighting how UCB is divided into divisions and departments. This chart serves as a guide for understanding the roles and responsibilities of different officials and the organizational hierarchy.

7.3 Management Approach

UCB is committed to fostering an inclusive workplace that values diversity and recognizes the unique contributions of individuals at all levels. Our management approach emphasizes creating a culture where different perspectives are respected, and equal opportunities are provided to all employees. The Human Resources Division has implemented a set of comprehensive and standardized HR management policies aimed at achieving the Bank's strategic goals. Key focus areas include policies on recruitment, employee development, performance management, and workplace well-being.

7.4 Digitalization in HR Management

As UCB continues to expand its operations, digitalization plays a pivotal role in enhancing HR management efficiency. The Bank has developed an advanced HR Management System (HRMS) that integrates Leave Management, Attendance, Payroll, Employee Business Target Management, Performance Appraisal, E-Learning, and Automation of End Service Benefits. Additionally, UCB has introduced an internally developed E-Recruitment system to streamline the hiring process. The E-Learning platform enables employees to access training materials conveniently, reducing costs and logistical challenges while ensuring continuous professional development across the organization.

7.5 Employee Health Insurance Facility

UCB prioritizes the well-being of its employees by providing comprehensive health insurance coverage. The Bank has its own human resource walefare fund Policy that offers group health insurance benefit for employees and their family members. This initiative reflects UCB's commitment to supporting its workforce.

7.6 Workplace Hygiene & Safety

Maintaining a clean and safe work environment is a top priority for UCB. The Bank ensures rigorous cleanliness standards across all offices to promote staff health and hygiene. The Common Service Division oversees health and safety protocols, supported by a dedicated team of cleaning staff. Regular fire drills and safety training sessions are conducted at the Corporate Head Office and branches to prepare employees for emergencies such as earthquakes or fires. Safety equipment is routinely tested to ensure effectiveness.

8. COMMUNICATION TO SHAREHOLDERS AND STAKEHOLDERS

8.1 Stakeholder Engagement

UCB prioritizes proactive and transparent stakeholder engagement as a cornerstone of its corporate governance framework. The Bank actively collaborates with shareholders, customers, employees, regulators, investors, and the broader community to ensure alignment with their expectations and long-term interests. UCB fosters open communication through regular meetings, disclosures, and feedback mechanisms, ensuring that stakeholders are well-informed about the Bank's strategic direction, financial performance, and sustainability initiatives. By maintaining a strong stakeholder engagement framework, UCB enhances trust, strengthens relationships, and upholds its commitment to responsible banking practices and sustainable growth.

8.1.1 Policy to Facilitate Effective Communication with Shareholders and Other Stakeholders

The Company Secretary of UCB oversees the Share Department, which is tasked with ensuring effective communication and engagement with shareholders and other stakeholders. This department is accessible during office hours for any inquiries or concerns. UCB maintains transparency and keeps stakeholders informed through various channels, including:

- Publishing Price Sensitive Information (PSI) in national newspapers and online news portals
- Making PSI available on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) websites, as well as the Bank's website
- Issuing press releases on significant Bank events
- Sending notices to shareholders for Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) as required
- Distributing the Bank's Annual Reports to shareholders each year
- Publishing financial statements in national newspapers
- Conducting General Meetings with shareholders to ensure active engagement and feedback.

This comprehensive communication strategy underscores UCB's commitment to transparency, accountability, and fostering strong relationships with its shareholders and stakeholders.

8.1.2 Communication through Electronic Media

The Board of Directors of United Commercial Bank (UCB) recognizes the critical importance of maintaining transparent and effective communication with shareholders and other stakeholders. The Bank's official website, www.ucb.com.bd, serves as a comprehensive platform providing a wide range of information, including annual reports, half-yearly reports, quarterly reports, monthly business reviews, product and service offerings, schedules of charges, interest rates on deposits and loans, current announcements, presentations, and event updates. Additionally, UCB ensures timely disclosure of information required by regulatory bodies such as the Bangladesh Securities and Exchange Commission (BSEC), the Bangladesh Bank, and in compliance with the listing requirements of the Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE).

8.1.3 Communication through Quarterly/Annual Reports

The Annual Report of United Commercial Bank is a vital resource that provides comprehensive information for all stakeholders. To ensure continuous engagement and transparency, the Bank also publishes quarterly and half-yearly reports, keeping shareholders regularly informed about the Bank's financial performance and strategic initiatives.

8.1.4 Communication through Print Media and Television

UCB maintains open channels of communication with its shareholders and the public through newspapers and television. This includes the dissemination of price-sensitive information, marketing campaigns, award ceremonies, and other significant updates. Furthermore, the Bank fulfills its obligation to provide necessary information to regulatory bodies such as the Bangladesh Securities and Exchange Commission (BSEC), the Bangladesh Bank, the Dhaka Stock Exchange (DSE), and the Chittagong Stock Exchange (CSE).

8.2 Policy on Ensuring Participation of Shareholders at the AGM

United Commercial Bank takes the following steps to ensure the active participation of shareholders in the Annual General Meeting (AGM):

Step 1: UCB issues the AGM notice at least 21 days in advance, providing shareholders ample time to receive, review, and respond with their attendance.

Step 2: Annual Reports are distributed in compliance with the Companies Act 1994 and relevant notifications from the Bangladesh Securities and Exchange Commission (BSEC). This allows shareholders sufficient time to review the reports and prepare their comments and suggestions for the AGM.

S**tep 3:** Shareholders are encouraged to speak freely during the AGM, offering their valuable insights and suggestions. These contributions are carefully recorded and considered for future implementation to enhance the Bank's governance and operations.

8.3 Investor / Shareholder's Grievance Policy

Any complaint received at the AGM or throughout the year related to the transfer and transmission of shares, the non-receipt of Annual Reports, the non-receipt of dividends in a timely manner, or other share-related matters are resolved lawfully and promptly. The Company Secretary of UCB is responsible for handling such issues related to shareholders.

8.3.1 Shareholders' Satisfaction and Confidence in the Bank

The AGM is considered a critical platform for shareholders to evaluate the previous year's activities of the Bank. Shareholders of UCB are free to express their opinions, satisfaction, or concerns on the day of the AGM, and the Board Secretariat notes these issues for future compliance. The UCB Board of Directors is elected with shareholder approval at the AGM.

Furthermore, shareholder satisfaction and confidence in the bank are reflected in the share price performance.

8.3.2 Reminders to Shareholders for Encashment of Dividends

According to UCB's dividend distribution policy, dividends are typically distributed through bank transfers and the BEFTN channel. Shareholders who cannot be reached through these methods have their dividend warrants sent by mail. Cash dividends to non-residents are paid through the security custodian. In the case of stock dividends (bonus shares), these are credited directly to the BO account within 30 days of approval, subject to clearance by the stock exchanges and CDBL. UCB's Share Division sends reminders to shareholders for the encashment of dividends and tracks the number of dividends that are encashed following the AGM. The Share Division also takes steps to notify shareholders of their right to encash unclaimed dividends. Further details of UCB's dividend distribution policy can be found in this Annual Report.

8.3.3 Compliance with the ICSB Secretarial Standard

UCB strictly follows the Bangladesh Secretarial Standard of the Institute of Chartered Secretaries of Bangladesh (ICSB). The UCB Board Secretariat adheres to all procedures to ensure sound corporate governance. The compliance status of ICSB Secretarial Standards is as follows:

Sl No.	BSS No.	Title of BSS	Compliance Status
1	BSS–1	MEETINGS OF THE BOARD OF DIRECTORS	Complied
2	BSS–2	GENERAL MEETINGS	Complied
3	BSS–3	MINUTES	Complied
4	BSS–4	DIVIDEND	Complied
5	BSS–5	MEETING THROUGH ELECTRONIC MODES (Virtual or Hybrid Meetings)	Complied
6	BSS–6	RESOLUTIONS BY CIRCULATION	Complied

8.4 Rights of Shareholders

At UCB, shareholders are the rightful owners and are entitled to specific rights under applicable laws. These include:

- Receiving dividends as declared.
- Participating and voting in shareholder meetings.
- Electing board members.
- Transferring shares freely, subject to regulations.
- Being informed and involved in key decisions like amendments to governing documents or new share authorizations.
- Accessing timely information on board meetings.
- Questioning the board and offering input on essential matters.
- Consulting with fellow shareholders regarding their interests.

UCB is committed to upholding these rights, ensuring transparency and active shareholder engagement.

8.5 Free-Float Shares & Interests of General Investors

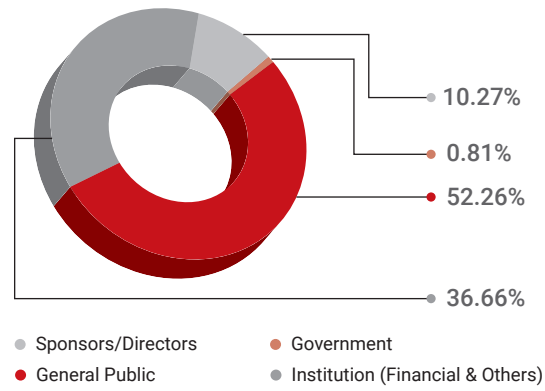
Free-float shares at UCB refer to shares held by investors other than sponsor shareholders and directors. These shares are openly available for trading in the market. Sponsor shareholders and directors may sell shares only after regulatory approval, ensuring compliance. UCB prioritizes the protection of general investors through transparent disclosures and adherence to best governance practices, ensuring equal treatment and informed decision-making for all shareholders.

8.6 Shareholding Pattern

UCB's authorized capital is Tk. 25,000,000,000, divided into 2,500,000,000 ordinary shares of Tk. 10 each. The paid-up capital is Tk. 15,503,758,980 consisting of 1,550,375,898 ordinary shares of Tk. 10 each.

As per BSEC Notification the shareholding pattern is as follows:

Types of Shareholders	Percentage of Holding	Number of Shares
Sponsors/Directors	10.27	159,274,626.00
Government of People's Republic of Bangladesh	0.81	12,574,769.00
General Public	52.26	810,184,595.00
Institution (Financial & Others)	36.66	568,341,908.00
Total	**100**	**1,550,375,898.00**



8.7 Shares Held by Parent, Subsidiary, or Associated Companies

UCB does not have a parent or associated company. The bank has 5 subsidiaries which does not hold any shares of UCB. Therefore, no shares were held by any parent, subsidiary, or associated companies during the year 2024.

8.8 Shares are held by the Chief Executive Officer, Company Secretary, Chief Financial Officer, and Head of Internal Control & Compliance and their spouses and minor children.

Sl. No.		Designation	Shareholdings as on 31.12.2024
1.	a)	Mr. Mohammad Mamdudur Rashid Managing Director and CEO	Nil
	b)	Spouse/Minor Children of Chief Executive Officer	Nil
2	a)	Mr. Pulak Chaudhuri Company Secretary (Acting)	Nil
	b)	Spouse/Minor Children of the Company Secretary	Nil
3	a)	Mr. Md. Faruk Ahammad, FCA DMD & Chief Financial Officer	Nil
	b)	Spouse/Minor Children of the Chief Financial Officer	Nil
4	a)	Mr. Champak Barua Head of Internal Control and Compliance	Nil
	b)	Spouse/Minor Children of the Head of Internal Control and Compliance	Nil

8.9 Shares held by top five salaried Executives in the regular services of the Bank

Sl. No.	Name	Designation	Shareholdings as on 31.12.2024
1	Mr. Nabil Mustafizur Rahman	Additional Managing Director	Nil
2	Mr. Abul Alam Ferdous	Additional Managing Director	Nil
3	Mr. Adnan Masud	Additional Managing Director	Nil
4	Mr. Md. Abdullah Al Mamoon	Deputy Managing Director	Nil
5	Md. Shah Alam Bhuiyan	Deputy Managing Director	Nil

8.10 Shareholders Holding 10% or More of the Paid-Up Capital

In accordance with Section 14A of the Bank Company Act, 1991, no individual, company, or members of the same family are permitted to hold more than 10% of a bank's shares, whether individually, jointly, or both. During 2024, there were no shareholders who held 10% or more of the paid-up capital of UCB, either individually or jointly.

8.11 Disclosure on Family Influence in the Bank

Since no individual or family holds 10% or more of UCB's paid-up capital, there is no family influence over the bank's operations. The absence of any majority shareholding by a single person or family ensures that no unilateral control is exercised over the bank's governance or decision-making processes.

9. ENVIRONMENTAL AND SOCIAL OBLIGATIONS

9.1 Board Oversight and Bank Policies on Environmental and Social Responsibilities

As a responsible corporate entity, UCB is committed to addressing environmental and social development through sustainable banking practices and Corporate Social Responsibility (CSR) initiatives. Sustainable development is integral to UCB's mission to create long-term value for customers, employees, and the broader community. The bank is continuously striving to embed sustainability into its overall business strategy.

9.1.1 Bank's Policies and Practices Related to the Environment

UCB recognizes that environmental concerns represent key risks that must be proactively managed. The Board of Directors has approved a comprehensive Green Banking Policy and Environmental and Social Risk Management (ESRM) Guidelines to ensure sustainable banking practices. Before sanctioning any loan, the bank conducts thorough Environmental Due Diligence (EDD) to identify and mitigate potential risks. In 2024, UCB refrained from financing high-risk sectors such as ship-breaking and tannery operations.

9.1.2 Bank's Policies and Practices Related to Society and Its Jurisdiction

As an active participant in societal development, UCB focuses its CSR efforts on areas such as education, healthcare, poverty alleviation, and disaster management. In 2024, the bank allocated Tk. 74.46 million towards CSR activities.

9.2 UCB's Disclosure of Specific Activities Pursuant to Environmental and Social Policies

UCB is transitioning towards sustainable lending practices by enhancing its Environmental and Social Risk Management (ESRM) framework. The bank rigorously evaluates environmental and social factors in its lending decisions to promote sustainability and contribute to environmental well-being.

9.2.1 Participation in National Programs and Support for Disadvantaged Groups

i) **Disaster Response and National Initiatives:** UCB demonstrated its unwavering commitment to national welfare and disaster response by contributing Tk. 5.25 million. This substantial donation was aimed at providing immediate relief and long-term support to communities devastated by severe flooding across Bangladesh. The contribution facilitated essential emergency services, including the provision of food, clean drinking water, medical assistance, and temporary shelter for displaced families. Beyond immediate relief, the funds also supported rehabilitation efforts, helping flood-affected regions rebuild critical infrastructure, restore livelihoods, and enhance resilience against future natural disasters. UCB's proactive role in responding to national emergencies underscores its dedication to social responsibility and its pivotal role in fostering community resilience and sustainable development.

ii) **Community and Neighborhood Development:** The bank is actively engaged in initiatives aimed at improving neighborhoods and communities, including efforts to address issues like affordable housing, poverty reduction, and ensuring access to education and healthcare for underprivileged populations.

iii) **Support for Sports, Culture, Research, and Technical Education:** UCB makes substantial annual contributions to the development of sports, cultural activities, research, and technical education in Bangladesh. The Bank has contributed Tk. 5 million in 2024.

iv) **Healthcare Initiatives:** In 2024, the bank spent Tk. 31.32 million on healthcare services for communities within its operational areas.

v) **Educational Support:** The bank allocated Tk. 8.84 million to provide scholarships to meritorious, underprivileged students and to support the infrastructure development of educational institutions.

vi) **Support for Environmental welbeing:** In 2024, the bank spent Tk. 3.87 million on Environmental welbeing and Tk. 20.17 million for other purpose.

9.2.2 Activities Promoting Environmental Sustainability

UCB is committed to creating a sustainable business environment by integrating eco-friendly principles into its products and services. The bank prioritizes lending that deliver environmental benefits, reduce ecological harm, and support energy efficiency. Key initiatives include:

- Financing Water Recycling and Waste Management Plants to promote water reuse and effective waste management.
- Funding Effluent Treatment Plants to combat industrial pollution.
- Restricting Financing to High-Emission Projects to reduce toxic emissions.
- Promoting Green Financing, including lending in eco-friendly businesses and technologies.
- Increasing loan in Sustainable Sectors such as agriculture and SMEs.
- Reducing Resource Consumption within the bank, including electricity, fuel, and water.
- Encouraging Digitalization to reduce paper use and promote efficient services.

9.3 UCB's Initiatives for Sustainable Banking

The Board of Directors and Management strictly ensure that no loans are approved unless they meet specific environmental criteria, including:

- Site/Location Clearance Certificate
- Environmental Clearance Certificate
- Environmental Impact Assessment (EIA) Report

Additional measures include:

- Incorporating Environmental Risk Ratings in all loan proposals.
- Prohibiting disbursements for projects posing high environmental risks.
- Allocating environmental CSR donations from the Climate Risk Fund with Board approval.

Further details of these initiatives are available in the Sustainability Report on page no. 293.

9.4 Corporate Social Responsibility (CSR)

CSR is a fundamental component of UCB's business philosophy, reflecting the bank's commitment to balancing profitability with social responsibility. The bank strives to operate in a responsible and sustainable manner, embedding social and environmental considerations into its organizational culture. In 2024, UCB allocated Tk. 74.46 million towards CSR activities, reaffirming its dedication to societal well-being and sustainable development.

9.5 Certificates and Checklists reference

Sl. No.	Report Name	Page No.
1	Declaration by the CEO and the CFO	221
2	Compliance Certificate on Corporate Governance Code	219
3	Compliance Status of BSEC Notification	177
4	Compliance Status of Bangladesh Bank Guidelines	192

Report of the Executive Committee of the Board of Directors

Formation of the Committee

In Compliance with Section 15 Kha (2) of Bank Company Act 1991 and BRPD Circular No. 02, dated February 11, 2024, the Board of Directors of UCB has reconstituted the Executive Committee (EC) of the Board in 2024 with three members (maximum limit is seven members). The Company Secretary acts as the secretary of the committee. The EC is comprised of 3 (Seven) Non–Executive Directors. The composition of the Committee is as follows:

Sl	Name	Designation in the Committee
1	Mr. Md. Tanvir Khan	Chairman
2	Mr. Sharif Zahir	Member
3	Mr. Md. Shazzad Hossoin	Member
4	Mr. Pulak Chaudhuri	Member Secretary

Chairman and the Members of the Executive Committee

Mr. Md. Tanvir Khan is the Chairman of the Executive Committee. He is a non-executive Director of the Board of Directors. The rest of the Members are also Non-Executive Directors. None of them are members of the Audit Committee of the Board. All members are nominated by the Board of Directors according to the BRPD Circular No. 02, dated February 11, 2024.

EC's Terms of Reference (ToR)

The Terms of Reference of the Executive Committee have been prepared in accordance with the provisions of BRPD Circular No. 02, dated February 11, 2024, and the articles of associations of the Bank.

The Roles and Responsibilities of the Committee

The roles and responsibilities of the Committee have been fixed in accordance with the provisions of BRPD Circular No. 02, dated February 11, 2024, and the articles of associations of the Bank, and it was well notified in the terms of reference. The Bank has structured the delegation and sub-delegation of credit approval authority in order to ensure sound governance and a more effective credit approval system. The Board of Directors and its Executive Committee have the ultimate authority for credit approval in accordance with the recommendation of the credit committee, which is comprised of the organization's senior management. All decisions taken in the executive committee should be ratified in the next board meeting.

Meeting & Attendance of the Executive Committee

Meeting Detail of the Executive Committee

Sl	Meeting No.	Date of the Meeting
1	467th Executive Committee Meeting	30th January 2024
2	468th Executive Committee Meeting	1st April 2024
3	469th Executive Committee Meeting	10th June 2024
4	470th Executive Committee Meeting	4th September 2024
5	471st Executive Committee Meeting	29th September 2024
6	472sd Executive Committee Meeting	30th October 2024
7	473rd Executive Committee Meeting	21st November 2024
8	474th Executive Committee Meeting	11th December 2024
9	475th Executive Committee Meeting	30th December 2024

Executive Committee

(From 1st January 2024 to 27th August 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. Anisuzzaman Chowdhury	Chairman	9	3	3
2	Mr. Bashir Ahmed	Member	9	3	3
3	Mr. M. A. Sabur	Member	9	3	3
4	Mr. Bazal Ahmed	Member	9	3	3
5	Mr. Nurul Islam Chowdhury	Member	9	3	3
6	Mrs. Roxana Zaman	Member	9	3	2
7	Mr. Asifuzzaman Chowdhury	Member	9	3	1

Executive Committee

(From 27th August 2024 to 31st December 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. Md. Tanvir Khan	Chairman	9	6	6
2	Mr. Sharif Zahir	Member	9	6	6
3	Mr. Md. Shazzad Hossoin	Member	9	6	6

Report on the Activities of the Audit Committee of the Board of Directors

Audit Committee of the Board

The Audit Committee (AC) is formed as a subcommittee of the Board of Directors of United Commercial Bank PLC (UCB). The AC assists the Board in ensuring that the financial statements reflect a true and fair view of the Bank's state of affairs and in establishing a robust monitoring system within the business. The AC has the primary responsibility of conducting systematic and continuous review, monitoring, and assessment of organizational performance against evolving regulatory requirements. Its roles and responsibilities are defined in accordance with the Corporate Governance-related Circulars of Bangladesh Bank, the Notifications of the Bangladesh Securities and Exchange Commission, and the Bank Company Act 1991.

The main objectives of the Audit Committee are:

- To assist the Board in fulfilling its oversight responsibilities, including the implementation of the objectives, strategies, and overall business plans set by the Board.
- To review the financial reporting process and the effectiveness of the internal control process.
- To assess the effectiveness of overall processes and procedures for monitoring compliance with laws and regulations, the code of business conduct, and to review the compliance status of the inspection report from Bangladesh Bank.

Constitution of the Audit Committee

In accordance with BRPD Circular No. 02, dated February 11, 2024, and Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018, on Corporate Governance; the Board of Directors of the Bank constituted the Board Audit Committee. The committee consists of the following two members:

Sl	Name	Designation in the Committee
1	Mr. Obaidur Rahman, FCA	Chairman
2	Mr. Md. Yusuf Ali	Member
3	Mr. Pulak Chaudhuri	Member Secretary

This report provides an overview of the activities of the Audit Committee of United Commercial Bank PLC (UCB) and its role in ensuring financial transparency, regulatory compliance, and internal control effectiveness within the organization.

Roles and Responsibilities of the Audit Committee

The roles and responsibilities of the Audit Committee have been defined in line with the relevant provisions of the Corporate Governance-related Guidelines issued by Bangladesh Bank, BSEC, and other best practices in governance. Some important roles and responsibilities are highlighted below:

Internal Control

- Evaluate whether management is adhering to appropriate risk management, compliance, and governance practices and has a clear understanding of their respective roles and responsibilities.

- Review whether the arrangements made by the management for developing and maintaining a suitable Management Information System (MIS) are adequate.
- Monitor whether suitable suggestions made by internal and external auditors to improve internal control practices have been duly implemented by the management.
- Review the existing risk management policy and procedures to improve the health and efficiency of the investment portfolio.
- Review the corrective measures taken by the management relating to fraud, forgery, deficiencies in internal control, or other similar issues detected by internal and external auditors and Bangladesh Bank and inform the Board regularly.

Financial Reporting

- Oversee the financial reporting process and monitor the choice of accounting policies and principles.
- Hold meetings with the external or statutory auditors for a review of the annual financial statements before submission to the Board for approval or adoption.
- Review the annual, half-yearly, and quarterly financial statements before submission to the Board for approval, and determine whether they are complete and consistent with applicable accounting and other reporting standards set by regulatory authorities.
- Consult with management and external auditors to review annual financial statements or any other ad-hoc financial reports before their finalization.

Internal Audit

- Monitor the 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.
- The Audit Committee will monitor whether the internal audit is working independently from the management.
- Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process.
- Examine the efficiency, effectiveness, and adequacy of the internal audit function.
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.
- Review and assess the annual internal audit plan.
- Meet the Head of Internal Control & Compliance and the Head of Internal Audit at least once a year, without management being present, to discuss their remit and any issues arising from internal audits carried out.

External Audit

- Make recommendations to the Board, to be put to shareholders for approval in the AGM, concerning the appointment, re-appointment, and removal of the bank's external auditors. The Committee shall oversee the selection process of new auditors and investigate any issues that might have led auditors to resign.
- Oversee the relationship with the external auditors, including:
  - Recommendation of their remuneration, i.e., fees for audit or non-audit services.
  - Annual assessment of their independence and objectivity, taking into account relevant professional and regulatory requirements.
  - Ensure that there are no relationships such as family, employment, investment, financial, or business between the auditor and the bank, except for circumstances arising in the ordinary course of business.
- Hold meetings with the external or statutory auditors for a review of the annual financial statements before submission to the Board for approval or adoption.
- Examine the findings and recommendations of the external auditors regarding irregularities, if any irregularity is detected, it is duly addressed by management.

Compliance with Existing Laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (Central Bank, BSEC, and other bodies) and internal circulars, instructions, policies, and regulations approved by the Board and management have been duly complied with.

Miscellaneous

- The Audit Committee submits a "Compliance Report" on a quarterly basis to the Board, mentioning any errors and irregularities, fraud and forgery, and other anomalies pointed out by the Internal and External Auditor and Inspection Team from Bangladesh Bank.
- The Audit Committee submits an evaluation report to the Board assessing the internal and external auditors of the bank.
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Access to the Audit Committee

According to the Committee's approval on the subject, the Audit Committee can be reached directly by the Head of Audit and the Head of Internal Control & Compliance.

Reporting to the Board of Directors

The Audit Committee shall report on its activities to the Board. The Audit Committee shall immediately report to the Board on the following findings, if any:

- Report on conflict of interest
- Suspected or presumed fraud, irregularity, or material defect identified in the internal audit and compliance processes or in the financial statements.
- Suspected infringement of laws and regulatory compliances, including securities-related laws, rules, and regulations.
- Any other matter that the Audit Committee deems necessary shall be disclosed to the Board immediately.

Reporting to the Authorities

If the Audit Committee has reported to the Board about anything that has a material impact on the financial condition and results of operations 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 a finding to the Commission.

Meeting of the Audit Committee

As required by regulations, the Audit Committee must hold at least four meetings per year, and it may meet at any time it deems necessary. In 2024, the Committee met 09 times, during which it held in-depth discussions and reviews with the Head of Audit, the Head of Internal Control & Compliance, and external auditors. The Committee provided guidance to management on the required actions to address the auditors' findings and recommendations on various issues.

Sl	Meetings	Date of Meeting
1	134th Audit Committee Meeting	19th March 2024
2	135th Audit Committee Meeting	29th April 2024
3	136th Audit Committee Meeting	10th June 2024
4	137th Audit Committee Meeting	30th July 2024
5	138th Audit Committee Meeting	1st September 2024
6	139th Audit Committee Meeting	9th September 2024
7	140th Audit Committee Meeting	9th October 2024
8	141st Audit Committee Meeting	29th October 2024
9	142nd Audit Committee Meeting	28th November 2024

Audit Committee

(From 1st January 2024 to 27th August 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. Touhid Shipar Rafiquzzaman	Chairman	9	4	4
2	Mr. Syed Kamruzzaman, FCMA	Member	9	4	4
3	Mr. Muhammed Shah Alam, FCMA	Member	9	4	4
4	Mr. Dr. Aparup Chowdhury	Member	9	4	4
5	Mr. Kanak Kanti Sen, FCMA	Member	9	4	4

Audit Committee

(From 27th August 2024 to 31st December 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. Obaidur Rahman, FCA	Chairman	9	5	5
2	Mr. Md. Yusuf Ali	Member	9	5	4

Major Activities of the Audit Committee in 2024

- Reviewed the annual financial statements of the bank for the year ended December 31, 2023, as certified by the external auditors, before submission for consideration to the Board.
- Reviewed the unaudited quarterly (Q1, Q2, and Q3) financial statements of the bank for the year 2024 before submission to the Board for consideration.
- Reviewed the Management Report on the Bank for the year ended December 31, 2023, submitted by the External Auditors, M/s ACNABIN, Chartered Accountants, and its subsequent compliance.
- Reviewed the Comprehensive Inspection Report based on December 31, 2023, the Special Inspection Report, and the Inspection Report on AML/CFT issued by Bangladesh Bank, and subsequent compliance by the management.
- Reviewed and approved the 'Annual Audit Plan 2024' and the 'Risk-Based Audit Plan 2024'.
- Reviewed the steps taken by the management in response to fraudulent incidents to strengthen supervisory and internal controls for more effective fraud risk management.
- Reviewed the compliance status of core risks at United Commercial Bank PLC and related risk levels at branches, various departments, and subsidiaries.
- Reviewed the money laundering and terrorist financing risk management policy, asset-liability management (ALM) policy, and other core risk management policies of United Commercial Bank PLC.
- Reviewed the actions of the Information Technology (IT) Department on IT security issues and reviewed the Bank's ICT Security Policy.
- Reviewed the bank's Non-Performing Loans (NPLs) and related issues.
- Reviewed the overall effectiveness of the control system of United Commercial Bank PLC.
- Reviewed the health report of the bank.

The minutes of the Audit Committee meetings, containing various suggestions and recommendations to management, were duly presented to the Board for ratification.

The Audit Committee

- Ensured that the rules and regulations of Regulatory Authorities were properly followed by the Bank.
- Assessed the whistle-blowing policy throughout the year and made recommendations to further improve the policy as a means of communicating sincere concerns.
- Confirmed that the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) were followed in the preparation of the Bank's financial statements and that full disclosure was provided.
- Verified that the Bank implemented good corporate governance.
- Conducted an annual self-evaluation at the end of the year, which found that the Committee's performance was successful.

Professional Advice

The Committee may seek professional assistance from outside sources on issues within its scope. During the year, the Committee consulted with various professionals on matters under its purview.

Focus of Future Activities

At the beginning of each year, the Committee discusses its key priorities for the coming year. In 2025, the Committee will continue to prioritize internal controls, particularly those supporting regulatory reporting.

Acknowledgment

The Audit Committee thanks the Board of Directors, management, and auditors for their sincere support and cooperation in fulfilling the Committee's duties and obligations.

On behalf of the Audit Committee,



Obaidur Rahman, FCA
Chairman, Audit Committee

Report of the Risk Management Committee of the Board of Directors

Corporate Governance and Risk Management Committee

Risk Management is a discipline at the core of every enterprise and encompasses all activities that affect its risk profile. However, this function needs not to be uniform across all Banks. The definition of a sound or adequate Risk Management system is ever-changing, as new technology accommodates innovation and better information and as market efficiency grows. UCB adopts a comprehensive Risk Management Program tailored to its needs and the circumstances under which it operates. In this context, UCB updates its risk approach and policies with the Bangladesh Bank's risk guidelines to adapt with the changing Banking environment as well as to deal with various risk issues prudently.

There is no alternative but to ensure sound Risk Management practices for surviving in the competitive environment. Therefore, UCB gives greater emphasis on continuous improvement in Risk Management, and sets its performance goals in line with strategic planning/objectives. While the extent of Risk Management function performed and structure kept in place depend on the size and complexity of the Bank, Risk Management is most effective when basic principles and elements of risk Management are applied consistently throughout the institution UCB believes.

Risk Management Committee of the Board

In compliance with the BRPD Circular No. 02 dated 11 February 2024, the Board of Directors (BoD) formed the Risk Management Committee (RMC) of the Bank to oversee various risks like credit risk, foreign exchange risk, internal control, and compliance risks, money laundering risks, information and communication risks, Management risks, interest risks, liquidity risks as to whether these risks have been properly and adequately identified and measured by the Bank Management. The objective of the Committee is to ensure risk governance, oversee, direct, and set policies, and reduce probable risks arising while implementing policies, procedures, and strategies.

Composition of the Committee

Members of the RMC were nominated by the Board of Directors of the Bank and are all non-executive Directors.

The Committee comprises 4 (Four) members. According to the BRPD Circular No. 02 dated 11 February 2024, the Company Secretary of the Bank was the Member Secretary of the Committee

Sl	Name	Designation in the Committee
1	Mr. Md. Yusuf Ali	Chairman
2	Mr. Sharif Zahir	Member
3	Mr. Md. Shazzad Hossoin	Member
4	Mr. Obaidur Rahman, FCA	Member
5	Mr. Pulak Chaudhuri	Member Secretary

Role and Responsibilities of the Committee

The roles and responsibilities of RMC have been framed in line with the BRPD Circular No. 02 dated 11 February 2024, and the industry's best practices. Some Major important roles and responsibilities are emphasized below:

1) Risk Identification & Control Policy
   a) To formulate and implement appropriate strategies for risk assessment and its control;
   b) To monitor Risk Management policies & methods and amend them if necessary;
   c) To review the Risk Management process to ensure effective prevention and control measures.
2) Construction of Organizational Structure
   a) To ensure an adequate organizational structure for managing risk within the Bank;
   b) To supervise the formation of separate Management Level Committees;
   c) To monitor the activities related to compliance of instruction of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk, including other risk-related guidelines.
3) Analysis and approval of Risk Management Policy
   a) To review the Risk Management policy & guidelines of the Bank annually
   b) To recommend the Board of Directors regarding any proposed amendments if necessary;
   c) To review limits, including lending limits, and amend if necessary;
4) Storage of data & reporting system
   a) To approve adequate record keeping & reporting system developed by the Bank Management;
   b) To ensure proper use of the system (i.e., record keeping & reporting system);
   c) Minutes its proposal, suggestions & summary and inform to the Board of Directors;
   d) Monitoring the implementation of the overall Risk Management Policy
   e) To observe the proper execution of comprehensive Risk Management policies;
   f) To monitor whether appropriate steps have been taken to mitigate all risks, including lending and Management risks.
5) Other responsibilities
   a) To submit the decision and suggestions of the Committee to the Board of Directors quarterly in short form;
   b) To comply with instructions issued from time to time by the controlling bodies;
   c) To collect evaluation reports from the internal & external auditors whenever required;

Meetings of the Risk Management Committee

Bangladesh Bank advised RMC to hold at least four meetings in a year. In line with the same, RMC held 4 (Four) meetings during 2024 and had detailed discussions and review sessions with the Management regarding their findings, observations, and recommendations on various issues of interest and concern. The meeting detail is as follows:

Meeting Detail

Sl	Meeting No.	Date of Meeting
1	42nd Risk Management Committee Meeting	1st April 2024
2	43rd Risk Management Committee Meeting	29th April 2024
3	44th Risk Management Committee Meeting	18th September 2024
4	45th Risk Management Committee Meeting	10th December 2024

Attendance Detail

Name of the Directors	Status	Total Meeting Held During 2024	Meeting Held During their tenure	Meetings Attended
Mr. Md. Yusuf Ali	Chairman	4	2	2
Mr. Sharif Zahir	Member	4	2	2
Mr. Md. Shazzad Hossoin	Member	4	2	2
Mr. Obaidur Rahman, FCA	Member	4	2	2

Risk Management Committee

(From 1st January 2024 to 27th August 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. M. A. Sabur	Chairman	4	2	2
2	Mr. Anisuzzaman Chowdhury	Member	4	2	1
3	Mr. Nurul Islam Chowdhury	Member	4	2	2
4	Mr. Prof. Dr. Iftekhar Uddin Chowdhury	Member	4	2	2
5	Mrs. Afroza Zaman	Member	4	2	2

Risk Management Committee

(From 27th August 2024 to 31st December 2024)

Sl	Name	Position	Total Meeting held	Meeting held during their tenure	Attended
1	Mr. Md. Yusuf Ali	Chairman	4	2	2
2	Mr. Sharif Zahir	Member	4	2	2
3	Mr. Md. Shazzad Hossoin	Member	4	2	2
4	Mr. Obaidur Rahman, FCA	Member	4	2	2

Major Issues Reviewed by The Risk Management Committee During 2024

Significant issues and areas of interest dealt with by RMC during 2024 are noted below:

- Information regarding Fire incident at Jubilee Road Branch, Chattogram;
- Discussion on Minutes of the 90th to 98th Executive Risk Management Committee ERMC;
- Status of Management Action Trigger (MAT) of the Bank based on February, 2024;
- Revised Business Continuity Plan (BCP) of the branches & sub-branches;
- Submission of revised Business Continuity Plan (BCP) of the Corporate office;
- Information regarding Prompt Corrective Action (PCA) Framework;
- Information regarding the Bangladesh Bank circular related to Wilful Defaulters;
- Stress Test Report of the Bank for the October-December Quarter Q4 of 2023;
- Risk Appetite Statement of the Bank for the year 2024;
- Half Yearly Comprehensive Risk Management Report as on December 31 2023;
- Information regarding the Bangladesh Bank circular related to formation of "Written off Loan Recovery Unit" for strengthening the write off recovery;
- Sustainable Finance (SF) Status of the Bank;
- Approval of the Report of the Risk Management Committee for the Annual Report 2023;
- Submission of "Disclosures on Risk Based Capital (Basel III)" of the Bank for the year 2023;
- Stress Test Report of the Bank for the April-June Quarter (Q2) of 2024;
- Submission of Present and Projected Capital status of the Bank;
- Submission of Information Security Status of the Bank;
- Status of Large loan concentration and its risk grading;
- Status of Treasury Mid-Office of the Bank;
- Single Borrower Limit Breach as on 31st August, 2024;
- Submission of Anti- Bribery & Anti-Corruption (ABAC) Policy of the Bank;
- Sustainable Finance Status of the Bank;
- Stress Test Report of the Bank for the July-September Quarter (Q3) of 2024;
- Submission of Present and Projected Capital status of the Bank;
- Liquidity Status (Treasury Mid-Office) of the Bank;

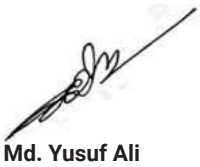
- Single Borrower Limit Breach as on 30 November, 2024;
- Forced loans and Nostro Account Debit status as on December 02, 2024;
- Status of MATs and Risk Appetite Statement of the Bank;
- Sustainable Finance (SFI) Status of the Bank;
- Information Regarding Fire Incident Report at Moulavi bazar (Dhaka) Branch;
- Submission of Anti- Bribery & Anti-Corruption (ABAC) Policy of the Bank;
- Submission of Risk Management Policy of the Bank;
- Submission of Information Security Status of the Bank;

The Minutes of RMC Meetings containing various suggestions and recommendations to the Management were subsequently placed to the Board of Directors for ratification.

Acknowledgment

The members of the Risk Management Committee express their gratitude and thanks to the Bank's Board of Directors, Management, and Risk Management Team for their cooperation while performing their duties and responsibilities.

On behalf of the Risk Management Committee,



Md. Yusuf Ali
Chairman
Risk Management Committee

Statement of Directors' Responsibility

The Board of Directors of **United Commercial Bank PLC (UCB)** acknowledges its fundamental responsibility for ensuring the sound governance, strategic direction, ethical stewardship, and prudent operation of the Bank. This responsibility is discharged in full compliance with the **Banking Companies Act, 1991 (as amended)** and in strict adherence to all applicable regulations, circulars, and guidelines issued by **Bangladesh Bank** and other relevant authorities.

The Board is deeply committed to upholding the principles of integrity, transparency, accountability, and sustainability in all aspects of the Bank's operations, in order to protect the interests of its stakeholders and promote long-term value creation.

In fulfilment of its fiduciary responsibilities, the Board affirms the following:

1. System of Internal Control

The Board has implemented and continues to reinforce a comprehensive and dynamic system of internal control across the Bank. This framework is designed to ensure effective risk management, operational efficiency, compliance with applicable laws, and the integrity of financial and non-financial reporting. The internal control mechanisms are reviewed regularly through both internal and external audits, as well as risk-based monitoring, to identify control gaps and emerging risks, and to take timely corrective measures.

2. Compliance with Laws and Regulatory Directives

The Board ensures that the Bank conducts its business in full compliance with the provisions of the Banking Companies Act, 1991, directives issued by Bangladesh Bank, and all other relevant laws and statutory obligations. It has put in place a robust compliance structure led by a dedicated Compliance Unit that proactively monitors regulatory developments and ensures timely implementation across all levels of the Bank.

3. Financial Reporting and Transparency

The Board accepts full responsibility for the preparation and fair presentation of the Bank's financial statements for the year ended 31 December 2024. These statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), alongside the reporting formats and instructions issued by Bangladesh Bank. The Board confirms that the financial statements reflect, in all material respects, a true and fair view of the Bank's financial position, results of operations, and cash flows.

4. Corporate Governance and Risk Oversight

The Board recognizes that strong corporate governance is central to sustainable success. In line with Bangladesh Bank's guidelines and best practices, the Bank has in place an effective governance structure supported by key Board committees, including the Audit Committee, Risk Management Committee, and Executive Committee. These committees are mandated to provide independent oversight and to ensure that risks are identified, assessed, and managed within the Bank's established risk appetite framework.

The Board also ensures that environmental, social, and governance (ESG) considerations are integrated into the Bank's strategy and operations, in alignment with the sustainable banking principles of Bangladesh Bank.

5. Going Concern Assumption

After careful review of the Bank's financial health, business prospects, liquidity position, and capital adequacy, the Board is satisfied that United Commercial Bank PLC has adequate resources to continue operating in the foreseeable future. Accordingly, the financial statements for 2024 have been prepared on a going concern basis.

6. Ethical Culture and Stakeholder Trust

The Board is committed to cultivating a culture of ethics, professionalism, and accountability throughout

the Bank. Ethical conduct and responsible banking are embedded in our corporate philosophy and form the foundation of our relationship with customers, employees, regulators, shareholders, and society at large. The Board ensures that all employees uphold the Bank's Code of Conduct and operate with the highest levels of integrity and customer-centricity.

7. Oversight of Management and Internal Audit

The Board actively oversees the performance and integrity of the senior management team and ensures that management decisions are aligned with the Bank's strategy and values. The Board has also empowered the Internal Audit Division to operate independently and report directly to the Audit Committee of the Board, thus maintaining the highest level of audit objectivity and control assurance.

The Board acknowledges with appreciation the dedication and contribution of the management team, employees, auditors, and regulators for their continued support and collaboration. With strong governance, sound financial fundamentals, and a future-focused strategy, the Board remains confident in UCB's ability to meet evolving challenges and create enduring value for all its stakeholders.

On behalf of the Board of Directors,



Sharif Zahir
Chairman

Status of compliance on Corporate Governance Code 2018 Issued by Bangladesh Securities and Exchange Commission

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 June 2018 (amended up to 2024) issued under Section 2CC of the Securities and Exchange Ordinance, 1969 is as follows (as per Annexure-C):

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
1 Board of Directors					
Size of the Board of Directors	1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
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): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company;	✓		The current Board of Directors of United Commercial Bank PLC consisting of five members was constituted by a special order of Bangladesh Bank following the dissolution of the previous Board on August 27, 2024. The newly formed Board includes three Independent Directors.
	1(2)(b)(i)	Who 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;	✓		
	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:	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
		Provided that spouse, son, daughter, father, mother, brother, sister, son- in-law, and daughter-in-law shall be considered as family members;			
	1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
	1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
	1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
	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;	✓		
	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;	✓		
	1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
	1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution.	✓		
	1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
	1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of the recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		
	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: 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]:	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
		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.			
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			
	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 business association; or	-	-	N/A
	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	✓	-	Please See the Directors' Profile for Details
	1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in a 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: In case of appointment of existing officials as independent directors, it requires clearance from the organization where he or she is in service;	✓	-	Please See the Directors' Profile for Details
	1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A
	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;	✓	-	Please See the Directors' Profile for Details
	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.	-	-	No such case occurred

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
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	✓		
	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	✓		
	1(4)(d)	The Board shall clearly define respective roles andresponsibilities 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 of the Board Meeting.	✓		
The Directors' Report to Shareholders	1(5)	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	✓		
	1(5)(ii)	The segment-wise or product-wise performance;	✓		
	1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;			
	1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Discussion on interest income-expense, operating & net profit, provisions for loans & advances is provided
	1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		No such extra ordinary gain or loss occurred
	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;	✓		
	1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		
	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.;	✓		N/A
	1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		Mainly due to higher provision requirements.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Notes are available in the Financial Statements
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;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
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;	✓		
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;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
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;	✓		
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;	✓		
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;	✓		Higher operating profit resulting from higher interest income.
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		Refered to note-50 of financial statements
1(5)(xxi)	Board's statement to the effect that no bonus shares or stock dividend has been or shall be declared as interim dividend;	✓		No interim dividend was declared
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
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);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
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);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		No one has Ten percent (10%) or more voting interest
1(5)(xxiv)(a)	A brief resume of the director	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
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	✓		
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;	✓		
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;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
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	✓		
1(5)(xxvi)	Declaration or Certification by the MD and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	✓		
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.	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	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.			
Meetings of the Board of Directors	1(6)	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.	✓		
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	✓		Please refer to the condition no. 6
	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.	✓		Please refer to the condition no. 6
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.	✓		
	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;			The current Board of Directors of United Commercial Bank PLC consisting of five members was constituted by a special order of Bangladesh Bank following the dissolution of the previous Board on August 27, 2024. The newly formed Board includes three Independent Directors.
	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;	✓		
	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;	✓		
	2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		

3 Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)					
Appointment	3(1)(a)	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);	✓		
	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;	✓		
	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;			
	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).	✓		
Requirement to attend Board of Directors' Meetings	3(2)	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.	✓		
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)	Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
	3(3)(a)(ii)	Financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
	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;	✓		
	3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		

Condition No.		Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
4 Board of Directors' Committee					
For ensuring good governance in the company, the Board shall have at least following sub-committees	4(i)	Audit Committee	✓		
	4(ii)	Nomination and Remuneration Committee	-		In compliance with the Bangladesh Bank's BRPD Circular Latter no. 21 dated 12 May 2024,the responsibilities of Nomination & Remuneration Committee have been entrusted to the Audit Committee of the Board
5 Audit Committee					
Responsibility to the Board of Directors	5(1)(a)	The company shall have an Audit Committee as a sub- committee of the Board	✓		
	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;	✓		
	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.	✓		
Constitution of the Audit Committee	5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;		✓	
	5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive 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; The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	✓		No such incident occurred
	5(2)(d)	When the term of service of the Committee member expires, Board shall appoint new Committee member immediately or not later than 60 (sixty) days from the date of vacancy.	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
	5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
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	✓		
	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.	✓		
	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.	✓		
Meeting of the Audit Committee	5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
	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.	✓		
Role of Audit Committee	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;	✓		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	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	✓		
Reporting to the board of Directors	5(6)(a)	Reporting to the Board of Directors	✓		
	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)	The Audit Committee shall immediately report to the Board on the following findings, if any report on conflicts of interests	-	-	No such case occurred
	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;	-	-	No such case occurred
	5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	No such case occurred
	5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	-	-	No such case occurred
Reporting to the Authorities	5(6)(b)	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	-	-	No such case occurred

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
		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.			
Reporting to the Shareholders and General Investors	5(7)	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.	✓		
6 Nomination and Remuneration Committee (NRC)			In compliance with the Bangladesh Bank's BRPD Circular Latter no. 21 dated 12 May 2024,the responsibilities of Nomination & Remuneration Committee have been entrusted to the Audit Committee of the Board		
Responsibility to the Board of Directors	6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	-		N/A
	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;	-		
	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).			
Constitution of the NRC	6(2)(a)	The Committee shall comprise of at least three members including an independent director	-		
	6(2)(b)	All members of the Committee shall be non-executive directors;	-		
	6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
	6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
	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;	-		
	6(2)(f)	The Chairperson of the Committee may appoint or co-opt 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;	-		
	6(2)(g)	The company secretary shall act as the secretary of the Committee;	-		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
	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.	-		
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	-		
	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;	-		
	6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	-		
Meeting of the NRC	6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-		
	6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		
	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);	-		
	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			
Role of the NRC	6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-		
	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 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;	-		
	6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-		

	Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
			Complied	Not complied	
	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;	-		
	6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-		
	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;	-		
	6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-		
	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	-		
	6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-		
	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.	-		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
	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.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
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).	✓		
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.	✓		
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.	✓		
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.	✓		

Bangladesh Bank Corporate Governance Guidelines:
Our Compliance Status

This report (comprising Part-I, Part-II, Part-III, and IV) is intended to exhibit our compliance status of corporate governance practice in line with the relevant circulars issued by Banking Regulation and Policy Department (BRPD) of Bangladesh Bank. These circulars outline the guidelines pertaining to the establishment, functions, and obligations of the Board of Directors, the appointment and duties of the Managing Director, the contractual engagement of advisors and consultants, and appointment of independent directors, their roles, responsibilities, and honorarium.

PART-I Formation & Responsibilities of Board of Directors of a Bank Company (BRPD Circular No. 02 Dated 11 February 2024)

Reference		Provision	Compliance Status
3	(a)	**Formation of Board of Directors:** The Board of Directors of a bank-company shall consist of shareholder directors, nominated directors on behalf of shareholder institutions, and independent directors. Where it is applicable, alternate directors may also be members of the Board.	Complied
	(b)	The maximum number of directors on the Board shall be 20 (twenty). Out of these 20, the number of independent directors shall not be less than 03 (three) and in case of number of directors on the Board less than 20 (twenty), the minimum number of independent directors shall be 02 (two).	Complied
	(c)	Not more than 03 (three) members of the same family can hold the position of director in any bank company at the same time.	Complied
	(d)	Apart from these 03 (three) directors of the same family, a nominated director can be appointed on behalf of a maximum 02 (two) institutions or companies closely related or controlled by the said family.	Complied
	(e)	Not more than 1 (one) individual can be appointed as a nominated director on behalf of a shareholder institution or company	Complied
	(f)	An individual cannot be appointed as a nominated director in the Board on behalf of another individual shareholder (with a distinct natural personality)	Complied
	(g)	Pursuant to Section 15KaKa of the Bank Company Act, 1991, from January 28, 2018 no individual can hold the position of a director in any bank-company for more than 12 (twelve) consecutive years. They will not be eligible for reappointment unless expiration of 03 years' time after the completion of their tenure as director.	Complied
	(h)	All directors will retire at the first annual general meeting of a bank-company. Subsequently, one third of the directors, based on seniority, will retire at each annual general meeting. In this case, the provisions described in Article 80 of schedule 1 of the Companies Act, 1994, must be followed. Retiring directors will be eligible to be re-elected for reappointment as directors.	Complied

Reference		Provision	Compliance Status
4	(a)	**Qualifications and Eligibility of a Director:** 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;	Complied
	(b)	The minimum age of the relevant individual shall be 30 (thirty) years;	Complied
	(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;	Complied
	(d)	There are no adverse observations/comments regarding him/her in any of the verdict published by criminal or civil court;	Complied
	(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;	Complied
	(f)	He/she was not associated with any company/entity whose registration/license has been revoked or the entity has been liquidated;	Complied
	(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;	Complied
	(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;	Complied
	(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;	Complied
	(j)	He/she has not been declared insolvent by a court at any time;	Complied
	(k)	He/she is not a tax defaulter personally or for his sole proprietorship or partnership firm;	Complied
	(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;	Complied
	(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.	Complied
5		**Appointment/ Re-appointment of Directors:** In accordance with Sub-section (04) of Section 15 of the Bank Company Act, 1991, prior approval from Bangladesh Bank is a must for all bank-companies (except specialized banks) to appoint/reappoint directors, who have been nominated in the board meeting or elected/ re-elected in the annual general meeting of the board. The date of appointment/ re-appointment shall be effective from the date of approval by Bangladesh Bank. For obtaining such prior approval, an application furnished with the prescribed documents/ papers/information must be submitted to Bangladesh Bank and signed by the chief executive/ managing director of the bank within 07 (seven) working days from the date of the relevant board meeting/annual general meeting.	Complied
8	(a)	**Vacancy of Office of Director:** The office of director shall be vacated according to the provision specified in Section 108(1) of the Companies Act, 1994. Moreover, if any director fails to repay the advance or loan obtained from any bank or financial institution within two months of receiving notice from the Bangladesh Bank under Section 17 of the Bank Company Act, 1991, or provides false declarations/information to Bangladesh Bank at the time of appointment as a director, or if his eligibility is found to be deficient, the office of the director can be vacated or his appointment can be cancelled.	No such instance

Reference		Provision	Compliance Status
	(b)	If the office of a director is vacated under Section 17 of the Bank Company Act, 1991, the individual will not be eligible to become a director of that bank company/any other bank company/financial institution within one year from the date of full repayment of the total amount due to the respective bank/financial institution. It is noteworthy that the dues have to be adjusted for the shares held by the director of that bank company. When a director receives notice under Section 17 of the Bank Company Act, 1991, he/she can't transfer his/her shares of that bank until all the debt owed to him/her by the relevant bank or financial institution is repaid. If a director, who has received notice, resigns from his office while the action of the notice is still in effect, the resignation will not be effective.	No such instance
	(c)	Besides, if any director of a bank company is listed as a willful defaulter, Bangladesh Bank can declare the office of director vacant in accordance with the provisions described in Section 27Kha of the Bank Company Act, 1991.	No such instance
9		**Removal and Appointment of a Director in Special Purposes:**	
	(a)	According to Sub-section (4) of Section 15 of the Bank Company Act, 1991, prior approval from the Bangladesh Bank must be taken for removal of any director of a bank (other than specialized bank) from his office. Such removal will be effective from the date of approval granted by Bangladesh Bank	No such instance
	(b)	If any director or chairman of a bank company is involved in malpractices detrimental to the interests of depositors or misuses bank's funds through related party transaction/ money laundering or is involved in terrorist financing/acts against public interest, Bangladesh Bank may remove him/her under Section 46 of the Bank Company Act, 1991, or dissolve the board of under Section 47 of the Bank Company Act, 1991.	Bangladesh Bank dissolved the Board of Directors of the UCB PLC on August 27, 2024
	(c)	Bangladesh Bank may appoint any person as a director of any bank company considering his/her qualification and eligibility for appointment as director or construct a new board/reconstruct a board in accordance with the power conferred in Section 45 of the Bank Company Act, 1991, for the protection of the interests of the bank company or depositors, for specific/special reasons, or for the public interest.	Bangladesh Bank formed a new Board of Directors.
12		**Conduct of Meetings of Board and Sub-Committees:**	
12.1	(a)	The Board of Directors of the bank shall convene meeting once in a month or more than once if necessary;	Complied
	(b)	The quorum for the meetings of the bank's Board of Directors shall be determined according to the bank's articles of association or memorandum of association.	Complied
	(c)	For active participation and contribution of members in the Board meeting, delivery of the detailed memorandum (to be presented in the meeting) to each member at least 02 (two) days prior to the meeting must be ensured.	Complied
	(d)	Any issue; not incorporated in the agenda, must not be considered by the board.	Complied
	(e)	Note of dissent on any matter issued in the meeting, must be recorded in the meeting minutes.	Complied
	(f)	Apart from the Board of Directors, managing director and the company secretary of the bank can be present at the board meeting.	Complied
	(g)	In special circumstances, upon invitation from the board or its sub-committees, any bank employee may be present at the meeting only while issues relevant to him/her are being presented (not for the entire duration).	Complied
	(h)	No external person, under any circumstances, can attend meetings of the board or its sub-committees.	Complied
	(i)	Meetings of the Board of Directors, executive committees, audit committees, and risk management committees of the bank have to be held in the head office/ in the city of	Complied

Reference		Provision	Compliance Status
		the headquarter. However, if there is a special need to conduct a meeting outside the head office city/Dhaka, the application must be submitted to the Bangladesh Bank at least seven working days before the meeting for prior approval, mentioning the reasons behind it, the number/list of participants and the estimated expense. Any excessive expense other than the necessary expense for holding meetings outside the head office city/ Dhaka must be avoided.	
12.2		**Directors' Honorarium and Benefits:**	
	(a)	The maximum amount of honorarium for the directors attending the Board meeting/sub-Committee meeting shall be 10,000 (ten thousand) taka.	Complied
	(b)	Independent directors shall receive a fixed honorarium of 50,000 (fifty thousand) taka (subject to applicable tax deductions) per month, in addition to the honorarium described above.	Complied
	(c)	The number of meetings of the board and other committees of the Bank Company shall be kept limited. However, regardless of the number of meetings of the Board and other committees of Bank Company held in any month, directors shall be entitled to such honorarium for attending a maximum of 06 (two) meetings of the Board of Directors and meetings of the Executive Committee, 01 (one) meeting of the Audit Committee, and 01 (one) meeting of the Risk Management Committee.	Complied
	(d)	The related instruction and guidelines of NBR should be followed and complied for tax deduction on the honorarium of directors for attending meeting and other committees' meetings of the bank.	Complied
	(e)	Directors shall be eligible for hotel accommodation expenses for a maximum 02 (two) days and travel expenses while coming to the head office from any other location within the country to attend meetings of the board/sub-Committee.	Complied
	(f)	Where foreign nationals hold directorship positions (other than non-resident Bangladeshis or dual citizens), they shall be eligible for hotel accommodation bills for a maximum 03 (three) days and two way airfare as traveling expense	Not applicable
	(g)	Non-resident Bangladeshi directors are allowed to attend maximum of 04 (four) meetings of the Board of Directors per year. They will be eligible for hotel accommodation bills for a maximum of 03 (three) days and two way airfare as traveling expenses.	Not applicable
10.1		**Responsibilities, Authorities and Duties of the Board of Directors:**	
	a.	**Work-planning and Strategic Management:**	
		• The board will 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 workplans on a quarterly basis.	Complied
		The board shall 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 MD/CEO & officers in the immediate two tiers below the MD/CEO, and have it evaluated from time to time.	Complied
	b.	**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 shall specifically delegate the authority of loan/investment approval to the MD/CEO and his subordinate executives as much as possible.	Complied

Reference		Provision	Compliance Status
		The board shall 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.	Complied
	c.	**Internal Control Management:**	
		The board will establish such 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.	Complied
	d.	**Human Resource Management and Development:**	Complied
		Policies related to recruitment, promotion, transfer, disciplinary and punitive measures, incentives, human resources development, etc. and service rules shall be formulated and approved by the board. No member of the board of directors shall 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 MD/CEO of the banks (except state-owned banks) shall rest upon the board. In case of state-owned bank these will be will be governed by the prevailing approved policies of the Financial Institutions Division of the Ministry of Finance periodically.	
		The board shall 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.	Complied
		The board will establish a Policy of integrity, ethics and code of conduct for officials and employees at all levels, which all employees will adhere to properly	Complied
	e.	**Financial Management:**	
		The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall 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	Complied
		The board shall 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.	Complied
		The board will periodically review the whether an Asset-Liability Committee (ALCO) has been formed and whether it is working as per Bangladesh Bank guidelines.	Complied
	f.	**Appointment of Managing Director/CEO:**	
		The Board of Directors will appoint a suitable CEO/Managing Director with the prior approval of Bangladesh Bank in line with prevailing instructions time to time.	Complied
	g.	**Other Duties and Responsibilities of the Board:**	
		The board should follow and comply with all other duties and responsibilities assigned by BB.	Complied
10.2		**Responsibilities of the Chairman and Directors:**	
	(a)	The chairman will be elected from the members of the board for a period of 2 (two) years. Considering his tenure as director, he will be eligible for re-election as chairman.	Complied

Reference		Provision	Compliance Status
	(b)	As the chairman of the board of directors or chairman of any committee formed by the board or any director does not individually or personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere in the administrative or operational and routine affairs of the bank.	Complied
	(c)	The chairman 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-interest of the bank, subject to the approval of the board.	Complied
11		**Board Committees:**	
		Each bank company's board of directors can form 1 (one) executive committee, 1 (one) audit committee and 1 (one) risk management committee with its members. Apart from these three committees, no permanent or temporary committee or sub-committee can be formed by the board.	Complied
	a)	**Executive committee:** Executive committee should be formed with the members of the board for the purpose of continuing the urgent and daily/routine works in between the intervals of board meetings.	Complied
		Organizational Structure:	
		The members of the committee will be nominated by the board of directors from themselves;	Complied
		The executive committee will consist of a maximum 07 (seven) members	Complied
		One chairman/president of the committee shall be elected from the members for a period of 3 (three) years.	
		Members may be appointed for a period of 3 (three) years.	Complied
		Chairman of the Board of Directors may also serve as the chairman/president of executive committee;	Complied
		Not more than one member of the same family can be included in the executive committee.	Complied
		Company secretary of the bank will be the secretary of the executive committee.	Complied
		Qualifications of the Members:	
		Integrity, dedication, and the opportunity to spend time for the functioning of the committee must be considered while nominating a director to the committee	Complied
		Committee members must have a thorough understanding of the Bank Company Act, 1991, other Acts and regulations related to banking operations, banking business, management of banks, various risk factors, and the duties & responsibilities of members of the committee. In case of digital bank, at least one person with expertise in ICT matters must be included as a committee member.	Complied
		Roles and Responsibilities of the Executive Committee:	Complied
		As instructed by the Board of directors, the executive committee can decide or can act in those cases that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations.	Complied
		The executive committee can take all necessary decisions or approve cases within the power delegated by the board of directors	Complied
		All decisions taken by the executive committee should be ratified at the next board meeting.	Complied

Reference	Provision	Compliance Status
	Meetings of the Executive Committee:	
	The committee may invite the Chief Executive Officer, Head of Internal Audit, or any other Officer to its meetings, if it deems necessary.	Complied
	To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting.	Complied
	All recommendations/observations of the committee should be incorporated in the minutes.	Complied
	If any note of dissent is issued on any matter, it must be recorded in the minutes of the meeting.	Complied
b)	**Audit Committee:**	
	The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will inspect/ review the inspection process of financial reporting, internal control system, the audit process and the bank's operations being conducted within the existing Acts and laws & regulations imposed by the regulatory authorities and its own code of business conduct.	Complied
	Organizational Structure:	Complied
	The audit committee will comprise of a maximum 05 (five) members, among whom at least 2 (two) independent directors will be included	Complied
	One chairman/president of the audit committee will be elected from the independent directors	Complied
	The tenure of the chairman/president of the audit committee will be 3 (three) years. An independent director cannot serve consecutively for two terms as the chairman/president of the audit committee.	Complied
	No member of the executive committee can be included as a member of the audit committee.	Complied
	Members may be appointed for a period of 03 (three) years;	Complied
	Company secretary of the bank will be the secretary of the audit committee.	Complied
	Qualifications of the Members:	
	Individuals who are capable of contributing effectively and efficiently to the Committee's functions should be appointed as members.	Complied
	Committee members must have a thorough understanding of the Bank Company Act, 1991, relevant other Acts and regulations related to banking operations, auditing, banking business, management of banks, various risk factors, and the duties & responsibilities of members of the committee.	Complied
	Individuals with practical experience in the field of banking operations, especially those with educational qualifications in Accounting, Cost Accounting, Finance, Banking, Management, and Economics, should be given priority in forming the committee. In the case of a digital bank, at least one person with expertise in ICT matters must be nominated as a committee member.	Complied
	Roles and Responsibilities of the Audit Committee:	
	Internal Control:	
	The Audit Committee will evaluate whether management has been able to set the appropriate compliance culture, whether clear directives have been given to the bank's officials/employees regarding their roles and responsibilities and whether there is full compliance and control over their work;	Complied

Reference	Provision	Compliance Status
	The Audit Committee will review whether the recommendations made periodically by internal and external auditors on internal control strategies/framework, have been implemented by the management and provide necessary guidance;	Complied
	The Audit Committee will regularly update the board about irregularity, fraud, forgery, and weaknesses in internal control detected by internal and external auditors and inspecting team of the regulatory authority or the corrective actions taken regarding similar issues detected by them.	Complied
	Financial Reporting:	
	The audit committee will check whether the financial statements reflect the comprehensive and concrete information and determine whether the country's prevailing rules & regulations and accounting standards, as well as the relevant accounting standards prescribed by the Bangladesh Bank in this regard, have been followed in preparing the financial statements.	Complied
	The audit committee will discuss with the inspection team of the Bangladesh Bank, the external auditors and management to review the financial statements before its finalization.	Complied
	Internal Audit:	
	The audit committee will ensure whether internal audit working independently from the management.	Complied
	The audit committee will review the activities of the internal audit and the organizational structure.	Complied
	The Audit Committee will assess the efficiency and effectiveness of internal audit function and recommend necessary measures accordingly;	Complied
	The Audit Committee will also verify whether the findings/recommendations made by the internal auditors regarding regularizing irregularities detected by them, management of the bank's operations etc. are being properly addressed by the bank management and provide necessary guidance.	Complied
	External Audit:	
	The Audit Committee will review audit activities conducted by the external auditors and their audit reports;	Complied
	The Audit Committee will also verify whether the findings/recommendations of the external auditors on regularizing irregularities, fraud and forgeries detected by them and the management of the bank's operations are being properly considered by the management authorities or not.	Complied
	The Audit committee will recommend regarding the appointment of the external auditors from the list of external auditors announced by the Bangladesh Bank from time to time.	Complied
	Compliance with existing laws and Regulations:	
	The Audit Committee will review whether banking laws, rules & regulations, policies and guidelines issued by regulatory authorities (Central Bank and other institutions), and internal policies approved by the Board are being properly complied with.	Complied
	Other Responsibilities:	
	The Audit Committee will submit compliance report to the board on quarterly basis on regularization of the irregularity, fraud and forgeries detected by the internal and external auditors and inspection team of the Bangladesh Bank and directions described in any observation;	Complied
	External and internal auditors will submit their related assessment report, if the committee solicit;	Complied

Reference	Provision	Compliance Status
	The committee will evaluate any matter as desired lawfully by the Board of Directors and submit a report/recommendation on it.	Complied
	Meetings of the Audit Committee:	
	The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems necessary;	Complied
	The committee may invite the Chief Executive Officer of the bank, the officer in charge of internal audit, or any other official to its meetings, if it deems necessary;	Complied
	To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting.	Complied
c)	**Risk Management Committee:**	
	A risk management committee will be formed to play an effective role in mitigating impending risks arising out from strategies and work plans formulated by the Board of Directors of the bank company and to carry out the related roles and responsibilities effectively/efficiently. The Risk Management Committee will scrutinize whether risk management measures are taken and applied against the identified and assessed risk factors, whether adequate capital and accurate provision are maintained against them and therefore, will provide necessary directions for risk reduction.	Complied
	Organizational Structure:	
	The members of the committee will be nominated by the board of directors from themselves;	Complied
	The risk management committee will comprise of maximum 05 (five) members.	Complied
	Chairman/president of the committee will be elected from the members for period of 03 (three) year	Complied
	Members may be appointed for a period of 03 (three) years;	Complied
	Company secretary of the bank will be the secretary of the risk management committee.	Complied
	Qualifications of the Members:	
	Integrity, competence, dedication, and opportunity to spare time for the functionality of the committee must be considered while nominating a director of the committee;	Complied
	Individuals who are capable of contributing effectively and efficiently to the committee's functions should be appointed as members.	Complied
	Committee members must have a thorough understanding of Bank Company Act, 1991, other Acts, rules and regulations relevant to the banking operations, banking business, management of banks, various risk factors, and the duties & responsibilities as member of the committee. In case of digital bank, at least one person with expertise in ICT matters must be nominated as a committee member.	Complied
	Roles and Responsibilities of the Risk Management Committee:	
	Risk Identification & Control Mechanisms:	
	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.	Complied

Reference	Provision	Compliance Status
	Preparation of Organizational Structure:	
	The responsibility of the Risk Management Committee is to ensure an adequate organizational structure for controlling risk within the bank.	Complied
	Review and Approval of Risk Management Policy:	
	The Risk Management Committee will review the bank's risk management policies and guidelines at least once a year; it will propose amendments if necessary and present them to the Board of Directors for final approval.	Complied
	Storage of Data & Reporting System:	
	The Risk Management Committee will approve the data storage and reporting system developed by the bank management by scrutinizing them, and will ensure that these systems are being properly implemented.	Complied
	Monitoring the Implementation of Comprehensive Risk Management Policy:	
	The Risk Management Committee will monitor whether the Comprehensive Risk Management Policy of the bank is being properly implemented. It will ascertain whether necessary steps have been taken to mitigate various risks, including credit risk, market risk, and operational risk.	Complied
	Other Responsibilities:	
	The decisions and recommendations of the committee shall be presented to the Board of Directors in summarized form on quarterly basis.	Complied
	The Risk Management Committee shall comply with instructions issued from time to time by the controlling authority regarding various risk-related matters in banking operations;	Complied
	Meetings of the Risk Management Committee:	
	The committee shall convene meetings at least 4 (four) times a year and may arrange meetings at any time as necessary.	Complied
	The committee may invite the Chief Executive Officer, Chief Risk Officer or any other Officer to its meetings if it deems necessary	Complied
	To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting	Complied
	All recommendations/observations of the committee should be noted in the minutes.	Complied
	Alternative Director:	
	If any director of a bank company remains abroad for consecutive 3 (three) months, an alternative director may be appointed in compliance with Section 101 of the Companies Act, 1994, for once in a year for the tenure of maximum 3 (three) months. The provisions regarding the qualification and eligibility for the appointment of directors will be applicable for the appointment of an alternative director too. Any loan defaulter or any person who is not eligible to become a director under the Bank Company Act, the Company Act or any other law or regulation or rules will not be appointed as an alternate director. Since, an alternate director is appointed for a temporary period; he/she cannot be included in any sub-committee constituted of the Board. During his tenure of alternate directorship, he/she or his/her affiliated organization will not get any kind of loan facilities or enhancement of limit or extension of time period or any kind of exemption of interest calculation or interest waiver of previous loan from his bank.	No such instance

PART-II Appointment and Responsibilities of Managing Director/Chief Executive Officer of a Bank-Company (BRPD Circular No 05 Dated 27 February 2024)

Reference		Provision	Compliance Status
02		**Eligibility Criteria for Appointment/ Re-appointment of MD/CEO:**	
	a.	**Characteristics and Moral integrity:**	
		The individual is not convicted by any criminal court, neither involved in any fraud, financial crime and other illegal activities at present nor in the past;	Complied
		There are no adverse observations/comments regarding him/her in any of the verdict published by criminal or civil court;	Complied
		He/she has not been convicted for any violation of rules, regulations, or laws of any regulatory authority;	Complied
		He/she was not associated with the ownership of any company or entity whose registration or license has been revoked or the company or entity has been liquidated;	Complied
		He/she was not involved in any company or financial institution as an employee whose registration or license has been cancelled or revoked due to his/her direct or indirect criminal offenses	Complied
		He/she has not been removed or dismissed/terminated or downgraded or relieved from his/her own position as chairman/director /employee /staff of any company or institution due to financial embezzlement, corruption, fraud forgeries, or ethical violations.	Complied
		He/she has not been removed or dismissed/terminated/ downgraded /relieved from while serving as a chief executive /chairman/ director/ employee /any other position of any bank company or any other financial institution.	Complied
		There is no adverse observation raised against him/her in any on-site or off-site inspection of the Bangladesh Bank.	Complied
	b.	**Financial Integrity:**	
		He/she is not a defaulter for loans taken from any bank/financial institution.	Complied
		He/she has not ceased payment to any creditor or has not been exempted from payment of dues through compromise with the creditor.	Complied
		He/she is not a tax defaulter.	Complied
		He/she has not been declared bankrupt by a court at any time;	
		He/she has not been involved in any illegal activities or during his/her tenure in a bank or financial institution in his/her professional capacity.	Complied
	c.	**Educational Qualifications, Suitability, and Experience:**	Complied
		He/she must at least have a post-graduate degree from any recognized university. Higher academic or professional education in the fields of Economics, Accounting, Finance, Banking, Management or Business Administration will be treated as additional qualifications for the concerned person. Greater importance has to be given to higher education on information technology for the appointment of Chief Executive Officers of digital banks.	Complied
		He/she must not have a third division or class at any stage of his/her academic life. In the case of published results under the grading system, if the GPA is less than 3.00 for SSC or equivalent and HSC or equivalent, and if it is less than 2.50 on a 4.00-point scale or less than 3.00 on a 5.00-point scale as CGPA provided by any recognized university, it will not be acceptable. In the case of degrees obtained from abroad, result (class/division/GPA) must be approved and equivalent by competent authority.	Complied

Reference	Provision	Compliance Status
	He/she cannot serve as a director in any bank company, financial institution established under the Finance Company Act, 2023, insurance company, or any controlled entity of such companies, or be appointed to any profitable position in such entities.	Complied
	He/she cannot be engaged in any other business or profession.	Complied
	He/she cannot have any business interests in the relevant bank.	Complied
	He/she cannot have any association with an entity that is owned by or a related party to or a controlled entity of the bank director.	Complied
	No member of his/her family can be included on the bank's board of directors.	Complied
	For the appointment as chief executive officer, the concerned person must have 20 (twenty) years of experience in the banking profession as an active officer, including at least 02 (two) years of experience in a post immediately below that of the chief executive officer of a bank.	Complied
03	**Age Limit:**	
	The minimum age of the concerned person will be 45 (forty-five) years, and any individual exceeding the age of 65 (sixty-five) years cannot hold the position of Chief Executive Officer of any bank-company	Complied
04	**Designation:**	
	In order to bring parity/conformity to the top executive position in the banking sector of the country, the designation of the top executive officer of bank-companies shall be referred to as "Managing director or Chief Executive Officer". However, the designation of the local top executive officer of foreign bankcompanies in Bangladesh may be determined in accordance with the directives of the respective bank's head office. In such cases, outmost efforts must be given to maintain consistency with the designation of top executive officers of domestic banks.	Complied
05	**Tenure of Appointment:**	
	The tenure of appointment of the Chief Executive Officer shall generally be 3 (three) years, but he/she shall be eligible for reappointment on condition that he has more than 3 years left for becoming 65 years old. However, the bank will appoint the candidate for the period for which he/she will be recommended based on examination of his/her suitability through the interview conducted by the Bangladesh Bank, regardless of the bank's proposed tenure.	Complied
06	**Performance Indicators for Appointment/Reappointment:**	
	At the time of appointment/reappointment of the MD/CEO, specific targets for reduction of nonperforming loans of the bank and recovery of written-off loans must be set, and progress have to be reviewed periodically. Additionally, specific financial and managerial improvement provisions, as well as other performance indicators must be included to evaluate the performance of the appointed individual. Moreover, any special responsibilities or targets determined by Bangladesh Bank from time to time in the interest of depositors, the bank, or the public have to be included as performance indicators in the appointment/reappointment process.	Complied
07	**Determination of Salary, Allowances and Other Benefits:**	
	Financial condition, scope of operation, business-volume and general trend of earning capacity of the bank;	Complied
	Number of branches, sub-branches, agent banking, and regional offices of the bank;	Complied
	Qualifications, age, experience and past achievement of the candidate;	Complied
	Salary and allowances paid to other officers of the bank-company or MD/CEO of other peer bankcompanies;	Complied

Reference	Provision	Compliance Status
	Direct salary and allowances will include “basic salary” and “house rent” and by adding other allowances (if any) with it, total salary and allowances will be determined.	Complied
	Other allowances such as utility bills, medical expenses and insurance premiums must have specific amount/limit. Besides, others provided benefits (e.g., car, fuel, driver, etc.) must be monetized to the utmost and thus will determine the monthly total salary	Complied
	Festival bonus shall be a maximum of two, and each one will not be more than one month’s basic salary;	Complied
	Leave-fare assistance shall not exceed one month's basic salary;	Complied
	The term must be imposed so that no condition regarding salary and allowances stated in the appointment letter of the chief executive can be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary and allowances considering the job performance of the incumbent chief executive.	Complied
	The chief executive officer shall not receive any other indirect benefits such as dividends against the bank's profit, commissions, club fees/expenses, foreign medical expenses or annual medical check-ups expenses, foreign medical expenses for family members, travelling allowances for himself or family members in case of personal purposes. However, in the case of receiving medical treatment abroad for his/her own (in any Asian country), based on the certification of a specialist physician that the treatment in the country's medical facilities is not sufficient, he/she may avail medical treatment abroad;	Complied
	The chief executive officer will not be eligible for annual salary increase or increment, provident fund, gratuity, New Year bonus, leave encashment, superannuation fund, benevolent fund benefit as it’s a contractual appointment.	Complied
	The bank shall not pay any income tax against the salary and allowances of the chief executive officer, meaning the appointed individual must have to pay income tax from his/her own source;	Complied
	In the proposal for appointment, the amount of annual leave (including types of leave) to be availed by the chief executive officer must be clearly mentioned;	Complied
	In the proposal for appointment, the amount of annual leave (including types of leave) to be availed by the chief executive officer must be clearly mentioned;	Complied
	The chief executive officer shall not be eligible for any other direct or indirect benefits other than the salary and allowances mentioned above.	Complied
08	**Incentive Bonus:**	
	If incentive bonus is provided to the general employees/staffs of the bank, the chief executive officer of the bank will be eligible for incentive bonus. However, the amount of the incentive bonus provided to the chief executive officer shall not be more than 15 (fifteen) lac taka in a year. Furthermore, it is also provided that no other employee of the bank shall receive an incentive bonus exceeding the limit specified for the Managing Director or Chief executive officer.	Complied
09	**Honorarium for Attending Board Meetings:**	
	As the chief executive officer is a salaried employee of the bank, the MD/CEO will not be eligible to receive any honorarium for attending meetings of the board or committees formed by the board.	Complied
10	**Approval of Bangladesh Bank for Appointment of MD/CEO:**	
	In accordance with Sub-sections (4) and (5) of Section 15 of the Bank Company Act, 1991, prior written approval from the Bangladesh Bank must be obtained for the	Complied

Reference	Provision	Compliance Status
	appointment/reappointment of the Managing director or Chief Executive Officer of bank-companies. The prescribed documents and information must be attached along with the proposal for the appointment or reappointment of the managing director.	
11	**Evaluation Report:**	
	In case of reappointment of the Chief Executive Officer, evaluation report must be submitted to Bangladesh Bank by the chairman and approved by the Board of Directors. In this case, the following matters must be considered: Achievement of pre-determined targets for recovery of defaulted and written-off loans; Progress report on achieving assigned tasks/targets set by Bangladesh Bank during his/her tenure of appointment; Description of the achievement of specific financial, business, and management growth provisions and the growth in the bank's main financial indicators such as CAMELS.	Complied
12	**Ex-Bangladesh Travel:**	
	The Chief Executive Officer of the bank shall avoid staying outside of Bangladesh for a long period of time as much as possible. If ex-Bangladesh travel is necessary, an application must be submitted before 10 (ten) working days of the departure to obtain prior approval from Bangladesh Bank. The prescribed information and documents (certified by the company secretary) must be submitted along with the proposal to obtain prior approval from Bangladesh Bank for ex-Bangladesh travel. If the application for proposed ex-Bangladesh travel is approved by Bangladesh Bank, the name, designation, official phone number, cell phone number, and email address of the person who will be on charge in the absence of the Chief Executive Officer must be informed in writing to the Banking Regulation and Policy Department (Division-2) before the station leave of the Managing Director or Chief Executive Officer.	Complied
13	Termination/dismissal/removal of CEO and fulfilment of the vacant post:	
	If a Chief Executive Officer has not performed his duties with gross aberration, he cannot be terminated before the expiry of the contract or the contract cannot be cancelled.	No such instance
	If the Board of Directors of the bank wishes to cancel the contract of the Chief Executive Officer or terminate him/her before the expiry of the employment contract, a proposal mentioning the specific reasons must be sent to Bangladesh Bank for approval. If Bangladesh Bank approves the proposal, it shall become effective one month after approval. However, if Bangladesh Bank rejects such a proposal, the concerned Managing Director or Chief Executive Officer shall continue in his/her position until the remaining period of his/her contract.	No such instance
	If the Chief Executive Officer applies for resignation due to personal or any other reason before the expiration of the contract, such an application, along with recommendations from the Board of Directors, must be sent to Bangladesh Bank. The decision given by Bangladesh Bank based on the recommendation provided by the committee of Bangladesh Bank formed for the appointment of Managing Director or Chief Executive Officer after his/her personal hearing will be considered conclusive.	No such instance
	In accordance with Sections 45 or 46 of the Bank Company Act, 1991, Bangladesh Bank may terminate/ dismiss/remove a Managing Director or Chief Executive Officer of any bank at any time mentioning specific reason.	No such instance

Reference		Provision	Compliance Status
		If the Chief Executive Officer voluntarily resigns, or if the position becomes vacant after expiry of the term or for any other reason, in accordance with Section 15Ka(1) of the Bank Company Act, 1991, the board will appoint a qualified officer (in case of multiple officers, the relative senior officer) from immediately below of the MD/CEO as an acting Chief Executive Officer for a maximum period of 3 (three) months, and he/she will perform the overall responsibilities of the Chief Executive Officer of the bank.	No such instance
		The position of Chief Executive Officer cannot remain vacant for more than 3 (three) months at a time, and if the Chief Executive Officer position is not filled within the mentioned period, Bangladesh Bank may appoint an administrator to the bank according to Section 15Ka(3) of the Bank Company Act, 1991.	No such instance
		The aforementioned directives shall also be applicable in the case of foreign banks' local managing directors or chief executive officers.	No such instance
		Responsibilities, Duties, and Powers of the MD/CEO:	
	a.	**Fiduciary Duty:**	
		He/she will adhere to all applicable laws, regulations, and policies, practices related to banking business. Furthermore, he/she will perform his/her duties with prudence and without any kind of negligence or carelessness so that there will be no financial or other losses to the bank company and depositors (duty of care).	Complied
		He/she will conduct his/her duties with good faith, being devoted to the bank company and avoiding conflict of interest so that the interests of the bank company and depositors are protected in place of interest of his/her own or another person or group (duty of loyalty).	Complied
		He/she will exercise the vested power on that task or purpose for which he/she was given power	Complied
	b.	**Financial, Business, and Administrative Responsibilities, Duties, and Powers:**	
		The Chief Executive Officer will perform his/her own responsibilities and duties in accordance with the financial, business, and administrative powers vested by the bank's board of directors.	Complied
		He/she will be responsible for/held accountable for implementing the bank's business plan and achieving business targets through proper administrative and financial management.	Complied
		If any erroneous interpretation of the Bank Company Act, 1991, or any other Acts, laws, regulation, or directives of the Bangladesh Bank is made or an erroneous direction is given by the board members while discussing the memorandum presented by the bank management in the meetings of the board of directors or any it's sub-committees, the Chief Executive Officer shall have to clarify the relevant Acts/ directives to the board of directors in writing.	Complied
		If any violation of the Bank Company Act, 1991, or any other Act, law, directive, custom practice occurs in a meeting of the board of directors or any other sub-committee by its member(s), the Chief Executive Officer shall have to inform Bangladesh Bank in writing, or verbally as the case may be.	No such instance
		The recruitment and promotion of all employees and staff, apart from the two-tier subordinate level below the Chief Executive Officer, shall be vested with the Chief Executive Officer. He/she will perform these duties in accordance with the service rules and human resource policy approved by the board. While performing his duties, he/she cannot be able to perform any task or take a decision under the influence of emotions or through favoritism	Complied

Reference	Provision	Compliance Status
	The recruitment, transfer, promotion/disciplinary actions and punitive measures of all employees and staff apart from the two-tier subordinate level below the Chief Executive Officer shall be vested with the Chief Executive Officer, which he/she will perform in accordance with the service rules approved by the board of directors. Other than this, the Chief Executive Officer may nominate any employee for training, seminars, workshop, etc. under the human resources policy approved by the board. If there are any government restrictions on foreign training or employee nominations for training because of any other reason, the Managing Director or Chief Executive Officer will be obliged to comply with such restrictions.	Complied

PART-III AContractual appointment of Advisor and Consultant in a Bank-Company.
(BRPD Circular Letter No. 27 Dated 12 May 2021)

Reference	Provision	Compliance Status
A	**Appointment of Advisor:**	
	1. Experience and Suitability: a) Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities; b) Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person; c) Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company; d) A person who is working in any bank or financial institution or who has business interest in that bank will not be considered eligible for appointment to the post of advisor; e) Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated an insolvent by the court. f) Though a person age of 65 cannot be employed or appointed in any position at the bank on a contractual basis, the bank may retain or hire an individual over the age of 65 as a consultant or advisor in special circumstances.	Not Applicable
	2. Responsibilities The responsibilities or terms of reference of advisor should be specified. The Advisor can advise the Board of Directors or the Chief Executive only on those matters that are specified in the appointment letter. Routine works or general works will not be included in his term of reference. He can't exercise any kind of power or can't participate in the decision making process of financial, administrative, operational or any other activities of the bank.	Not Applicable
	3. Prior approval from Bangladesh Bank Prior approval from Bangladesh Bank is mandatory before appointing advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The nominated person has to make a declaration as prescribed. This declaration must be also submitted to Bangladesh Bank.	Not Applicable
	4. Remuneration and other facilities The post of advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with terms of reference of the advisor will not be considered as acceptable by Bangladesh Bank.	Not Applicable

Reference	Provision	Compliance Status
	5. Tenure The tenure of the advisor shall be maximum 1(one) year, which is renewable. An evaluation report (by the chairman that is approved by the board of directors) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.	Not Applicable
	6. Appointment of Ex-officials Any former director, managing director or chief executive or any official up to the level of 02 (two) below the chief executive cannot be appointed as an advisor to the same bank until five years have passed after his/her retirement, resignation, or expiration of the contract.	Not Applicable
B	**Appointment of Consultant**	
	1. Terms of Reference Consultant can be appointed for specialized tasks like tax, law & legal procedures, engineering & technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	Not Applicable
	2. Responsibilities The responsibilities or term of reference of consultant should be specified. He/she shouldn't be involved beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	Not Applicable
	3. Appointment Consultant can be appointed with the approval of Board of Directors. After such appointment the bank shall send the consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.	Not Applicable
	4. Tenure The tenure of consultant should be consistent with the terms of reference, but would not exceed 2 (two) years. Generally, consultant's appointment will not be renewable, but to complete unfinished tasks, the contract can be extended up to maximum 1 year with the approval of Bangladesh Bank. An evaluation report (by the chairman that is approved by the board of directors) of previous period should be submitted to Bangladesh Bank.	Not Applicable
	5. Remuneration/honorarium The consultant's remuneration should be in the form of monthly or single lump-sum payment, he is not entitled to any other facilities.	Not Applicable
	6. Appointment of Ex-officials Any former director, managing director or chief executive or any official up to the level of 02 (two) below the chief executive cannot be appointed as a consultant to the same bank until five years have passed after his/her retirement, resignation, or expiration of the contract.	Not Applicable

Note: There was no advisor or consultant appointed in the Bank during the reporting period.

PART-IV Appointment of Independent Directors, Their Roles, Responsibilities, and Honorariu (BRPD Circular No. 03 dated 14 February 2024)

Reference	Provision	Compliance Status
03	**Number of Independent Director**	
	As per Bank Company Act 1991 (amended up to 2023)3 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.	Complied
04	**Experience and Suitability:**	
	(a) To be appointed as an independent director, the relevant individual must have a minimum of 10 (Ten) years' experience in management/business/professional.	Complied
	(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.	Complied
	(c) He/she must hold a graduate/postgraduate degree in Economics, Banking, Finance, Business Administration, Law, Accounting, or Cost Accounting from any recognized university. For the appointment of independent directors in newly established digital banks, higher education on Information Technology shall be considered an additional qualification.	Complied
	(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 will be given priority.	Complied
	(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.	Complied
	(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.	Complied
	(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.	Complied
	(h) The nominated independent director has not been involved in any illegal activities in banking or during his/ her own profession.	Complied
	(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.	Complied
	(j) A nominated independent director cannot be a tax defaulter	

Reference	Provision	Compliance Status
06	**Roles, Responsibilities and Accountabilities of the Independent Director:**	
	(a) 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	Complied
	(b) 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.	Complied
	(c) 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.	Complied
	(d) 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.	Complied
	(e) If the opinion of the independent director is not given appropriate importance by the board or its subcommittees, or if any inappropriate practice is observed in banking operations, he/she will inform the Banking Regulation and Policy Department, including the Department of Offsite Supervision of the Bangladesh Bank, in writing.	Complied
	(g) The Chairman/President 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.	Complied
	(h) He/she shall always strive for the protection of the interests of depositors and ordinary shareholders (excluding directors) on the board.	Complied
07	**Term and Removal of Independent Directors:**	
	(a) Independent directors shall generally be appointed for a term of 3 (three) years, and after completion of the term, he/she may be elected to be re-appointed for the next term in accordance with Section 15 of the Bank Company Act, 1991	Complied

GOVERNANCE DISCLOSURE TOWARDS THE PROCESS FOR HOLDING
THE LAST ANNUAL GENERAL MEETING

The process for holding Annual General Meeting is guided by the statute and regulatory guidelines of the country. All applicable guidelines are duly followed for holding the Annual General Meeting of the Bank. In an AGM, generally, some key decisions are approved by the shareholders i.e. financial statements, dividends, the appointment of Directors, appointment of statutory auditors, Compliance Auditor, and fixation of their remuneration etc.

PARTICULARS FOR HOLDING LAST AGM		COMPLIANCE STATUS
Compliance for Pre-Annual General Meeting	Conducted Board Meeting for Holding AGM	Complied
	Finalized and Confirmed the Financial Statements	Complied
	Fixed up the Record Date	Complied
	Declared the Dividends	Complied
	Collected NOC from exchanges regarding Stock Dividend	Complied
	Disseminated PSI	Complied
	Prepared Annual Report	Complied
	Served Notice of AGM to the Shareholders through email	Complied
	Served Annual Report to the Shareholders through email	Complied
	Communicated to the Shareholders along with other stakeholders through print media	Complied
	Appointed the Scrutinizer for AGM	Complied
	Opening the voting line for the Shareholders to vote against the Agenda of the AGM	Complied
Compliance on the date of the Annual General Meeting	Starting AGM in due time and process	Complied
	Closing Voting Line	Complied
	Declaration of Voting Results on each agenda	Complied
	Questions and Answers to the Shareholders	Complied
	Speech from the Meeting Chairman, Managing Director & CEO, and Chief Financial Officer	Complied
	Ending with and from Vote of Thanks	Complied
Compliances after the Annual General Meeting	Collected the scrutinizer's Report and communicate it to the Commission	Complied
	Serving Audio Visual to the Exchanges and Commission	Complied
	Served minutes and attendance to the exchange and commission in due time	Complied
	Appointment of Auditors	Complied
	Submission of Annual Return, Form XV to the RJSC& F	Complied
	Dividend Calculation & disbursement the same to the shareholders	Complied
	Dissemination of the Dividends Compliance Report to the exchanges and commission	Complied
	Circulation of Dividend Notice	Complied

DIVIDEND DISTRIBUTION POLICY

- **Preamble:** In compliance with Directives No. BSEC/CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated January 14, 2021; United Commercial Bank PLC formulated this policy as the 'Dividend Distribution Policy of UCB'.

- **Objective of the Policy:** The purpose of the policy is to comply with the Directives of the Bangladesh Securities and Exchange Commission (BSEC) and all other related regulatory bodies. The parameters set out in the policy are applicable to the distribution of dividends. United Commercial Bank PLC aimed to maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividends and ensuring that sufficient profits are retained for the growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach for the declaration and distribution of dividends. Effective Date Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

- **Dividend Recommendation and Approval process:** Dividends will be recommended and approved as per applicable Acts, and Articles of the Association of the Bank along with the regulatory directives issued from time to time. Entitlement of Dividend: Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive the entitled dividend.

- **Process of Distribution of Cash Dividend:** Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply with circulars/directives of Bangladesh Securities and Exchange Commission (BSEC) or Bangladesh Bank or other regulatory authority from time to time.

  a) Through Bangladesh Electronic Funds Transfer Network (BEFTN);

  b) Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTN);

  c) In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA);

  d) To the separate bank account of the merchant Banker or portfolio manager through BEFTN;

  e) Through the security custodian following Foreign Exchange Regulation for non-resident sponsors, directors, shareholders, unit holders, or foreign portfolio investors (FPI);

  f) Through the issuance of a Cash Dividend warrant and sending it through the post in case of non-availability of information of the shareholder or unit holder.

  g) Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of Bangladesh Securities and Exchange Commission (BSEC) or Bangladesh Bank or other regulatory authority from time to time.

- **Manner and procedure of stock dividend distribution:** The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirements if any from Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank, and other regulatory bodies: a) To the BO account; b) To the suspense BO Account for undistributed or unclaimed stock dividend/bonus shares. A new Suspense BO Account has been opened every year for the respective year's suspense shares; c) The bonus dividend shall be transferred to the suspense BO account if the BO account is not available or the BO account is inactive; d) The sale proceeds of fractional bonus dividend shall be paid off as per circular of Bangladesh Securities and Exchange Commission (BSEC) or Bangladesh Bank or other

regulatory authority from time to time. Tax matters: Tax will be deducted at source as per applicable tax laws.

- **Submission of Dividend Distribution Compliance Report:** In compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation - 2015 and other regulatory requirements a Dividend Distribution Compliance Report will be submitted in the specified format to BSEC, DSE, and CSE within 7 days from the date of completion of dividend distribution of the concerned year's. Amendments / Modifications: If any change/amendment is required in this policy in terms of any change in applicable law or regulations, the concerned law and regulations will prevail over this policy and the said provisions in this policy will be modified in due course to make it consistent with the laws of this land. Such an amended policy shall be placed before the Board for approval.
- **Disclosure Policy:** This Dividend Distribution Policy will available on the Bank's website and will be published in the Bank's Annual Report. Summary of Unclaimed Dividend: A summary of the total unclaimed dividend will be published in the Annual Report of the Bank each year.

DISCLOSURE OF THE SHAREHOLDING STRUCTURE OF
UNITED COMMERCIAL BANK PLC

A. PATTERN OF SHAREHOLDING OF UNITED COMMERCIAL BANK PLC

Name of the Shareholder	No. of Shares	Amount in Taka	% of Shares
Sponsors/Directors	159,274,626	1,592,746,260	10.27
Institution (Financial & Others)	560,728,622	5,607,286,220	36.16
General Public	817,817,015	8,178,170,150	52.76
Govt. of Peoples Republic of BD	12,555,635	125,556,350	0.81
Total	**1,550,375,898**	**15,503,758,980**	**100.00**

B. SHARE HELD BY SUBSIDIARY/ASSOCIATED COMPANIES

Name of the subsidiary	Status	Shareholding
UCB Stock Brokerage Limited	Private Limited Company	Nil
UCB Investment Limited	Private Limited Company	Nil
UCB Asset Management Limited	Private Limited Company	Nil
UCB Fintech Company Limited	Private Limited Company	Nil
UCB Exchange (SG) PTE. Limited.	Private Limited Company	Nil

C. i. SHAREHOLDING OF THE BOARD OF DIRECTORS, ii. MANAGING DIRECTOR & CEO, iii. COMPANY SECRETARY, iv. CHIEF FINANCIAL OFFICER AND v. HEAD OF INTERNAL AUDIT AND THEIR SPOUSES

(As on 30/07/2024)

Sl	Name	Share Held	Percentage
1.	Mrs. Rukhmila Zaman	31,009,308	2.00%
2.	Mr. Bashir Ahmed	31,183,490	2.01%
3.	Mr. Anisuzzaman Chowdhury	43,389,736	2.80%
4.	Mr. Touhid Shipar Rafiquzzaman	Nil	Nil
5.	Mr. M. A. Sabur	33,671,008	2.17%
6.	Mr. Bazal Ahmed	25,856,742	1.67%
7.	Mr. Nurul Islam Chowdhury	31,009,308	2.00%
8.	Mrs. Roxana Zaman (Representative of Volkart Trading Limited)	31,033,089	2.00%
9.	Mr. Asifuzzaman Chowdhury	43,733,466	2.82%
10.	Mrs. Afroza Zaman (Representative of Legendary Assets Management Limited)	31,033,089	2.00%
11.	Mr. Md. Nasim Kalam	31,131,870	2.01%
12.	Mrs. Masuma Parvin (Representative of Splendid Trading Limited)	31,033,089	2.00%

(As on 30/07/2024)

Sl	Name	Share Held	Percentage
13.	Mr. Syed Kamruzzaman, FCMA (Representative of Aramit Thai Aluminium Limited)	31,784,645	2.05%
14.	Mr. Muhammed Shah Alam, FCMA (Representative of Ardent Assets Management Limited)	31,033,089	2.00%
15.	Mr. Kanak Kanti Sen, FCMA (Representative of Nahar Metals Limited)	31,008,085	2.00%
16.	Mr. Md. Aksed Ali Sarker (Representative of Aromatic Properties Limited)	31,019,719	2.00%
17.	Mr. Dr. Aparup Chowdhury	Nil	Nil
18.	Mr. Professor Dr. Iftekhar Uddin Chowdhury	Nil	Nil
19.	Mr. Md. Abdul Hannan	Nil	Nil
ii.	Mr. Arif Quadri (Managing Director & CEO)	Nil	Nil
iii.	Mr. A T M Tahmiduzzaman, FCS (AMD & Company Secretary)	Nil	Nil
iv.	Mr. Faruk Ahammad (DMD and Chief Financial Officer)	Nil	Nil
v.	Mr. Mohammed Khorshed Alam (DMD and Head of Internal Audit)	Nil	Nil

In compliance with BSEC Notification dated 21 May 2019, all the eligible directors (other than Independent Directors) of UCB have been holding the required percentage of shares individually (minimum 2%) as well as jointly (minimum 30%).

D. ii. SHAREHOLDING OF THE BOARD OF DIRECTORS, ii. MANAGING DIRECTOR & CEO, iii. COMPANY SECRETARY, iv. CHIEF FINANCIAL OFFICER AND v. HEAD OF INTERNAL AUDIT AND THEIR SPOUSES

(As on 30/07/2024)

Sl	Name	Share Held	Percentage
1.	Mr. Sharif Zahir	31,217,326	2.01%
2.	Mr. Md. Shazzad Hossain	Nil	Nil
3.	Mr. Md. Tanvir Khan	31,100,000	2.01%
4.	Mr. Obaidur Rahman FCA	Nil	Nil
5.	Mr. Md. Yusuf Ali	Nil	Nil
6.	Mr. Mohammad Mamdudur Rashid (Managing Director & CEO)		
	Spouse: Mrs. Shahela Mahbub	Nil	Nil
7.	Mr. Faruk Ahammad FCA DMD & CFO		
	Spouse: Mrs. Dr. Nilufar Yasmin	Nil	Nil
8.	Mr. Champak Barua Head of Internal Control and Compliance		
	Spouse: Mrs. Lipi Dutta Barua	Nil	Nil
9.	Mr. Pulak Chaudhuri Company Secretary (Acting)		
	Spouse: Mrs. Priyanka Bhattacharjee	Nil	Nil

In compliance with BSEC Notification dated 21 May 2019, all the eligible directors (other than Independent Directors) of UCB have been holding the required percentage of shares individually (minimum 2%) as well as jointly (minimum 30%).

E. SHAREHOLDING OF THE EXECUTIVES (TOP SALARIED EMPLOYEES OF THE COMPANY, OTHER THAN THE DIRECTORS, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY, CHIEF FINANCIAL OFFICER, AND HEAD OF INTERNAL AUDIT)

SL	Name of Executives	Shares Held
01	Mr. Abul Alam Ferdous (Additional Managing Director)	Nil
02	Mr. ATM Tahmiduzzaman, (Additional Managing Director)	Nil
03	Mr. Syed Faridul Islam, (Additional Managing Director)	Nil
04	Nabil Mustafizur Rahman, (Additional Managing Director)	Nil
05	Mr. Md. Abdullah Al Mamoon, (Deputy Managing Director)	Nil
06	Mr. Faruk Ahammad (Deputy Managing Director)	Nil
07	Mr. S M Mainul Kabir, (Deputy Managing Director)	Nil
08	Mr. Mohammed Khorshed Alam, (Deputy Managing Director)	Nil
09	Mr. Alamgir Kabir, (Deputy Managing Director)	Nil
10	Mr. Amalendu Roy, (Deputy Managing Director)	Nil
11	Mr. Md. Shah Alam Bhuiyan (Deputy Managing Director)	Nill

E. SHAREHOLDERS HOLDING 10% OR MORE VOTING INTEREST IN THE COMPANY

SL	Name of Executives	Shares Held
01	No. shareholder holds 10% or more voting interest in the company	Nil

F. RANGE-WISE SHAREHOLDING OF THE SUBSCRIBED SHAREHOLDERS

Range	Shareholders	Shares	Value	Percentage
From 1 to 500	16,583	2,374,544	23,745,440.00	0.15%
From 501 to 5000	18,345	32,716,733	327,167,330.00	2.11%
From 5001 to 10000	3,084	21,348,469	213,484,690.00	1.38%
From 10001 to 20000	1,834	25,615,496	256,154,960.00	1.65%
From 20001 to 30000	642	15,633,511	156,335,110.00	1.01%
From 30001 to 40000	316	10,915,199	109,151,990.00	0.70%
From 40001 to 50000	164	7,410,183	74,101,830.00	0.48%
From 50001 to 100000	347	24,268,181	242,681,810.00	1.57%
From 100001 to 1000000	355	96,713,990	967,139,900.00	6.24%
Above 1000000	155	1,313,379,592	13,133,795,920.00	84.71%
Total	**41,825**	**1,550,375,898**	**15,503,758,980.00**	**100.00%**

DISCLOSURE OF RELATED PARTY TRANSACTION

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related party transaction is a transfer of resources, services, or obligations among related parties, regardless of whether a price is charged as per IAS 24

'Related Party Disclosures', Bangladesh Bank & BSEC guidelines.

UCB had no credit directly to its Directors at the end of 2024. However, there were some related party contacts and transactions in which the Directors had an interest. The Bank got Bangladesh Bank's approval to make related-party contact. There is a status relating to the related party as follows

1.	Significant related party Contracts/transactions where Bank is a party and wherein Directors have interest	Nil
2.	Shares issued to the Directors & the Executives without consideration or at discount	Nil
3.	Related Party Transactions	Nil
4.	Investment in securities of Directors and their related concern	Nil
5.	Business other than banking business with any related concern of the Directors as per section 18(2) of the Bank company Act 1991:	Nil
6.	Loans and advances to concern related to directors:	Nil
7.	Significant Lending to the related parties which may affect as per the requirement of section 27 (1) of the Bank Company Act 1991.	Nil

DISCLOSURE OF ENTITIES WHERE DIRECTORS

DISCLOSURE OF ENTITIES WHERE DIRECTORS HAVE AN INTERST AS ON 31.12.2024		
Name	**Designation in Bank**	**Name of the Entities**
Mr. Sharif Zahir	Chairman	Ananta Apparels Limited
		Ananta Knitwear Limited
		Ananta Hotel & Resorts Limited
		Ananta Real Estate Limited
		Ananta Group Limited
		Ananta Development Limited
		Ananta Properties Limited
		Ananta Energy Resources Limited
Mr. Md Shazzad Hossoin	Independent Director & Vice Chairman	Nil
Mr. Md. Tanvir Khan	Director & Chairman, Executive Committee	J.K. Fabrics Ltd.
		J.K. Knit Composite Ltd.
		Tanima Knit Comp. Ltd.
		J.K. Spinning Mills Ltd.
		J.K. Cotton Mills Ltd.
		J.K. Synthetic Mills Ltd.
		Ocean Tiger BD Ltd.
		MM Fishing Ltd.
		MR Fishing Ltd.
		Pacific Eagle Ltd.
Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee	Nil
Mr. Obaidur Rahman, FCA	Independent Director & Chairman, Audit Committee	MA Fazal & CO.
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	Nil

CERTIFICATE ON
COMPLIANCE OF
CORPORATE GOVERNANCE

ITRAT HUSAIN & ASSOCIATES
CHARTERED SECRETARIES IN PRACTICE

Report to the Shareholders of United Commercial Bank PLC on

Compliance of Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by United Commercial Bank PLC for the year ended 31 December 2024. 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.

Such compliance with the Corporate Governance Code is the responsibility of the Company. 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 Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;

(b) The Company 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 Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The governance of the company is satisfactory.

Dhaka, 28 April 2025

For : Itrat Husain & Associates

ITRAT HUSAIN & ASSOCIATES

Itrat Husain FCMA,FCS
Chief Executive

"THE GLASS HOUSE" (13TH FLOOR), 38 GULSHAN AVENUE, GULSHAN-1, DHAKA-1212, BANGLADESH
CELL: 01713092222; 01819259703 EMAIL: itratshahed@gmail.com



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Renewed Certificate

This is to certify that

UNITED COMMERCIAL BANK PLC

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December, 2025.

Ref. No: CM-2025/113

Date of issue : February 18, 2025

BAPLC

Secretary General

Declaration by the **CEO** and the **CFO**

13 May 2025

The Board of Directors
United Commercial Bank PLC
Bulus Center, Plot - CWS- (A)-1
Road No - 34, Gulshan avenue
Dhaka-1212

Subject: Declaration on Financial Statements for the year ended on 31 December 2024

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of United Commercial Bank PLC for the year ended on 31 December 2024 have been prepared in compliance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. 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;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns 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 Company's ability to continue as a going concern.

In this regard, we also certify that:

i. We have reviewed the financial statements for the year ended on 31 December 2024 and that to the best of our knowledge and belief:
   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
ii. 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 of Directors or its members.

Sincerely yours,

Chief Financial Officer

Managing Director and CEO

UNITED C0MMERCIAL BANK PLC

Credit Rating Report

United Commercial Bank Limited has been rated as AA (Pronounced as 'Double A') long term credit rating and ST-2 short term credit rating by Emerging Credit Rating Limited (ECRL) based on Audited Financial Statements of 2024 and other available information up to the date of rating declaration. The outlook on the rating is Stable.

Long Term Rating	Short Term Rating	Outlook	Date of Validity
AA	ST-2	Negetive	May 06, 2026

ECRL considered financial performance, capital base, asset quality, liquidity position, management experience and prospect of the industry while assigning the rating. The affirmed rating reflects the strengths of the Bank which is backed by it's experienced management, divecified portfolio of loans and advances, complience with CRAR, SLR & CRR and wide network of branches.

UCB SME

UCB

আয়মা উদ্যোক্তা

ইউসিবি আয়মা
নারীদের জন্য ব্যাংকিং

সকল আমানত হিসাব

- আয়মা স্বনির্ভর চলতি হিসাব
- আয়মা স্বাবলম্বী সহজ হিসাব
  (কৃষক ও ক্ষুদ্র কার্যকলাপ এবং অন্যান্য)
- আয়মা প্রত্যয়ী মাসিক ডিপোজিট

সকল ঋণ হিসাব

- ইউসিবি আয়মা দীপ্তি
- ইউসিবি আয়মা জ্যোতি



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UCB

নেই টেনশন আর, আছে ইউসিবি পেনশনার

পেনশনার সেভিংস অ্যাকাউন্ট

সেভিংস অ্যাকাউন্টে সর্বোচ্চ ৫% সুদ!

পেনশন বা রিটায়ারমেন্ট সুবিধা ভোগী
যেকোনো বাংলাদেশী এই অ্যাকাউন্ট খুলতে পারবেন

- হিসাব খোলার সর্বনিম্ন ব্যালেন্স - ৫০০০ টাকা
- ফ্রি প্রথম চেক বই
- ফ্রি ইন্টারনেট ব্যাংকিং (Unet)
- ডুয়েল কারেন্সি ডেবিট কার্ড
- এসএমএস ব্যাংকিং সুবিধা



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RISK MANAGEMENT
OF THE BANK



From the Desk of the Chief Risk Officer

As we reflect on the outgoing year, UCBPLC is proud to reaffirm its strong commitment to robust risk management—an integral pillar of our corporate culture that supports our continued growth and resilience. In an evolving financial landscape shaped by economic shifts, regulatory updates, technological progress, and geopolitical dynamics, UCB has consistently demonstrated agility and strength. Our steadfast focus on sound governance, comprehensive risk assessment, and proactive mitigation strategies has not only protected stakeholder interests but also fueled sustainable value creation.

Throughout 2024, we successfully navigated regulatory developments, including tightened monetary policies and evolving loan classification standards, by enhancing our credit risk management framework, elevating asset quality monitoring, and reinforcing provisioning practices. The transition to a market-driven SMART rate regime presented opportunities to refine our interest rate risk strategies, and we responded with advanced scenario analysis and stress testing to safeguard earnings and uphold capital adequacy.

The introduction of the Prompt Corrective Action (PCA) framework by the Central Bank further aligns with our ongoing efforts to strengthen prudential risk management and drive operational excellence. By leveraging advanced analytical tools, maintaining disciplined internal controls, and ensuring full regulatory compliance, UCB continues to optimize capital utilization and fortify its financial foundation. Our robust risk management framework remains central to our long-term success and positions us strongly for future opportunities.

In my capacity as Chief Risk Officer, I have witnessed UCBPLC weather significant challenges with unwavering resilience and strategic clarity. Throughout this time, the Bank has prioritized risk-calibrated, profitable growth across its business lines. By the end of 2024, UCBPLC maintained a total Capital to Risk-weighted Assets Ratio (CRAR) of 10.59%, which is above the minimum regulatory requirement. Following the political regime change in 2024, the Bank, under the renewed guidance of its Board of Directors and senior management, has reinforced a robust risk management culture. By taking these proactive measures, UCBPLC aligned its risk appetite and credit policy considering the prevailing economic situation of the country.

Sound risk management system

The risk management system of UCB includes policies, procedures, limits and controls that provide adequate, timely, and continuous identification, assessment, measurement, monitoring, mitigation, and reporting of risks posed by its activities along the business lines and different levels of the bank. To ensure effective and efficient risk controlled business operations, the Bank has put in place a sound risk management system, which encompasses the following key elements:

Board and senior management overview

The Board of Directors defines the risk appetite, risk tolerance and risk limit, and sets risk strategies to ensure that the management is taking the necessary steps to manage the accompanying risk. Senior Management of the Bank is also aware of the Bank's risk profile on an ongoing basis and reports it regularly to the Board of Directors and the Board Risk Management Committee for review.

Adequate organizational policies and procedures

The Bank's policies and more detailed procedures provide guidance for the day-to-day implementation of broad risk strategies and generally include limits designed to protect the Bank from imprudent and unwarranted risks.

Appropriate management information system (MIS)

The Bank assesses the effectiveness of the risk measurement, monitoring and management reporting systems by considering the adequacy of the risk monitoring practices and reports addressing all material risks, appropriateness of the key assumptions, data sources, etc. to the Board and senior management.

Comprehensive Internal Controls and Risk Based Supervision (RBS)

The bank's internal control system is adequately tested and reviewed by its internal audit. The coverage, procedures and findings of the audit regarding the internal controls are adequately reviewed by the Audit Committee, and any material weakness found is addressed promptly and appropriately. The Bank is in the process of implementing Bangladesh Bank's Risk-Based Supervision (RBS) framework.

Bank's Key Risk Indicators and Their Status in 2024

In 2024, the Bank maintained overall resilience, with liquidity metrics reflecting a stable position. However, improvement is needed in the area of asset quality and capital adequacy. A comparative analysis of the Bank's key risk indicators is presented in the table below.

Risk Category and Parameter	Key Risk Indicator	Policy Parameter	Actual Position	
			31.12.2024	31.12.2023
Credit Risk: (Assets quality)	Gross NPL Ratio	<5%	14.90%	5.50%
	Net NPL Ratio	<3.50%	7.90%	1.52%
	Rated Borrowers Ratio to Rateable Borrowers	-	90.96%	88.64%
Liquidity Risk	Cash Reserve Requirement (CRR)	≥4%	4.87%	4.15%
	Statutory Liquidity Requirement (SLR)	≥13%	13.66%	15.78%
	Advance to Deposit Ratio (ADR)	≥87%	91.31%	86.57%
	Liquidity Coverage Ratio (LCR)	≥100%	118.72%	106.81%
	Net Stable Funding Ratio (NSFR)	≥100%	108.61%	118.77%
Strategic Risk	Capital to Risk Weighted Assets Ratio (CRAR) with Conservation Buffer	≥12.50%	10.59%	12.58%
	Tier 1 Plus Conservation Buffer	≥8.50%	7.11%	8.92%
	CET 1 Plus Conservation Buffer	≥7%	5.99%	7.69%
	Leverage Ratio	≥3.50%	4.26%	4.93%

The key ratios presented in the above table indicate a deterioration in asset quality and capital adequacy, while the Bank's liquidity position remains stable. Nevertheless, the Bank remains vigilant in monitoring both existing and emerging risks that could impact its operations.

However, in 2024, the Bank has prioritized addressing these risks through comprehensive portfolio reviews and stress testing, ensuring a proactive approach to managing its risk landscape:

- Building a robust risk management culture across the bank.
- Raising awareness on risk management by providing adequate training.
- Enhancing the service quality in all facets of the bank.
- Enhancing resilience capacity in all indicators of the Bank.

Risk management approach of the Bank

The Bank has to identify and manage risks holistically as well as strengthening the Bank's capabilities to understand, articulate and control the nature and level of the risks the Bank management takes on while serving its clients.

In order to mitigate the risks more smoothly, the Bank will consider whether any of the other existing or emerging risks should be treated as material risks over time. The table below provides an overview of the Bank's core risks and risk management process.

Type of core risk	Mitigation process
Credit Risk	The Bank has a robust credit risk policy framework embedded with prudent credit risk management guidelines to minimize credit defaults and manage its credit exposures by diversifying products, geographical area, client segments and industry sectors.
Asset and Liability Risk	The Asset Liability Committee (ALCO) of the Bank has analysed the market liquidity and loans & advances position as well as interest rate of deposits, loans and advances. ALCO also reviews and offers deposit interest rates with attractive deposit products of the Bank in line with industry and holds an adequate buffer of High-Quality Liquidity Asset (HQLA) to survive extreme but plausible liquidity stress scenarios for at least 30 days without recourse to extraordinary central bank support.
Foreign Exchange Risk	The Bank maintains its foreign exchange holdings as per the need faced by the clients and manages Foreign Exchange Risk within the approved Risk Appetite. The Bank is also conscious of managing FX positions so that FX losses don't cause material damage to its regular FX operations. A significant client portfolio of the Bank is made up of export-oriented clients who have had a steady stream of foreign exchange inflows during the period of recent foreign exchange challenges and therefore, the Bank managed the foreign exchange risk rather well during this period.
Internal Control and Compliance Risk	The Bank has effective guidelines to maintain strong internal control systems through which regular and special inspections are conducted by the team of Audit division and reports accordingly to the senior management of the Bank.
Money Laundering Risk	The Bank has formulated "Guidelines on Prevention of Money Laundering and Terrorist Financing" and applies, measures and monitors risk-based Customer Due Diligence (CDD), business relationship and transactions pursuant to national regulations and international standards.
ICT Risk	The Bank continuously enriches its technology risk management capabilities by adopting a strong "Information & Communication Technology (ICT) Security policy" and reviews its system fluctuations and penetration testing. A dedicated IT audit team carries out its functions to ensure findings which are addressed to a higher authority.

Bank's resilience status in 2024

UCB has dedicated itself to ensure sustainable growth of the economy and its all stakeholders through effective risk management meeting the Bank's strategic objectives for a better future. Some exclusive resilience status of the Bank is mentioned below:

- Rated client portfolio of the bank improved
- Liquidity Coverage Ratio (LCR) has been maintained effectively: LCR 118.72%
- Net Stable Funding Ratio (NSFR) has been maintained successfully: NFSR 108.61%
- Cash Reserve Ratio (CRR) has been maintained successfully: CRR 4.87%
- Statutory Liquidity Requirement (SLR) has been maintained effectively: SLR 13.66%
- Leverage Ratio has been maintained at 4.26% which is comfortably above the BB requirement of 3.50%.

Risk prioritised areas

In view of the challenging environment, the Bank continues to optimize the way so that risk is managed within the Bank. Innovation is the prime agenda of UCBPLC and the Bank is making progress on the risk priorities set out on a need basis:

Strengthen the Risk Culture of the Bank

The Bank's Risk Management Framework (RMF) has been embedded and rolled out to all areas of the Bank. In 2024, strong risk governance promotes a healthy risk culture by valuing risk-based thinking across each line of defense.

Emphasize on Client's Credit Rating

UCBPLC always remains vigilant about the rating status of the clients and monitors the rating status of the credit clients on a regular basis. A significant completion of rating of the clients was made in this year as the percentage of rated clients stood at 90.96% against rateable client which was above the bank's target.

Enhance Information and Cyber Security (ICS)

UCBPLC has received ISO 27001 - ISMS (Information Security Management System) Certification in 2024 for the third consecutive years, and also strengthened the monitoring through 24x7 in-person Security Operation Center (SOC). Bank increased training and awareness alongside crisis management exercises to ensure business responses with a focus on clients and critical services which has facilitated greater insights into the Bank's risk position.

Managing Environment, Social & Governance (ESG) Risk:

In its endeavour to reinforce the stability of its credit portfolio while ensuring environmental sustainability, societal progress, and adherence to governance principles, UCB mandates strict compliance with its ESDD checklist for all pertinent loan disbursements. The bank recorded no instances of high-risk obligors as per the ESDD criteria in 2024. Alongside, the volume of both Green and Sustainable Finance demonstrated a considerable upward trajectory in 2024 relative to 2023, and this growth is likely to continue in subsequent periods. Furthermore, this year the bank has stepped into the realm of carbon accounting and calculated its Scope-3 Emission (*Portfolio Emission, or Finance Emission*).

Implementation of Risk Based Supervision (RBS) of Bangladesh Bank

Bangladesh Bank (BB) is implementing Risk-Based Supervision (RBS) to strengthen the safety and stability of the banking sector. UCBPLC has been selected to participate in Phase 2 of BB's RBS implementation pilot program. In response, the bank has made RBS compliance a top priority by establishing a dedicated management committee and working group, upgrading relevant software systems, and allocating sufficient manpower to support the process.

Emerging Risks and its Managing Process

Emerging Risks refer to unpredictable and potentially uncontrollable outcomes from certain events or circumstances. While these risks are on the radar, they are not yet fully measurable but could materially impact our business. The following are the Emerging Risks that the Bank may face and its managing process are as follows:

Deteriorated asset quality and the weak capital base

Plagued by a massive accumulation of non-performing loans, the banking industry of Bangladesh experienced profound instability. This condition was further exacerbated after August 5, 2024, by the political transition, civil unrest, and a vacuum in business leadership. High provisioning requirements and a weak capital base heightened solvency risks.

Tight Monetary policy and slow credit growth

Bangladesh Bank (BB) has made controlling inflation its primary policy objective. Persistently high inflation not only diminishes consumers' purchasing power but also risks embedding long-term expectations of elevated inflation. To address this, BB has adopted a contractionary monetary policy stance, implementing

successive policy rate hikes aimed at anchoring inflation expectations. Additionally, BB has increased the flexibility of interest rate caps and introduced an interest rate corridor to more effectively communicate its monetary policy direction.

New Classification Circulars and PCA framework

New regulatory directives for loan classification and provisioning (BRPD Circular No. 15/2024) and ECL-based classification (BRPD Circular No. 03/2025) are expected to elevate non-performing loan figures. This surge could negatively affect the bank's provisioning levels and overall profitability. Non-compliance with PCA (Prompt Corrective Action) indicators may constitute a breach, necessitating the activation of the PCA framework and the Recovery Plan.

Bank mergers and acquisition

Forced bank mergers can be counterproductive if not preceded by a thorough assessment of asset quality. For consolidation to be effective, it must be guided by careful evaluation and prudent implementation to prevent strong banks from being burdened by the weaknesses of failing ones. A comprehensive assessment of the asset quality of weaker banks is essential before any merger takes place.

Evolution of IT and data infrastructure

The evolution of IT and data infrastructure will bring about increased sophistication, leveraging on big data and complex algorithms. This enhanced technological landscape will enable the risk function to make more accurate risk decisions while reducing operating costs, ultimately leading to superior customer experiences.

Climate-related transition Risk

Climate-related transition risk signifies the financial exposures arising from the shift towards a low-carbon economy. This includes potential devaluation of assets (mostly Credit Portfolio) linked to carbon-intensive industries as policies tighten and technologies advance. Banks will face increasing credit risk from borrowers unable to adapt their business models in line with the low carbon policy implementation initiatives.

Future Outlook

By 2025, banks' risk management functions will need to undergo significant transformation to address evolving regulatory requirements, heightened customer expectations, and emerging risks. Remarkably, the next decade could bring about more change to risk management than the past ten years combined. Without proactive measures, banks may struggle to adapt and meet the growing demands of this new landscape.



Nabil Mustafizur Rahman

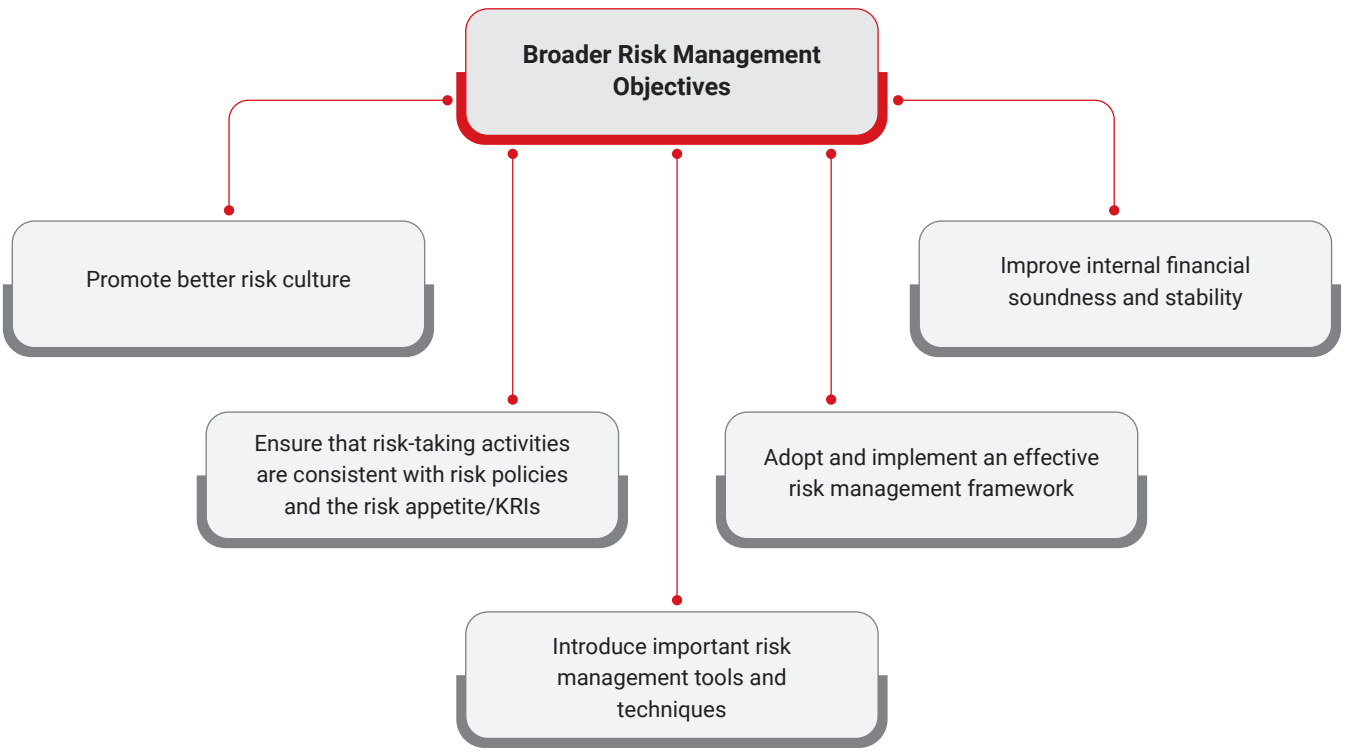
Chief Risk Officer

Report on Risk Management Framework

Risk management is a discipline at the core of every banking company and encompasses all activities that affect its risk profile. A Risk Management Framework (RMF) is a set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization. The notion of a risk management framework is essentially equivalent to the concept of Enterprise Risk Management (ERM).

1.0 Risk Management Overview

United Commercial Bank PLC (UCBPLC) embraces risk management as an integral part of its business, operations, and decision-making processes. In order to ensure that UCB achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the risk-taking process by providing independent inputs, including relevant valuations, investment evaluations, new product assessments, and quantification of capital requirements. These inputs enable the business units to assess the risk-vs-reward of their propositions, thus enabling risk to be priced appropriately in relation to the return. Generally, the objectives of the bank's risk management activities are to protect the bank from the risks and achieve bank's goals:



2.0 Bank's Risk Management Policy

It is important to not only comply with regulatory requirements but also improve the financial and operational performance of the bank. The risk management policy has evolved as a key part of the organizational structure. Indeed, it is now more vital for the stability of banks in the long run. UCBPLC has an all-inclusive outlook on risk management. As a result, all of the activities related to risk management are being driven by the bank's risk management policy, delineating a clear vision for our entire enterprise. The UCBPLC risk management policy covers detailed guidelines for sound risk management. We also adhere to the industry's best practices at the national and international level.

Aspects of Risk Management Policies of Bank



3.0 Bank's Risk Management Framework

United Commercial Bank PLC has developed a Risk Management Framework (RMF) as a standardized approach to effectively manage its risks and opportunities. The Bank's Risk Management Framework provides its Board and Management with tools to anticipate and manage both the existing and potential risks, taking into consideration changing risk profiles as dictated by changes in business strategies, the external environment and/or the regulatory environment.

The key components of the Bank's Risk Management Framework are represented as:

- Governance
- Risk Appetites/KRIs
- Risk Management Tools
- Robust MIS

The design of the Bank's Risk Management Framework incorporates a complementary 'top-down strategic' and 'bottom-up tactical' risk management approach.

Risk Management Process:

- Risk Management Tools
- isk Appetites/KRIs
- Risk Governance
- Risk Culture

3.1 Risk Culture

The bank has established an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how they are managed, considering risk tolerance and appetite. Since the banking business involves risk-taking, it is fundamental that risks are appropriately managed. A sound and consistent risk culture throughout the bank is a key element of effective risk management. The bank has developed its risk culture through policies, examples, communication, and training of staff regarding their responsibilities for risk. Every member of the bank is fully aware of his or her responsibility regarding risk management. The sound risk culture of the bank encourages effective risk management, promotes sound risk-taking, and ensures the risk-taking activities. The Bank's risk governance structure, risk appetite/KRIs, and risk management tools are influenced by risk culture of the Bank. The risk culture is built upon:

Tone from the top: Clear and consistent communication from leaders on risk behaviour expectations and the importance of UCB's values.

Accountability: All UCB employees in every business function are held accountable for risk ownership and their actions in accordance with the three lines of defense model.

Compensation: Programs are designed to discourage and punish behaviour that is inconsistent with the bank's values, policies and Code of Conduct.

Training: UCB maintains a risk culture by offering all employees with effective and informative mandatory and non-mandatory risk management training modules, as well as presentations and other training media on a variety of risk management issues.

Reporting: Risk register for reputational and operational risk, as well as other crucial variables, are tracked and reported. Employee feedback is also sought through a number of surveys.

Centralized Decision-making: The member of Executive Risk Management Committee and senior management team responsible for the review.

3.2 Risk Governance & Organization

Risk governance refers to the structure, rules, processes, and mechanisms by which decisions about risks are taken and implemented. A strong governance structure is important to ensure an effective and consistent implementation of the bank's risk management framework. The Board is ultimately responsible for the bank's strategic direction, which is supported by the risk appetite/KRIs and relevant risk management frameworks, policies, and procedures. The Board is assisted by different risk committees and control functions in ensuring that the bank's risk management framework is effectively maintained. The bank's risk management philosophy is embodied in the Three Lines of Defense approach, whereby risks are managed at the point of risk-taking activity.

1st Line of defense Business and Operation Units:

- To have in place effective process to identify, assess, measure, monitor, mitigate and report on their risks.
- To operate in accordance with the risk policies and delegated mandates.
- To be responsible for having skills, operating procedures, systems and controls

2nd Line of defense (Risk Management Division): relates to the appropriate Internal Control framework put in place to ensure effective and efficient operations, including the following;

- adequate control of risks;
- prudent conduct of business;
- reliability of financial and non-financial information reported or disclosed (both internally and externally); and,
- compliance with laws, regulations, supervisory requirements, and the institution's internal policies and procedures.

The Risk Management Division will be overseeing this internal control framework which will encompass risk control function and compliance function, and should cover the whole organization, including the activities of all business, support, and control units. The risk management division, headed by the Senior Executive Vice President also has the responsibility for recommending and monitoring the bank's risk appetite and policies, and for following up and reporting on risk related issues across all risk types.

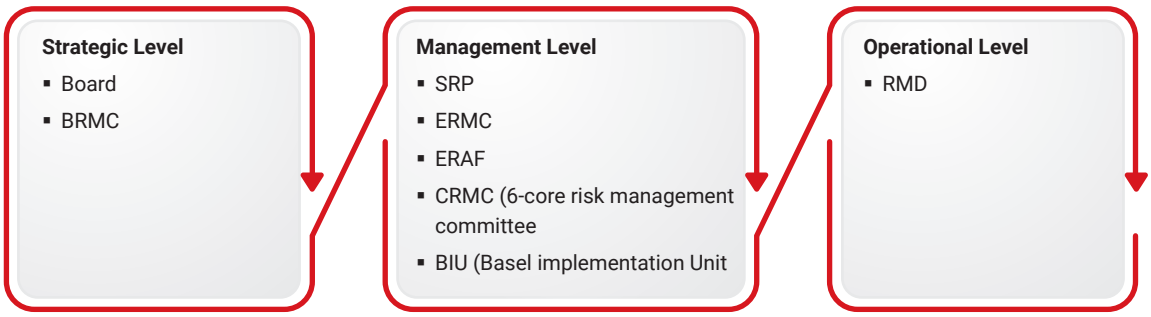
The third line of defence consists of the bank's internal audit which performs independent periodic reviews of the first two lines of defence, provides assurance and informs strengths and potential weaknesses of the two first lines.

3rd Line of defense (Internal Audit Division):

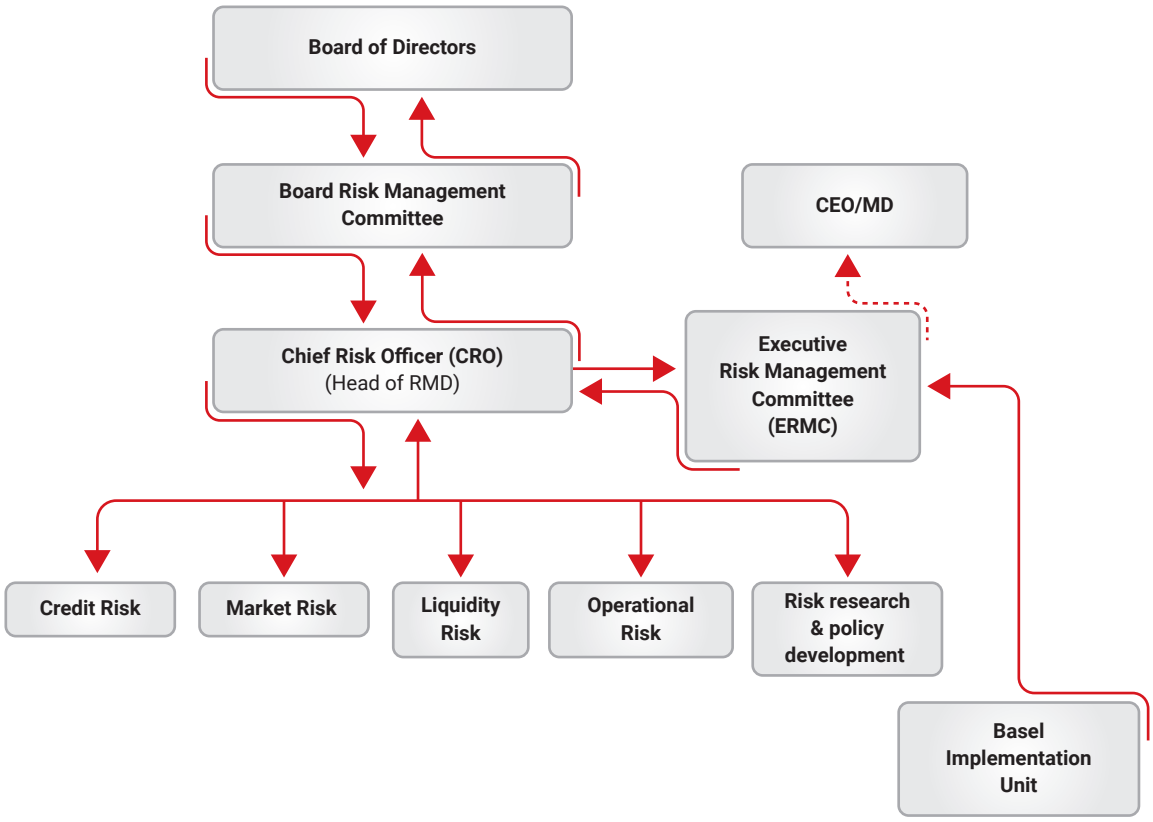
- To conduct independent periodic reviews of the first and second line defense.
- To provide assurance and inform strengths and potential weaknesses of the two first lines.
- To add value in accomplishing the objectives of operational effectiveness & efficiency
- To act as an objective source of independent advice to the governing body and senior management for improvement of risk management, control, compliance and governance processes.
- To assure the senior management on reliable financial reporting and compliances with laws, regulations & policies.
- To add value in accomplishing the objectives of operational effectiveness & efficiency.

3.2.1 Risk Management Structure

Risk management procedures are approved, monitored, and mitigated at different stages of the bank by a combination of the board and its committees, management level committees, the Risk Management Division, and the Basel Implementation Unit (BIU). The risk management structure of UCB consists of three layers, through which an effective and sound risk management system has been established throughout the bank.



Risk Governance System



3.2.2 Roles & Responsibilities of Risk related Committees

Level	Roles & Responsibilities
Board Risk Management Committee (BRMC)	• Formulate and review the risk management strategies and policies at least once in a year. • Monitor and implement the risk management policy and process. • Ensure the formulation of an adequate organizational structure. • Supervise the activities of ERMC, SRP Team and CRMC. • Ensure, formulate, review and recommend risk appetite, limit and tolerance level. • Ensure compliance with BB instructions regarding core risk management. • Hold at least four meetings in a year. • Submit proposals, suggestions, and summaries of BRMC meetings to the Board of Directors at least on quarterly basis. • Ensure that RMD has adequate and efficient staff resources. • Assess the overall effectiveness of risk management functions on a yearly basis.
Executive Risk Management Committee (ERMC)	UCB has formed an ERMC comprising of the Chief Risk Officer (as the Chairman), the heads of divisions from ICC, CRM, Treasury, AML, ICT, ID, Operation, Corporate and SME Business, Finance, and Special Assets Management, and representatives of other divisions related to risk. The following responsibilities are carried out by the ERMC: • Identify, measure, and manage the bank's existing and potential risks; • Hold at least one meeting a month based on the findings of the risks/ report; • Ensure incorporation of all the decisions in the meeting minutes;

Level	Roles & Responsibilities
	• Control risks through proper implementation of the decisions of the ERMC, BRMC, and Board meetings; • Submit proposals, suggestions, and a summary of ERMC meetings to the BRMC; • Assess the need for adequate capital and ensure that it is maintained; • Determine the risk appetite, limits in accordance with strategic planning; • Contribute to the formulation of risk policies for business units; • Monitor and follow up the reviews and reports of the Bangladesh Bank and inform the BRMC.
Supervisory Review Process (SRP) Team	• Ensure that the bank has implemented Pillar 2 of the RBCA framework according to Bangladesh Bank instructions; • Develop an internal process document called the Internal Capital Adequacy Assessment Process (ICAAP) for assessing the bank's overall risk profile; • Ensure that the bank has overall capital adequacy in relation to its risk profile and follows a strategy for maintaining its capital at an adequate level; • Report in time the bank's quantitative information regarding ICAAP along with the supplementary documents to BRMC, the board and Bangladesh Bank.
Core Risk Management Committee (CRMC)	• Adopt a core risk assessment methodology developed in-house; • Conduct a periodic assessment of each of the Core Risk Guidelines and their implementation status. • Reviewing and approval of the core risk rating and recommendation for improvement • Extend supervisory support for implementation of the committee's meeting minutes; • Submit proposals, suggestions, and a summary of the CRMC meetings to RMD and BRMC
Risk Management Division (RMD)	The bank has an independent, full-fledged Risk Management Division (RMD) which is headed by the Senior Executive Vice President. The bank has separate desks within the RMD to oversee each key risk area. It also maintains a close relationship with BIU to have better communication. The RMD deals with the following major functions: Manage the process for developing risk policies and procedures; • Designing bank's overall risk management strategy; • Collecting and analyzing data/information for identifying risks and making appropriate recommendations for risk mitigation; • Preparing risk management reports, arranging monthly meeting of ERMC and preparing meeting minutes, disseminating the decisions to the concerned department/divisions, monitoring and follow up of implementation status; • Ensuring timely submission of risk management reports, meeting minutes, compliance report and other documents to BB; • Assisting BRMC/ERMC by providing risk issues that are needed to be addressed; • Ensuring significant contribution in establishing sophisticated risk management infrastructure with a sufficiently robust data-base, data architecture and information technology; • Conducting, developing and overseeing Stress Testing activity; • Utilizing the Stress Test result and scenario analysis to better understand potential risk exposures under a variety of adverse circumstances; • Assisting senior management in formulating strategic planning considering bank's risk exposures and industry as a whole;

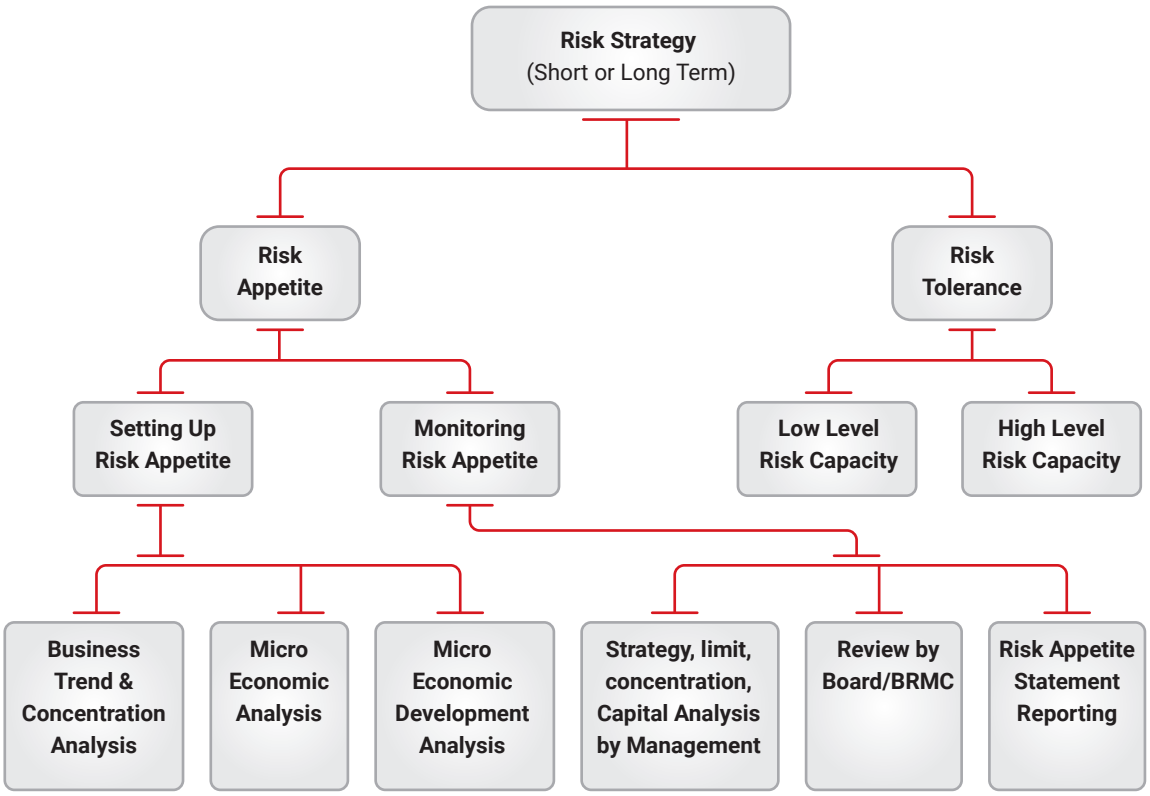
Level	Roles & Responsibilities
	• Supporting the Board, BRMC and ERMC in formulation, review and approval of the enterprise-wide risk governance framework which includes the bank's risk culture, risk appetite, risk limits, and Management Action Trigger (MAT); • The ongoing monitoring of the risk-taking activities and risk exposures in line with the Board approved risk appetite, risk limit and corresponding capital or liquidity needs (i.e. capital planning) • Taking initiatives for interim review of risk appetites on request of other related departments and informing the board of directors and BRMC from time to time about the status of risk exposures as compared to appetite; • Establishing an early warning or trigger system for breaches of the bank's risk appetite or limits; • Taking initiatives for establishing enterprise/comprehensive risk management policies and procedures with the approval of the board; • Monitoring compliance of irregularities found in core risk inspection reports of BB and implement from lessons learnt; • Adopting proper financial protection measures through risk transfer, risk avoidance, and risk retention programs; • Taking appropriate steps to control or mitigate risk exposures and ensure reporting the same to senior management and BRMC. • Audit socialization of common audit observations.
Basel Implementation Unit (BIU)	• Raise the quality and level of the capital to ensure the bank is better equipped to absorb losses on both a going concern and a gone concern basis. • Increase the risk coverage of the capital framework. • Introduce the leverage ratio to serve as a backstop to the risk-based capital measure. • Raise the standards for the supervisory review process (Pillar 2) and • Ensure public disclosures (Pillar 3), etc.
Enterprise Risk Associates' Forum (ERAF)	• To escalate as well as discuss risk issues raised from the various corners of the Bank on monthly basis and seek resolution. • Risk assessment and grading of risk issues is done at this level and where required risk issues are forwarded to ERMC for resolution.

3.3 Risk Strategy and Risk Appetite

Risk appetite is defined as the amount and type of risk that the bank is able and willing to accept in pursuit of its strategic and business objectives. UCB sets risk appetite, including tolerance and limit, every year to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk. The bank's risk appetite framework consists of risk capacity, risk appetite statement, and key risk appetite measurement.

Application of the risk appetite statement and monitoring of the key risk appetite measurement help to ensure that the bank stays within appropriate risk boundaries. The risk appetite statement plays an important role in cascading the risk strategy through the bank. As per instruction of the central bank, the bank sends a board approved copy of the same appetite to the Bangladesh Bank within the prescribed time each year.

Setting & Monitoring Risk Appetite



3.4 Risk Management Tools and Models

In managing credit, market, liquidity, and operational risks, the bank follows the latest six (6) Core Risk Management Guidelines, Stress Testing Guidelines, Recovery Plan and related circulars issued by Bangladesh Bank. Sound risk management includes different tools and models that are guided by the bank's risk appetite framework and integrated with the bank's strategies and business planning process.

Risk Management Tools & Models:

- Guidelines process, Standards & Limits
- Policies & Procedures
- Recovery Plan
- Stress Testing
- Risk Register
- Monitoring & Reporting

3.4.1 Risk Policies, Procedures, Process, Standards and Limits

Policies and Procedures:

The Board of Directors and Senior Management have formulated risk management policies and procedures to deal with various risks that arise from the bank's business and operational activities. The bank's policies and more detailed procedures provide guidance for the day-to-day implementation of broad risk strategies and limits designed to protect the bank from imprudent and unwarranted risks. These policies and procedures include not only those relevant to specific risk areas like credit policy, liquidity management policy, and operational risk management policy, but also those related to overall risk management.

The management reviews risk policies, procedures, and limits on a yearly basis and updates them when necessary. Policies are guided by the bank's risk appetite, which sets the limits and controls within which the bank can operate.

- Key risk policies are approved by the Board of Directors.
- Senior executive/management and/or key risk committees approve management level risk policies and manuals associated with processes such as new product initiation and development.

Risk Management Guidelines	Risk Management Policies:
• Risk Management Guidelines • Credit Risk Management Guidelines • ALM Guidelines • Foreign Exchange Guidelines • ICC Guidelines • ML& TF Risk Management Guidelines • ICT Security Guidelines • Wholesale Borrowing & Funding Guidelines • Collateral Valuation Guidelines	• Risk Appetites Statement (RAS) • Management Action Triggers (MAT) • Self-Assessment of 6 Core Risks • Customer Services & Evaluation Process • Calculating Weighted Average Cost of Fund • Fraud Detection & Prevention Policy • Liquidity Contingency Plan • Capital growth Plan • Business Growth Plan • Process Document Manual (ICAAP)

Process:

The activities are associated with identifying, evaluating, documenting, reporting and controlling risk.

Standards:

Standards are developed covering the whole enterprise and documented in a series of policies, manuals, and handbooks under the purview of the Risk Management Division.

Limits

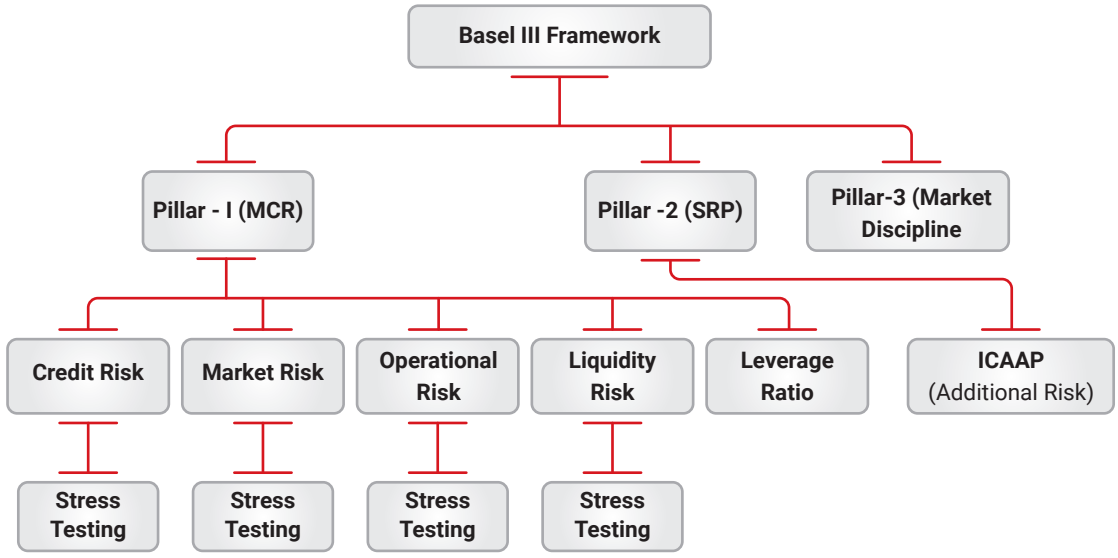
Control risk-taking activities within the tolerance level established by the board and senior management. Limits also establish accountability for key tasks in the risk-taking process and establish the level or conditions under which transactions may be approved or executed.

3.4.2 Pillar 1 & 2 under Basel III and Stress Testing

Through the Pillars 1 & 2 under Basel III and the bank's stress testing programs at the enterprise level, the bank can estimate the potential impact on income, capital, and liquidity of significant changes in market conditions, credit environment, operational conditions, liquidity demands, or other risk factors.

The development, approval, and on-going review of the bank's pillars 1 & 2 under Basel III and stress testing programs are subject to the Bangladesh Bank's updated guidelines and instructions. Reports for Pillar 1 under Basel III and the stress testing are prepared on a quarterly basis, and the report for Pillar 2 under Basel III is prepared on a yearly basis and presented to ERMC, BRMC, and the Board.

Basel III Framework and Stress Testing



3.4.3 Risk Register

The risk register is one of the effective tools for comprehensive risk management that is maintained by the bank to identify the key business and financial risks through impact and probability analysis and to define and implement respective controls and mitigating factors to reduce the risks faced by the bank.

RMD reviews the risk register based on the reports provided by the business line managers, suggests the mitigation measures to the concerned units, and also submits the effectiveness of the mitigation measures to ERMC.

3.4.4 Measurement, Monitoring and Reporting

Risk Measurement

The bank uses models for different purposes, including estimating the value of transactions, measuring risk exposures, determining credit risk ratings and parameters, and calculating economic and regulatory capital. The use of quantitative risk methodologies and models is balanced by a strong governance framework and includes the application of sound and experienced judgment.

Regular Monitoring

Regular monitoring ensures that business activities are within approved limits or guidelines and are aligned with the bank's strategies and risk appetite. Breach (if it occurs) of any of these limits or guidelines is reported to senior management, risk committees, and/or the Board, depending on the limit.

Risk Reports

Aggregate measures of risk, across products and businesses, are used in compliance with policies, limits, and guidelines. They also provide a clear statement of the amounts, types and sensitivities of the different risks in the bank's portfolios. Senior management and the Board use this information to comprehend the bank's risk profile as well as the performance of the portfolio.

3.4.5 Recovery Plan

Bank takes necessary and appropriate corrective action in timely manner in the deteriorated financial and operational situation i.e., to maintain its viability, as long as the bank has not yet reached the stage of non-viability as determined by Bangladesh Bank. Five stress events are assumed and the stress scenarios included the hypotheses of devaluation of assets, reduction in borrowing capacity, reduced profitability, and deterioration in liquidity due to systemic or idiosyncratic instabilities of domestic or external origin. Bank identified a list of credible options that a bank could adopt to restore financial strength and viability for the bank to remain as a going concern.

3.5 Risk Management Process

The risk management process is the systematic application of management policies, procedures, and practices to the assessment, treatment, controlling and monitoring of risk. It is an iterative process that, with each cycle, can contribute progressively to organizational improvement by providing management with a greater insight into risks and their impact. UCBPLC adopts the following steps of the Risk Management Process:

Communicate and Consult

This is a preparatory step that aims to identify the responsible persons involved in risk assessment and also the persons engaged in the treatment, monitoring and review of risk

Establish the Context

This is another preparatory stage that is close to starting the formal risk management process.

Risk Management Process



Identify the Risks

The next step is to identify possible risks that may affect, either negatively or positively, the objectives of the business and the activity under analysis.

Analyse the Risks

The risk analysis step assists in determining which risks have a greater consequence or impact than others.

Evaluate the Risks

Risk evaluation entails comparing the amount of risk discovered during the analysis process to previously established risk criteria and determining if these risks need to be treated.

Treat the Risks

Risk treatment is about considering options for treating risks, evaluating those options, preparing the risk treatment plans and implementing those plans to achieve the desired outcome.

Monitor the Risks

Risks need to be monitored periodically to cope with changing circumstances. The risk management process needs to be regularly repeated so that new risks are captured in the process and effectively managed.

Report on Risk Mitigation Methodology

Risk mitigation is the process of reducing risk and minimizing the likelihood of an incident. United Commercial Bank PLC. is continually addressing the risks to protect the bank fully by developing and implementing its own guidelines and different types of risk management tools consistent with the complexity, size and nature of business, risk strategy as well as Bangladesh Bank guidelines. The bank considers capital adequacy, expected level of profitability, market reputation, experienced personnel, logistic support, macro and microeconomic scenarios, risk management practices, etc. to determine its risk strategy. The risk management strategy is therefore fundamentally based on maintaining adequate capital, liquidity, and operational control at all times in order to safeguard the interests of depositors, borrowers, shareholders and other stakeholders.

1.0.0 RISK MITIGATION METHODOLOGY

UCB develops and implements its own guidelines and different types of risk management tools consistent with the complexity, size and nature of business, risk strategy and Bangladesh Bank guidelines for sound risk management and risk mitigation. The bank considers capital adequacy, expected level of profitability, market reputation, experienced personnel, logistic support, macro and microeconomic scenarios, risk management practices, etc. to determine its risk strategy. The bank's reputation and its ability to achieve depends on the ability to identify, assess and mitigate risks at all levels. The risk management strategy is therefore fundamentally based on maintaining adequate capital, liquidity, and operational control at all times in order to safeguard the interests of depositors, borrowers, shareholders and other stakeholders.

1.1.0 Risk mitigation approach

The bank has adopted a sound risk mitigation approach to ensure risk exposures within the bank. Risks of the bank are mitigated consistently in line with the Board-approved risk appetite that supports the bank's strategy. The risk mitigation approach sets standardized practices to promote accountability and necessary oversight for the effective management of all these risk types. Taking into consideration the foreign exchange reserve position of Bangladesh, changed political landscape of the nation, continuation of Russia and Ukraine war, Middle east crisis and other circumstances, the bank has taken several fruitful steps to mitigate the risk.

1.2.0 Risks and uncertainties faced by the Bank

Risk is inherent in the banking business. When a bank runs on the principle of avoiding all risks, it will be stagnant and will not adequately serve the legitimate needs of the customers. On the other hand, a bank that takes excessive risks is likely to run into difficulty. Banking risks can arise in many ways through its activities and it is possible to draw up a long list of the types of risks to which banks are exposed. Bangladesh Bank has identified six core risks for banks and issued policy guidelines for sound management of these core risks that are central to the functioning of risk management activities. These core risks are Credit Risk, Asset Liability Management Risk, Foreign Exchange Risk, Internal Control & Compliance Risk, Money Laundering & Terrorist Financing Risk and Information and Communication Technology Risk. On the other hand, as per the Guidelines on Risk-Based Capital Adequacy Framework in line with the Basel-III issued by Bangladesh Bank, risk profile is measured to determine overall risk position of the bank for economic capital allocation. According to the Basel-III guidelines, three major risks that a bank faces are considered under pillar-1 that are Credit risk, Market risk and Operational risk. In addition to the pillar-1, additional ten risks are also considered under Pillar-2 of the RBCA guidelines through ICAAP that are Residual Risk, Concentration Risk, Interest Rate Risk in Banking Book,

Liquidity Risk, Reputational Risk, Strategic Risk, Settlement Risk, Environmental, Climate Changes Risk and Other Material Risk. **The details of these principal risks and uncertainties have been described later in this section and also enumerated in the disclosure section** of the risk management report.

Core Risks:

1. Credit Risk,
2. Asset Liability Management Risk,
3. Foreign Exchange Risk,
4. Internal Control & Compliance Risk,
5. Money Laundering & Terrorist Financing Risk and
6. Information and Communication Technology Risk.





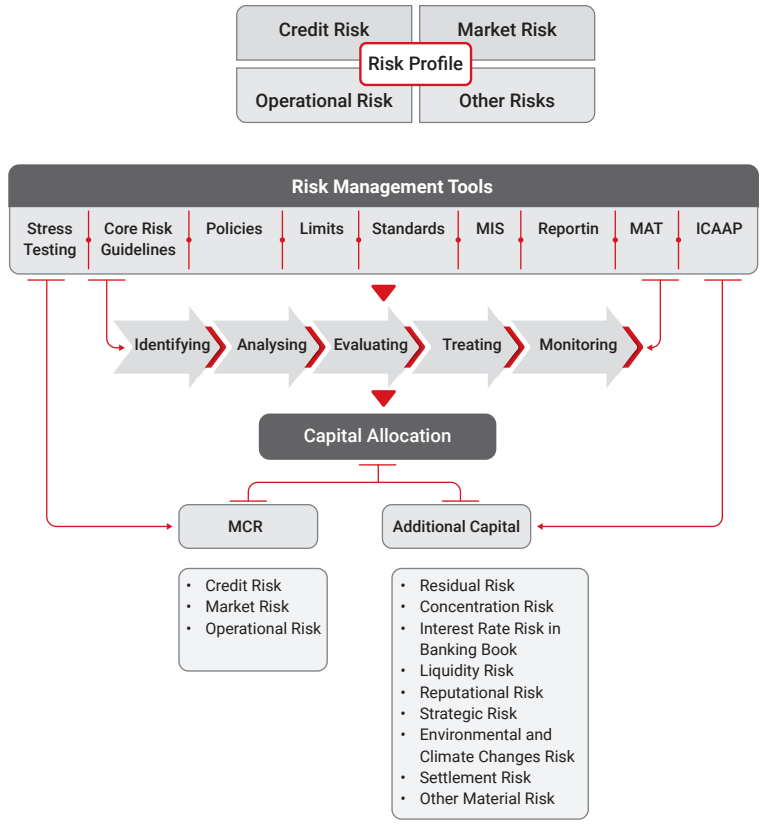
Risk Profile:

1. Credit risk
2. Market risk
3. Operational risk
4. Residual Risk
5. Concentration Risk
6. Interest Rate Risk in Banking Book
7. Liquidity Risk
8. Reputational Risk
9. Strategic Risk
10. Settlement Risk
11. Environmental and Climate Changes Risk and
12. Other Material Risk

1.3.0 Risk Management and Mitigation Strategies

Risk mitigation strategies need to be dynamic to successfully establish sound risk management. However, there are certain types of risks that are more likely to occur and impede business goals. Hence, effective policies or action plans need to be in place to ensure highly effective risk management. In the banking business, risk is inherent. As a result, risk management can have a significant impact on financials. As a part of regulatory and global benchmarking, the bank has developed risk mitigation strategies based upon the risk management policies and guidelines of Bangladesh Bank and its own risk appetites, KRIs limits, standards, MIS, reporting, MAT and capital allocation as per the Basel framework, including stress testing. The acknowledged risks that the bank is currently mitigating are represented in the attached diagram:

Risk Management and Mitigation Methodology



In view of core risk guidelines, the bank has established different divisions to address specific risks, e.g., the Credit Risk Management Division (CRMD), Credit Administration Division (CAD), Special Asset Management Division (SAMD), Treasury Division, IT Division, Internal Control and Compliance Division (ICCD), Anti-Money Laundering & ATF Division etc. Further, to manage the overall risks of the bank and Basel-III implementation, the bank has formed a dedicated Basel Implementation Unit and Risk Management Division.

Besides, the bank has different high-powered committees to monitor and ensure smooth risk management activities. For example, the Senior Management Team (SMT), Asset Liability Committee (ALCO), Executive Risk Management Committee (ERMC), Supervisory Review Process (SRP) Team, Central Compliance Committee (CCC), Credit Risk Management Committee (CRMC), etc. Capital is allocated as per the risk profile, i.e., the amount or type of risk the bank is exposed to. The forward risk profile is a forward-looking view of how the risk profile may change both under expected and stressed economic conditions.

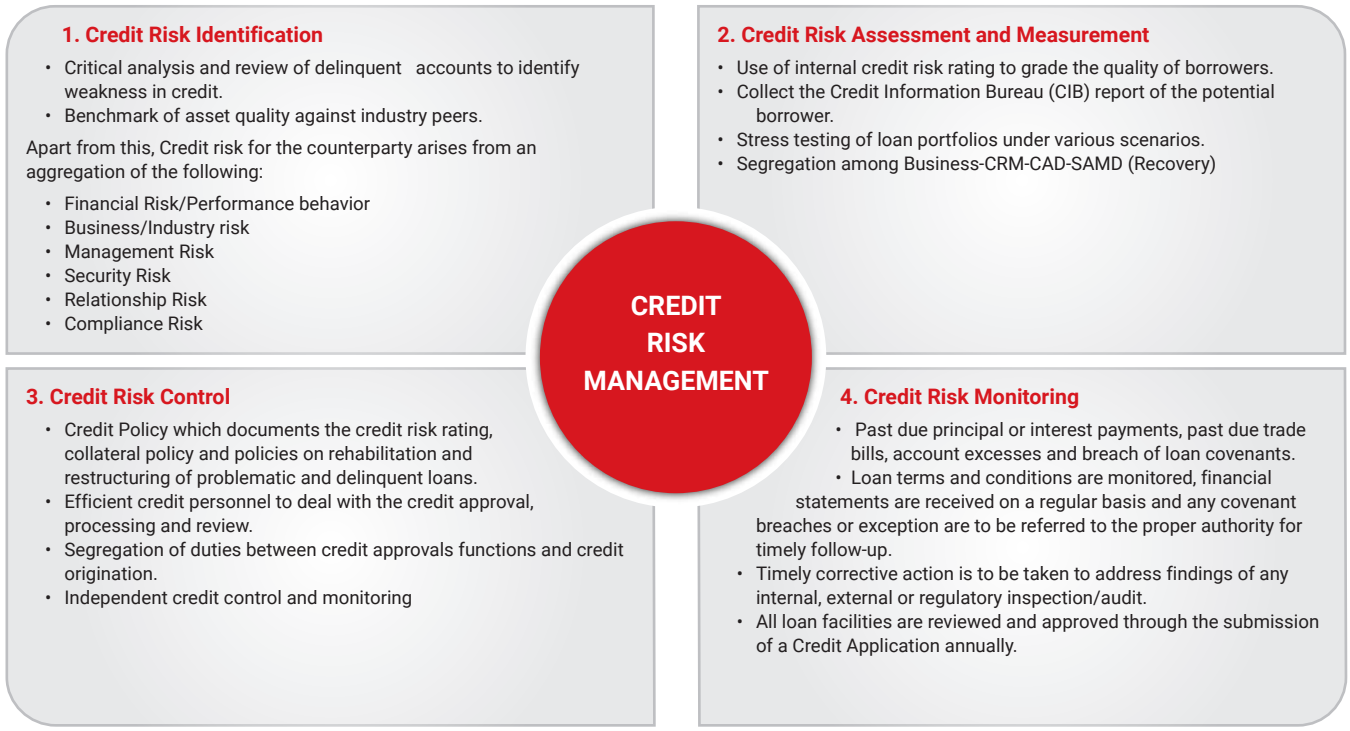
1.4.0 Credit Risk

The world over, credit risk has proved to be the most critical of all risks faced by a banking institution. Credit Risk arises as a result of customers or counter-parties not being able to or willing to fulfill their financial and contractual obligations as and when they fall due. These obligations arise from lending, trade financing and other activities undertaken by the Bank. So, Credit Risk is the potential loss of interest as a result of the failure of the borrower or the counterparties to meet their obligations in accordance with agreed terms.

It is a real challenge for credit risk managers to correctly identify pockets of risk concentration, quantify the extent of risk. The two distinct dimensions of credit risk management can readily be identified as preventive measures and curative measures. Preventive measures include risk assessment, risk measurement and risk pricing, early warning system to pick early signals of future defaults and better credit portfolio diversification. The curative measures, on the other hand, aim at minimizing post-sanction loan losses through such steps as securitization, derivative trading, risk sharing, legal enforcement, etc. carried, identify opportunities for diversification and balance the risk-return trade-off in their credit portfolio.

UCB has placed strong emphasis in creating credit risk awareness among all employees dealing with lending products within the Bank. Credit risk awareness programs are conducted regularly to create a risk aware culture and empower staff with

the capability to identify and manage credit risks more effectively. Selection and training of lending personnel is considered a key process in the management of credit risk. The key methods used to identify, assess, control and monitor the Credit Risk of the Bank are as follows:



1.4.1 Credit Risk Mitigation Measurement

UCB uses a number of tools and programs to control and mitigate its credit risk at the operational level to which it is exposed. The control and mitigation tools of the bank are mentioned below:

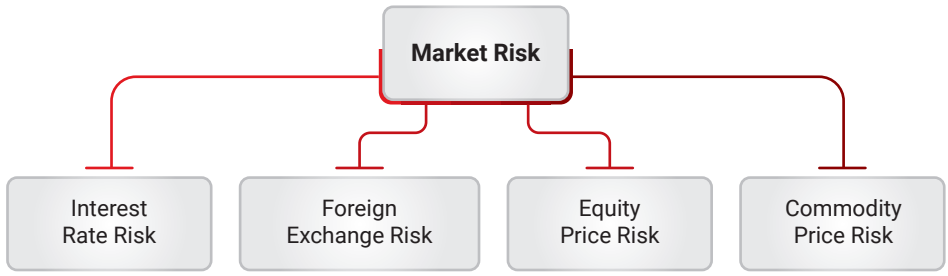
Key Risk	Methodology Tools used	Mitigation Process	Measured In	Frequency
Portfolio Risk	Reasons for growth	ICAAP, MAT, RAS, Limit	MRMR, CRMR	Monthly, Quarterly, Half yearly & Yearly
Credit Concentration	HHI, Gini, SEI, SI	Sectoral Cap. Capital Allocation	MRMR, CRMR, ICAAP	Monthly, Quarterly, Half yearly & Yearly
OBS Exposure	Reason for Growth, CCF	Risk Limit	MRMR, Commitment, Leverage Ratio	Monthly, Quarterly, Half yearly & Yearly
Security/Collateral/ Margin Status	Reason for Growth, Coverage Assessment	RAS	MRMR, CRMR, Stress Testing	Monthly, Quarterly, Half yearly & Yearly
Asset Quality, Categorization & Classification	Transition Matrix, Reason for Classification	RAS, Management Action Trigger, Ad hoc	MRMR, CRMR, ICAAP, Stress Testing	Quarterly
Credit Rating Status of borrowers	Reason for deterioration	Continuous follow-up, Capital Allocation	CRMR, MCR	Quarterly
Undrawn Commitment	Reason for Increase	RAS, Management Action Trigger	MRMR, CRMR, MCR	Monthly, Quarterly, Half yearly & Yearly
Regulatory Adherence	Single Borrower Limit, Env. Risk Rating	Risk Limit, Cap	MAT, CRMR, ICAAP,	Monthly, Quarterly, Half yearly & Yearly

1.5.0 Market risk is the risk of losses in On and Off-balance sheet positions arising from movements in market price such as changes in interest rate and price of equity, foreign exchange and commodity. As such, market risk consists of the followings basic risk parameters as under:

- Interest rate risk;
- Foreign exchange risk;
- Equity price risk;
- Commodity Price risk

The Treasury Division manages the Market risk including the liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director & CEO. The Committee meets at least once in a month. The Board approves all risk management policies, sets limits and reviews compliance on a regular basis. The overall objective is to provide cost effective funding to finance the asset growth and trade related transactions, optimize the funding cost, increase spread with the lowest possible liquidity, maturity, foreign exchange and interest rate risks.

A description of each market risk category is provided below:



INTEREST RATE RISK

Interest rate risk is the potential impact on the Bank's earnings and net asset value due to changes in market interest rates. Interest rate risk is the result of mismatches of interest rate re-pricing of financial assets and liabilities.

Interest rate risk calculates both specific risk and general market risk. The capital charge for specific risk is designed to protect against an adverse movement in the price of an individual security owing to factors related to the individual issuer.

The capital requirements for general market risk are designed to capture the risk of loss arising from changes in market interest rates.

Total Risk Weighted Assets for Interest Rate Risk is Tk. 357.58 million and capital requirement is Tk. 35.76 million for the year ended 2024.

1.6.0 Approach to Managing Market Risk

1.6.1 Gap analysis

Under this system, a gap i.e. the difference between the amount of rate sensitive assets and the amount of rate sensitive liabilities is calculated at a pre- determined time bucket. The interest rate factor (say 1%) is then applied on the gap of rate sensitive assets and rate sensitive liabilities for measuring the earning impact due to movement of interest rate.

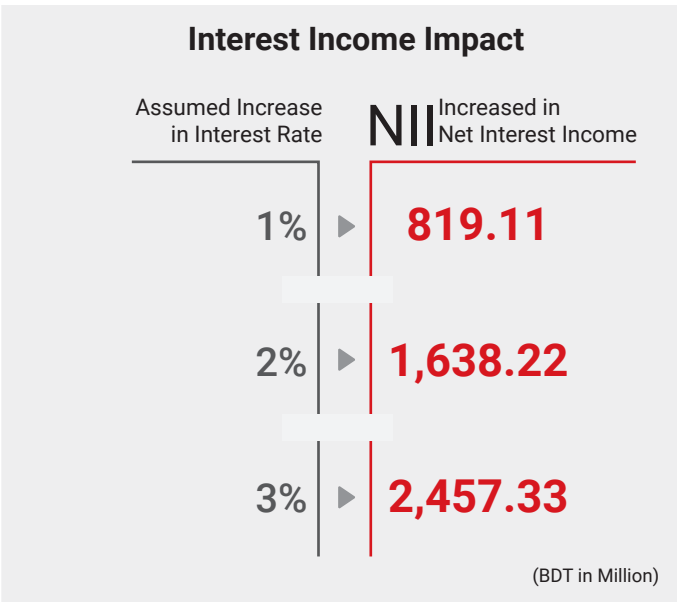
Based on the position of rate sensitive financial assets and liabilities gap as of 31 December 2024, the Bank calculated that, with the 1% rise in interest rate for all its rate sensitive assets and rate sensitive liabilities, Bank's yearly Net Interest Income will increase by Taka 819.11 million.

Detailed calculation of the Net Interest Income impact at each time bucket is shown below:

(BDT in Million)

Particulars	Up to 3 months	3 - 6 months	6 - 12 months
Rate Sensitive Assets (RSA)	290,006.31	79,906.42	79,906.42
Rate Sensitive Liabilities (RSL)	221,823.82	71,772.47	74,311.90
Gap (RSA – RSL)	68,182.49	8,133.95	5,594.52
Cumulative Gap	68,182.49	76,316.43	81,910.95

Interest Income Impact:			(BDT in Million)
Assumed Increase in Interest Rate	1%	2%	3%
Increased in Net Interest Income (NII)	819.11	1,638.22	2,457.33



1.6.2 Duration Analysis

Duration is the time-weighted average maturity of the present value of the cash flows from on- balance sheet assets and liabilities. It measures the relative sensitivity of the value of these instruments to changing interest rates, and therefore reflects on the economic value i.e. the present value of shareholders' equity of the Bank.

1.6.3 Foreign Exchange Risk

FX risk refers to the potential change in earnings resulted from exchange rate fluctuations, adverse exchange positioning or change in the market prices. FX risk of the Bank is minimal, as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements. This risk usually affects import-export business, but it can also affect investors making international investments. If money is converted to another currency to make an investment, then any change in the currency exchange rate will cause that investment's value to either decrease or increase when the investment is sold and converted back into the original currency. FX Risk may arise from:

- Exchange Rate fluctuations
- Adverse Foreign Exchange position of the Bank,
- Changes in market price of Foreign Exchange

FX Risk management is one of the important responsibilities of the Treasury Division and Financial Institution and Off-Shore Banking Unit of the Bank. Regular FX operations are done complying with the Central Bank's guidelines. Treasury Division conducts the FX transactions and the Back Office of the Treasury Division is responsible for verification of the deals and passing of their entries in the books of account. All Nostro accounts are reconciled on a monthly basis and the management for its settlement reviews outstanding entry beyond 30 days. The position maintained by the Bank at the end of day was within the stipulated limit prescribed by the Central Bank. UCB has adopted a policy guideline with a view to reducing the FX Risk.

Foreign exchange position is measured by Treasury Division. In the year ended 2024, Total Risk Weighted Assets for Foreign Exchange Risk is BDT. 4,296.46 million and capital requirement is BDT.429.65 million.

1.6.4 Equity Risk

Equity risk is defined as loses due to changes in market price of equity held by the Bank. To measure and identify this risk, mark to market valuations of the equity instruments that are traded in secondary market are made. The minimum capital standard for equities is expressed in terms of two separately calculated charges for the "specific risk" of holding a long or short position in an individual equity and for the "general market risk" of holding a long or short position in the market as a whole.

In the year ended 2024, Total Risk Weighted Assets for Equity Risk was BDT. 9,677.91 million and capital requirement was BDT. 967.79 million.

1.6.5 Commodity Price Risk

Commodity price risk refers to the uncertainties of future market values and of the size of the future income, caused by the fluctuation in the prices of commodities. These commodities may be grains, metals, gas, electricity etc.

As Bangladesh Market has no organized Commodity exchange, UCB PLC does not have any exposure in the Commodity Price Risk.

1.7.0 Market Risk Mitigation Measurement

UCB PLC deals with the following mitigation tools and programs to control and mitigate its market risk at the operational level to which it is exposed.

Key Risk	Methodology Tools used	Mitigation Process	Measured In	Frequency
Market Sensitivity	VaR , Sensitivity, Interest Rate Risk, Duration Gap, Portfolio Analysis	MAT, Management Strategy, Stop Loss Cap, Counterparty Cap, Capital Allocation	MRMR, CRMR, Stress Testing, ICAAP	Monthly, Quarterly, Half yearly, Yearly
Regulatory Compliance	Investment Limit	MAT, Management Strategy, Capital Allocation	MRMR, CRMR, Risk Appetite	Monthly, Quarterly, Half yearly, Yearly
Concentration Risk	HHI,SEI,SI, Gini	Management Strategy	ICAAP,	Yearly

1.8.0 LIQUIDITY RISK

Liquidity Risk arises when bank may not meet its financial obligations/commitment as they become due. Liquidity risk also includes the inability of the bank to liquidate any assets at reasonable price in a timely manner. An investment may sometimes need to be sold quickly. An inactive secondary market may limit the funds that can be generated from the asset. Some assets are highly liquid and have low liquidity risk (stock of a publicly traded company), while other assets are highly illiquid and have high liquidity risk.

United Commercial Bank PLC. maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits to manage liquidity risk. The prime responsibility of the liquidity risk management of the bank rests with Treasury Division under the supervision of ALCO Committee, which maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of fund, options for reducing funding needs, present and anticipated asset quality, present and future earning capacity, present and planned capital position, etc.

1.8.01 Methods used to measure Liquidity risk

Liquidity measurement involves assessing all of a bank's cash inflows against its outflows to identify the potential for any net shortfalls including funding requirements for off balance sheet commitments.

An important aspect of measuring liquidity is making assumptions about future funding needs, both in the very short-term and for longer time periods. Another important factor is the critical role a bank's reputation plays in its ability to access funds readily and on reasonable terms. Several key liquidity risk indicators monitored on a regular basis to ensure healthy liquidity position are as follows:

- Cash Reserve Ratio (CRR)
- Statutory Liquidity Requirement (SLR)
- Advance to Deposit Ratio (ADR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)
- Structural Liquidity Profile (SLP)
- Maximum Cumulative Outflow (MCO)
- Volatile Liability Dependency Ratio
- Liquid Asset to Total Deposit Ratio
- Liquid Asset to Short Term Liabilities, etc.

1.8.02 Liquidity risk management system

The intensity and sophistication of liquidity risk management process depend on the nature, size and complexity of a bank's activities. Sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical to the viability of the bank.

The Asset Liability Committee (ALCO), which meets at least once in a month, is responsible for managing and controlling liquidity of the bank. Treasury Front Office closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly.

1.8.03 Policies and processes for mitigating liquidity risk

In order to develop comprehensive liquidity risk management framework, the bank has Board approved Contingency Funding Plan (CFP), a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. In this sense, a CFP is an extension of ongoing liquidity management and formalizes the objectives of liquidity management by ensuring:

a) Maintenance of a reasonable amount of liquid assets;

b) Measurement and projection of funding requirements; and

c) Management of access to funding sources.

CFP also provides directions for plausible actions in distress and emergency situations. In case of a sudden liquidity stress, it is important for the bank to be seemed organized and efficient to meet its obligations to the stakeholders.

Maturity ladder of cash inflows and outflows are an effective tool to determine the bank's cash position. A maturity ladder estimates a bank's cash inflows and outflows and thus net deficit or surplus (GAP) on a day to day basis and different buckets (e.g. call, 2-7 days, 1 month, 1-3 months, 3-12 months, 1-5 years, over 5 years).

1.9.0 Liquidity Risk Mitigation Measurement

UCB PLC uses the following monitoring tools and programs to mitigate its liquidity risk at operational level:

- Assets-Liability Management Guidelines
- Wholesale Borrowing and Funding Guidelines,
- Liquidity Contingency plan (LCP),
- Management Action Trigger (MAT)

UCB PLC maintained additional capital through the computation of capital charges against regulatory liquidity indicators.

Key Risk	Assessment Tool	Measured In	Frequency	Mitigation Process
Sensitivity	RSA, RSL, LCR, NSFR	Stress Testing, CRMR, ICAAP, ALCO Paper, MRMR	Monthly, Quarterly, Half Yearly, Yearly	Management Action Trigger, Escalation to Senior Management, ALCO, Capital Allocation
Liquidity Ratio	CRR, SLR, MCO, ADR	ALCO Paper, ICAAP, MRMR	Monthly, Quarterly, Half Yearly, Yearly	
Maturity Mismatch	Duration Gap, SLP	ALCO Paper, Stress Testing, ICAAP,MRMR,CRMR	Monthly, Quarterly, Half Yearly, Yearly	

1.10.0 OPERATIONAL RISK

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The responsibility of mitigating the operational risk of the Bank lies with Internal Control & Compliance Division under the guidance of Audit Committee of the Board. The audit committee delivers policies and directions from time to time to keep the operating efficiency of the Bank up to the mark.

It is the process by which an organization's resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization's resources. At the organizational level, internal control objectives relate to the reliability of financial reporting, timely feedback on the achievement of operational/strategic goals, and compliance with laws and regulations. At the specific transaction level, internal control refers to the actions taken to achieve a specific objective (e.g., how to ensure the organization's payments to third parties are for valid services rendered.) Internal control can provide reasonable, not absolute, assurance that the objectives of an organization will be met. Effective internal control implies the organization generates reliable financial reporting and substantially complies with the laws and regulations that apply to it.

Effective internal control leads an organization to be more sustainable. Ensuring efficiency and effectiveness in operational activities; reliability, completeness and timelines of financial disclosures and compliance with applicable laws & regulations, there is no alternative to effective internal control system.

Internal controls are typically embedded in bank's day-to-day business and are designed to ensure, to the extent possible, that bank activities are efficient and effective, information is reliable, timely and complete and the bank is compliant with applicable laws and regulation. Sound internal governance forms the foundation of an effective operational risk management framework.

Common international practice for sound operational risk governance often relies on three lines of defense – (i) business line management, (ii) an independent operational risk management function and (iii) an independent review. Depending on the bank's nature, size and complexity, and the risk profile of a bank's activities, the degree of formality of how these three lines of defense are implemented will vary. In all cases, however, a bank's operational risk governance function is integrated into the bank's overall risk management governance structure.

1.10.01 Measurement of Operational Risk

Bank used Basic Indicator Approach to measure Operational Risk. Under this approach, the capital charge for operational risk is a fixed percentage (denoted by alpha) of average positive annual gross income of the bank over the past three years. Figures for any year in which annual gross income is negative or zero, excluded from both the numerator and denominator when calculating the average.

2.10.2 Requirement of capital charges for operational risk

(BDT in Million)

Basis	Operational Risk	2022	2023	2024	Capital Charge
Solo	Gross Income	30,144.10	33,156.50	46,012.25	5,465.64
Consolidated	Gross Income	31,868.75	34,949.17	47,669.84	5,724.25

1.11.0 Operational risk mitigating measures

Some significant operational risks have low probabilities but potentiality considerable financial impact. UCB uses the following tools and programs to mitigate and control the operational risk at operational level:

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
No. of Complaint received from customers/through Bangladesh Bank, No. of complaint settled % of Complaint settled	Service Quality	CRMR, ICAAP	Half Yearly, Yearly	Management Action Trigger, Escalation to Senior Management, Capital Allocation
Total amount of cash in hand/vault of branches, ATMs, etc.	Insurance Coverage Status	CRMR	Half Yearly	
Control lapses in operational process	Operational, Risk Control Self-Assessment	ICAAP	Yearly	
Fraud & all other Operational Risks	Incident Reporting, Internal Audit, KRI, RCSA	Stress Testing, ICAAP	Monthly, Quarterly, Yearly	

1.12.0 Money Laundering Risk and Terrorist Financing Risk

Money Laundering Risk can be defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. The Bank has a designated Chief Compliance Officer at Corporate Office and Compliance Officers at branches, who independently review the transactions of the accounts to verify suspicious transactions.

The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem. UCB PLC considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. The Board of Directors and the Management are firmly committed to combat Money Laundering activities.

1.13.0 Internal Control and Compliance Risk

Over the last decade, the business world has faced unprecedented changes and challenges, resulting in a slew of compliance regulations. Banks of all sizes are now more concerned than ever about compliance risk management. New banking products, increased government scrutiny and intense focus on compliance requirements bring forth greater risks and a larger set of rules and regulations. Banks are forced to take a fresh look at their compliance practices and the technology infrastructure that supports them and to pursue a broad range of compliance and risk initiatives across the organization.

Internal Control is a process, effected by an entity's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievements of objectives. An essential element of an effective system of internal control is a strong control culture. It is the responsibility of the Board of directors and senior management to emphasize the importance of internal control through their actions and words. This includes the ethical values that management displays in their business dealings, both inside and outside the organization. The words, attitudes and actions of the board of directors and senior management affect the integrity, ethics and other aspects of the bank's control culture.

A system of effective controls is a critical component of bank management and a foundation for the safe and sound operation of banking organizations. A system of strong internal controls can help to ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability targets, sustainable growth and maintain reliable financial & managerial reporting. Such a system can also help to ensure that the bank will comply with laws and regulations as well as policies, plans, internal rules and procedures, and decrease the risk of unexpected losses or damage to the bank's reputation. An essential element of a strong internal control system is the recognition by all employees of the need to carry out their responsibilities effectively and to communicate to the appropriate level of management any problems in operations, instances of non-compliance with any code of conduct, or other policy violations or illegal actions that are noticed.

In this context, Bangladesh Bank issued new 'Guidelines on Internal Control & Compliance in Banks' on March 08, 2016 with an amendment on September 04, 2016. As per that guidelines, Audit activities should be independent and sovereign. It will act independently without internal influence of Management and Head of Audit will directly report to Audit Committee of the Board with an administrative reporting line to Head of ICCD. Board of Directors of the bank has already approved the Organogram of ICCD in light of Bangladesh Bank guidelines. UCB's internal audit is designed as an independent, objective assurance and consulting activity to add value and improve an organization's operations. This aims to accomplish organizational objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

1.13.1 Internal Control and Compliance Risk Mitigation Measurement:

To mitigate and control internal control and compliance risk at the operational level, UCB PLC created the following tools and programs.

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
No. of branches audited, major irregularities found and officers involved. whether it is placed to audit committee, action taken against the accused, No. of non-compliance	Internal Control and Compliance Status of Internal Audit Report, Risk Control Self-Assessment	CRMR, ICAAP	Half-yearly, Yearly	Presented to Senior Management and Risk Management Committee of the Board of Directors
No. of major irregularities found, compliant issues and non-compliant issues. Action taken for regularizing the non-compliant issues	Internal Control and Compliance Status of all inspection reports of Bangladesh Bank, Risk Control Self-Assessment	CRMR, ICAAP	Half Yearly, Yearly	

1.14.0 Information Technology Risk

Nowadays, Technology plays a key role for digital transformation, banking operation, delightful customer experience as well as services. Banks and other financial institutions have become more dependent on internet, computer and other electronic data to run their daily operations. Risks surrounding IT, such as network failure, lack of skills, hacking and viruses and poor system integration have the potential to have a negative impact on an organization. Rather, information and communication technology is changing over the time. The Bank has taken initiatives to serve its customers through the modern technology.

Clear policies and procedures have been formulated, training programs have been arranged, roles and responsibilities of all relevant officials have been defined with a view to maintain IT risk effectively. So, the Bank is in a place to manage the IT Risk efficiently taking a good number of initiatives, among many improvements in the Bank's IT infrastructure, the following items are mentioned:

- Core Banking Solutions has been implemented and optimized for all 231 Branches of the Bank
- Introduction of Real Time Gross Settlement (RTGS)
- Introduction of 24x7 Security Operation Center (SOC) and Cyber R&D Lab
- Introduction of Vulnerability Assessment and Penetration Testing (VA/PT) tools
- Robust Cybersecurity control and Monitoring through SIEM, PAM, SOAR, End Point Protection, WAF, Anti-DDOS, NGFW, etc.
- Certified with Industry Standard Certification (PCIDSS, ISO 27001, ISO 22301, SWIFT CSP, etc.
- Installation of National Identity Card (NID) Verification System

- Introduction of Revamped Digital On-boarding Solution UClick
- Anti-Skimming Solution installed at all ATMs
- Introduction of Call Centre Solution
- Optimization of SWIFT System has been done
- Introduction of Human Resource Management Information System (HRMIS) Solution
- 3G GSM MODEM installed to ensure seamless Branch Connectivity
- Introduction of Two Factor Authentication(2FA) Project (Verified by Visa and MasterCard 3D Secure)
- Introduction of Fraud Monitoring (FRM) and Incident Management (IDM)
- ICT Policies and Process Manuals have been aligned with the Bangladesh Bank Guidelines and instructions

1.15.0 Residual Risk

The Risk-Based Capital Adequacy (RBCA) framework and other supervisory regulations issued by Bangladesh Bank on credit risk management allow banks to offset credit or counterparty risk with collateral along with the legal and financial documents. While the bank uses different techniques to reduce its credit risk, improper application of these techniques may give rise to additional risks that may render the overall risk management less effective.

Accordingly, these additional risks (e.g. documentation risk, valuation risk) are termed "Residual Risk." Residual risk is a risk that arises mainly from the following situations:

1.15.1 Error in Documentation

The bank collects and preserves documents against credit to have legal protection in case of adverse events like default on loans.

1.15.2 Error in Valuation of Collateral

Bank maintained appropriate valuation of collateral (both physical and financial) and guarantees (bank guarantee and personal guarantee) against loans and advances and for mitigation of default probability.

1.15.3 Approach to managing residual risk

UCB PLC manages residual risk in the following approach:

- Establish a policy or plan for reducing documentation lapses and valuation errors.
- Create a Material Documents Checklist (Major, Moderate and Minor).
- Regularly monitor and control residual risk performance.
- Review the client-wise related audit reports and credit rating status of clients.

1.15.4 Residual Risk Mitigation Measurement

To mitigate and control residual risk at the operational level, UCB PLC employs the following tools and programs.

Key Risk	Tools and Programs	Measured In	Frequency	Mitigation Process
Credit Rating of Clients	Reason for Growth	CRMR, MCR	Half-yearly, Quarterly	Continuous follow-up, Capital Allocation
Documentation Lapses	Audit Report Review	ICAAP	Yearly	Continuous follow-up, Capital Allocation

1.16.0 Concentration Risk

Concentration risk arises when any bank invests most or all of its assets in single or few individuals, entities, sectors or instruments. That means when any bank fails to diversify its credit and investment portfolios, concentration risk emerges.

In the context of Pillar-2, concentration risk can be of the following two types

Credit Concentration Risk arises when the credit portfolio of the bank is concentrated on a few individuals, entities, or sectors.

Market Concentration Risk arises when the investment portfolio of the bank is concentrated on a few instruments, or any instrument of a few companies or any instrument of a few sectors.

1.16.1 Approach to Managing Concentration Risk

United Commercial Bank PLC. has developed an extraordinary approach to managing concentration risk. In this regard, the bank maintains the following major functions:

- Ensure compliance with and integrity of concentration risk policies and procedures.
- Track the sector-wise exposure, division-wise exposure, group-wise exposure, single borrower-wise exposure, and top borrower-wise exposure on a regular basis to assess credit concentration risk.
- Monitor the instrument-wise (financial securities) investment, sector-wise investment in listed instruments and currency-wise

investment of foreign exchange portfolio on regular basis to measure the market concentration risk.

- Randomly test all aspects of concentration risk management activities.

1.16.2 Concentration Risk Mitigation Measurement

United Commercial Bank PLC. uses the following tools and programs to mitigate and control the concentration risk at operational level.

Key Risk	Tools and Programs	Measured In	Frequency	Mitigation Process
Credit Concentration	HHI, Gini, SEI, SI	CRMR, ICAAP	Half-yearly, Yearly	Sectoral Credit Cap, Capital Allocation
Market Concentration	HHI, Gini, SEI, SI	ICAAP	Yearly	Market Risk Cap, Capital Allocation

1.17.0 Reputation Risk

Reputation Risk may arise from the possibility that negative publicity regarding the bank and its business practices, in the territory or elsewhere through related entities, whether accurate or not, will adversely impact the operations and position of the bank.

Reputational risk arises from the failure to meet stakeholders' reasonable expectations of an organization's performance and behavior. Reputational risk is a subset of operational risk that can adversely affect the capital base if the driving forces behind the risk turn worse.

1.17.1 Approach to Managing Reputational Risk

United Commercial Bank PLC. always remains vigilant and conscious about the following events to manage and control the reputational risk:

- Negative media report.
- Non-payment of cheques and accepted bills.
- Penalty imposed by the regulators
- Technological disruption.
- Violation of laws, regulations.
- Fake notes in the ATM machine.
- Insufficient fund in the ATM machine etc.

1.17.2 Reputational Risk Mitigation Measurement

United Commercial Bank PLC. utilizes the following tools and programs to mitigate and control the reputational risk at operational level

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
No. of negative media report published, Types of Report	Electronic and Print Media	CRMR	Half-yearly	Escalation to Senior Management and Risk Management Committee of the Board of Directors, Capital Allocation
No. of penalty imposed by the regulatory body, No. of case of violation of laws, regulations with amount	Letter of Regulatory Body, Review the Statement	CRMR	Half-yearly	
No. of non-payment cheques and accepted bills with amount	Review the Statement	CRMR, ICAAP	Half-yearly, Yearly	
Credit Rating Position of Bank (If falls below 2 of BB rating grade)	Credit Rating Report Conducted by ECAIs	ICAAP	Yearly	
No. of internal fraud and external fraud with total value in taka	Audit Report, Statement of Fraud and Forgeries	ICAAP	Yearly	
No. of ATM Machine where fund was Insufficient, No. of customer's complaint, Quality of customer service.	Customer's Complaint Documents, Customer Service Evaluation Statement	CRMR, ICAAP	Half-yearly, Yearly	

1.18.0 Strategic Risk

Strategic risk is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment, both internal and external.

1.18.1 Approach to managing strategic risk

United Commercial Bank PLC. manages strategic risk in the following way:

- Review the performance of senior management against set goals at least annually
- Monitor market changes and advancements in technology to determine new services or products.
- Establish a strategic policy or plan for management succession.
- Monitor and control the performance of outsourcing arrangements.
- Set compensation guidelines and methods for management and employees.
- Set a training plan and adequately budget for training

1.18.2 Strategical Risk Mitigation Measurement

United Commercial Bank PLC. uses the following tools and programs to mitigate and control the strategic risk at operational level.

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
CAMELS Rating Position of Bank (If falls below 2 of BB rating grade)	Letter of Regulatory Body	ICAAP	Yearly	Management Action Trigger, Escalation to Senior Management and Board of Directors, Capital Allocation
Operating expenses, Classified Loans and Advances ratio, Recovery of classified Loans, Written-off Loans, Interest waiver, Rescheduling of Loans and Advances that breach certain limit/times set by Bangladesh Bank	Review the different Statement	ICAAP	Yearly	

1.19.0 Settlement Risk

Settlement Risk arises when an executed transaction is not settled as the standard settlement system suggests or within predetermined method.

1.19.1 Approach to Managing Settlement Risk United Commercial Bank PLC. manages settlement risk in the following manner:

- Eliminate the delay between the two legs of a transaction.
- Reduce the number and size of payments requiring settlement.
- Establish a settlement policy or plan for management succession.

1.19.2 Settlement Risk Mitigation Measurement

United Commercial Bank PLC. uses the following tools and programs to mitigate and control the strategic risk at operational level.

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
Non-receiving or delayed receiving of receivable bills (foreign & domestic)	Review the different Statement	ICAAP	Yearly	Management Action Trigger, Escalation to Senior Management and Board of Directors, Capital Allocation

1.20.0 Environmental & Social Risk (ESR)

Environment and social risk encompasses the potential direct and/or indirect adverse impact on the bottom-line and financial position of a bank. Such risk emanates from:

- Environmental adverse scenario which includes, but not limited to, resource depletion, ecosystem degradation, biodiversity loss, carbon emission, pollution, contamination, waste generation, emissions, and overall carbon footprint) etc.

- Climate change which originates Physical risk and Transition risk.
- Social Adverse scenario which includes, but not limited to, human right violation, labour issue, community impact, land acquisition and settlement, social inequality and exclusion etc.

1.20.1 Approach to Managing Environmental & Social Risk

United Commercial Bank PLC. developed an effective approach to managing environmental and social risk. In this regard, the bank manages environmental and social risk in the following manner:

- Adopt a comprehensive environmental and social risk management policy.
- Implement Sector-wise Environmental and Social Due Diligence (ESDD) Checklist according to Bangladesh Bank directives.
- Make a positive contribution to environmental and social concerns by enacting policies.
- Recognize the balancing of non-financial factors such as environmental and social issues
- Protect the natural order upon which all life depends while lifting people out of poverty and advancing economic development.
- Train relevant employees to take responsibility for and implementation of these policies.
- Define the term "environment" to include both ecological aspects and related social aspects.
- Assess the environmental and social aspects of all investment applications.
- Prioritize and actively seek to finance projects with direct or indirect environmental benefits.

1.20.2 Environmental & Social Risk Mitigation Measurement

United Commercial Bank PLC. uses the following tools and programs to mitigate and control the strategic risk at operational level.

Key Risk	Tools and Programs	Measured in	Frequency	Mitigation Process
Environmental Risk Rating Position of Loans and Advances (If consider "High" rating grade)	Assess the Sectors specified as high risky in the related guidelines, ESDD Check List	Activities regarding Green Banking Report, ICAAP	Quarterly, Yearly	Escalation to Senior Management and Board of Directors, Capital Allocation

1.21.0 Other Material Risk

These are risks that are not directly covered by core risk guidelines of Bangladesh Bank, more precisely additional risk under pillar II of Basel III. The Risk Management Division is primarily responsible for assessing and developing controls for mitigating these risks. In order to do so, the Risk Management Division of the bank is performing various exercises like assessment of quality risk-weighted assets of the bank, stress testing to assess the sensitivity of the bank against adverse scenarios, additional capital (on top of MCR under Pillar-II) will be assessed using a model, namely the Internal Capital Adequacy Assessment Process (ICAAP), performing the capital reporting model, etc.

On top of that assessment, the bank's RMD reports these risks to ERMC and BRMC, which ultimately assists the bank in allocating adequate capital in accordance with Basel III requirements while also implementing active strategies to precisely manage all of the bank's potential and actual risks.

Disclosure of Risk Reporting

In the banking business, risk is inherent and needs to be minimized to achieve the organizational goal. Bangladesh Bank has identified six core risks for banks and issued policy guidelines for sound management of these core risks that are central to the functioning of risk management activities in the banking industry. As per Bangladesh Bank's directive as well the Bank for International Settlements (BIS) guidelines, United Commercial Bank PLC. formulates its own strategies to manage particular risks, i.e., credit risk, market risk, operational risk, liquidity risk, etc., and prepares risk management reports on a monthly, quarterly, half-yearly, and yearly basis.

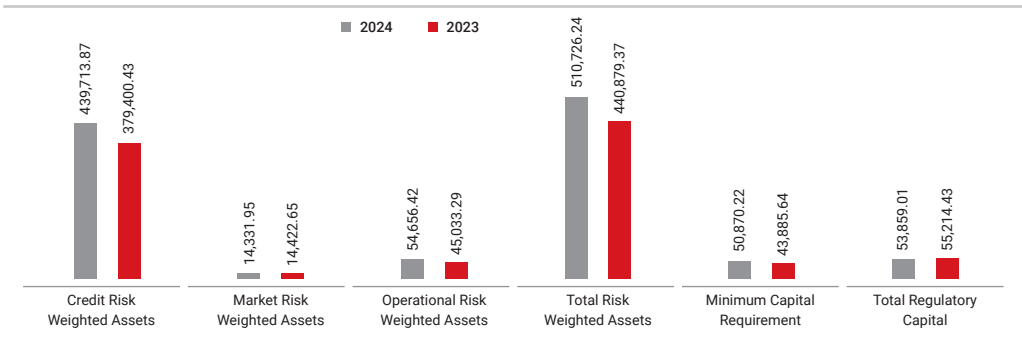
1.0 Risk Management Principles

United Commercial Bank PLC. is continuously following the international standards for managing risks as specified by the Bank for International Settlements (BIS) as well as the regulatory directives in its core principles of effective banking supervision.

2.0 Risk Profile & Risk Management Process

The risk profile of a bank is measured by the economic capital usage calculated for credit, market and operational risk. UCBPLC determines the overall risk positions by calculating total Risk Weighted Assets (RWAs) of credit, market and operational risk at each quarter end and allocated capital against them. The risk profile of UCB as measured by economic capital allocation by risk types is as follows:

Risk Types	2024	2023
Credit Risk Weighted Assets	439,713.87	379,400.43
Market Risk Weighted Assets	14,331.95	14,422.65
Operational Risk Weighted Assets	54,656.42	45,033.29
Total Risk-Weighted Assets	**508,702.24**	**438,856.38**
Minimum Capital Requirement	50,870.22	43,885.64
Total Regulatory Capital	**53,859.01**	**55,214.43**



Risk Profile: (RWA) (Solo Basis)

439,713.87	14,331.95	54,656.42
Credit Risk	Market Risk	Operational Risk

(BDT in Million)

As per the risk profile, credit risk was accounted for 86.44% of total Risk Weighted Assets (RWA) where the Market Risk and Operational Risk were 2.81% and 10.75% respectively at the end of December 2024.

3.0 Capital Adequacy: Implementation of Basel III

Capital adequacy is the measure of the financial strength and sustainability of a bank. A bank's capital is the "cushion" for potential losses that protects the bank's depositors or other borrowers. Thus, capital management is considered an integral part of the risk management of UCBPLC. The bank has a capital management process in place to measure, deploy and monitor its available capital as per the guidelines on Risk-Based Capital Adequacy Framework in line with the Basel III issued by Bangladesh Bank.

Capital to Risk Weighted Assets Ratio (CRAR) (Solo Basis)

Particulars	2024	2023
Total Regulatory Capital	53,859.01	55,214.43
Risk-Weighted Assets	**508,702.24**	438,856.38
CRAR	10.59%	12.58%

At the end of 2024 and 2023, Capital to Risk Weighted Assets Ratio (CRAR) of United Commercial Bank PLC. stood at 10.59% and 12.58% respectively which indicate that Bank is above the minimum required CRAR of 10.00% excluding capital conservation buffer on solo basis.

3.1 Minimum Capital Requirement (MCR) under Basel III (Pillar-1)

According to the Basel III road-map, the Minimum Capital Requirement (MCR) for the banks in Bangladesh is currently 10% of its total RWAs with the addition of a Capital Conservation Buffer of 2.50% of total RWAs from the year 2019.

BDT in Million

Particulars	2024	2023
Tier 1 Capital	36,171.85	39,148.52
Tier 2 Capital	17,687.16	16,065.90
Total Regulatory Capital	53,859.01	55,214.43
Minimum Capital Required @ 10% of RWAs	50,870.22	43,885.64
Excess /(Shortfall)	2,988.79	11,328.79
Buffer @ 2.50% of RWAs	12,717.56	10,971.40
Excess /(Shortfall) including Capital Conservation Buffer	(9,728.77)	357.39

At the end of 2024 and 2023, the total Regulatory Capital of United Commercial Bank PLC. was BDT. 53,859.01 million and BDT. 55,214.43 million respectively. The Bank has maintained BDT. 2,988.79 million and 11,328.79 million excess capital after deducting the minimum capital requirement (excluding buffer) of 10.00% of RWAs in 2024 and 2023 respectively.

3.2 Adequate Capital Requirement under ICAAP of Basel-III (Pillar-2)

The Supervisory Review Process (Pillar-II of Basel-III) of the risk-based capital adequacy framework aims to ensure that banks have sufficient capital in place to mitigate all risks. It encourages banks to take action in creating and making proper use of sophisticated risk management techniques in terms of monitoring and managing their risks. UCBPLC is maintaining an adequate level of capital each year as per Bangladesh Bank's SREP review and the bank has perfectly minimized the capital charge under residual risk year on year through rigorous oversight of bank's SRP team.

3.3 Market Disclosure: Pillar-3 of Basel-III

Market discipline has established transparency and discipline in the financial markets. Stakeholders can judge a bank's position with regard to assets held. It also allows them to take note of the risks relating to these assets and the adequacy of capital available to handle any likely losses. Thus, UCB PLC has created a

set of disclosure principles as per the guidelines of Bangladesh Bank which includes information on assets, risk exposure, risk assessment processes, and capital adequacy to meet risk. The disclosure has been reported in a separate section of this annual report.

4.0 Stress Testing Report

The underlying tool is used to assess the bank's vulnerability to unexpected but plausible changes in various related factors (e.g. increase in NPL, change in interest rate, fall in security value etc.). The impact of this model is expressed through the change in overall CRAR of the bank. The Central Bank has advised all banks to perform stress testing on a quarterly basis. The outcome of stress testing needs to be submitted to Bangladesh Bank upon review by senior management and the Board of Directors.

Stress Testing Result

Particulars	2024			2023		
	Minor	Moderate	Major	Minor	Moderate	Major
Performing loan directly downgraded to B/L: Sectoral Concentration. 1	-0.25	-0.75	-1.25	-0.30	-0.91	-1.53
Performing loan directly downgraded to B/L: Sectoral Concentration. 2	-0.13	-0.40	-0.66	-0.16	-0.48	-0.80
Increase in NPLs due to default of top large loan borrowers	-2.37	-7.06	-8.82	-2.04	-5.96	-7.10
Negative shift in NPLs categories	-0.99	-8.11	-9.49	-0.48	-1.36	-2.07
Decrease in the FSV of collateral	-0.54	-1.09	-2.21	-0.34	-0.68	-1.37
Increase in NPLs	-1.04	-3.68	-8.12	-1.26	-4.29	-9.38
Interest Rate	-0.20	-0.40	-0.59	-0.16	-0.33	-0.49
FEX: Currency Appreciation	-0.04	-0.08	-0.11	-0.03	-0.06	-0.10
Equity price	-0.09	-0.17	-0.34	-0.10	-0.20	-0.41

5.0 Credit Risk

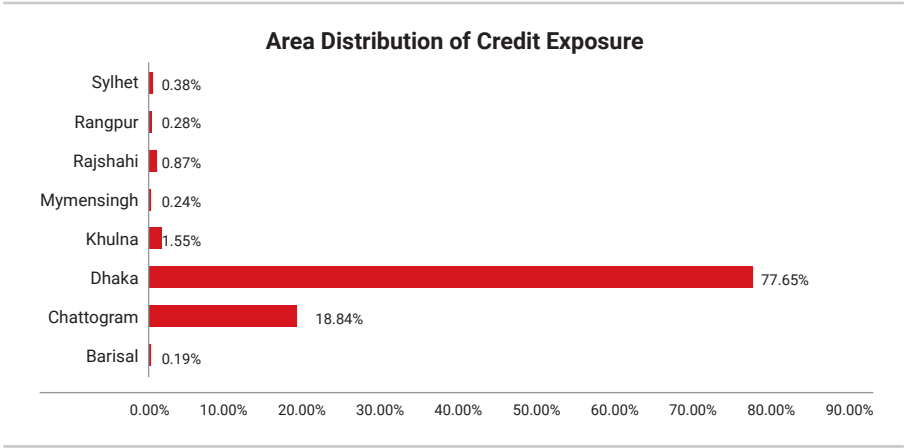
Credit risk arises from the potential that a bank's borrower will fail to meet its obligations in accordance with agreed terms and results in a negative effect on the profitability and capital of the bank. Measuring the credit risk of an entire bank is a complicated assessment, involving many quantitative and qualitative factors. In the context of UCBPLC, the most important factors of which are summarized below:

5.1 Credit concentration:

When the credit portfolio of a bank is concentrated on a few individuals or entities or sectors, credit concentration risk arises. Credit risk is increased by credit concentration like portfolio, geographic, sector, group concentration, funded and non-funded etc. To avoid concentration, the principle of credit diversification is followed as per the Risk Appetite Statement (RAS) and CRM policy guidelines.

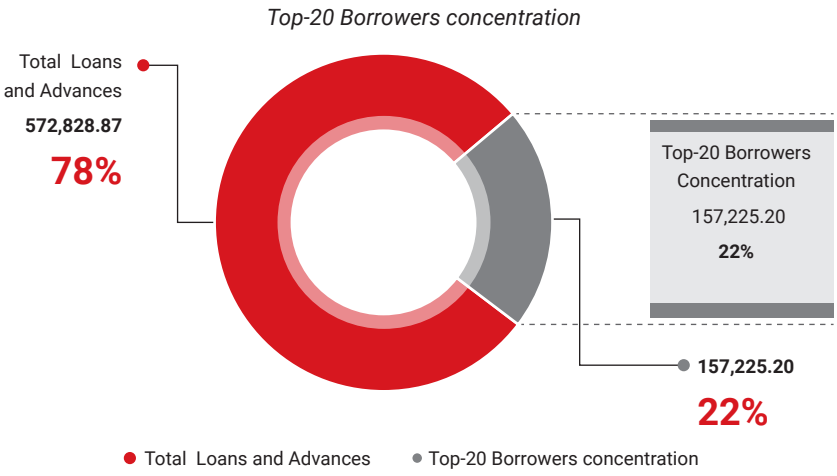
1. Area wise concentration

Division	BDT in Million	In %
Barisal	1,083.24	0.19%
Chattogram	107,935.70	18.84%
Dhaka	444,809.23	77.65%
Khulna	8,852.20	1.55%
Mymensingh	1,360.17	0.24%
Rajshahi	4,990.02	0.87%
Rangpur	1,630.30	0.28%
Sylhet	2,168.01	0.38%
Total	**572,828.87**	**100.00%**



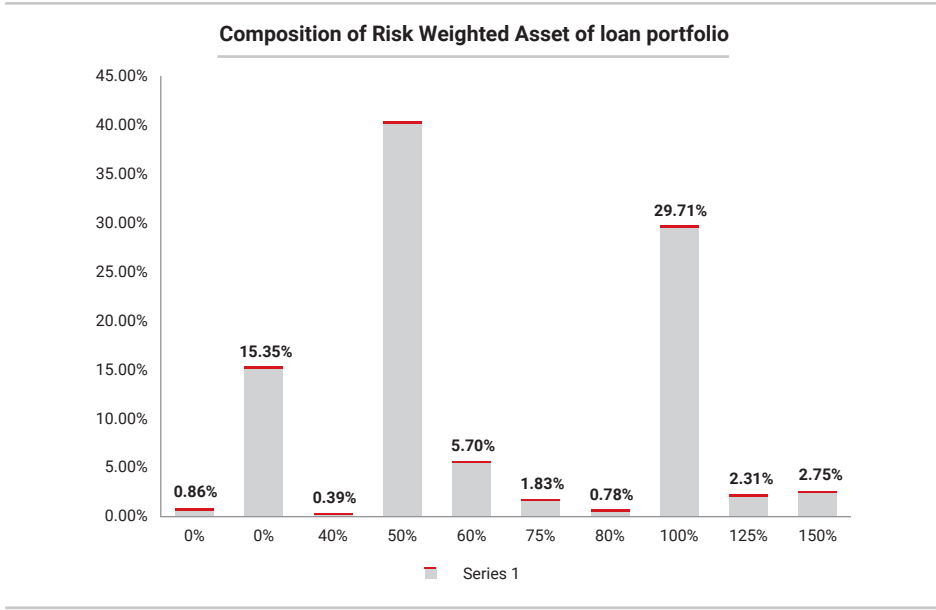
2. Top-20 Borrowers concentration

Particulars	BDT in Million
Total Loans and Advances	572,828.87
Top-20 Borrowers Concentration	157,225.20



3. Composition of RWA of loan portfolio

Category of Risk weight	BDT in Million	In %
0%	4,939.66	0.86
20%	87,929.56	15.35
40%	2,246.74	0.39
50%	230,966.41	40.32
60%	32,639.37	5.70
75%	10,497.57	1.83
80%	4,470.75	0.78
100%	170,182.73	29.71
125%	13,230.61	2.31
150%	15,725.45	2.75
Total	**572,828.87**	**100**



4. Industry-wise loan concentration

Types of Credit Exposure	BDT in Million	In %
Agriculture	8,159.00	1.42
Brick Field, Auto Bricks, Tiles	2,766.96	0.48
Cement Industries	18,132.83	3.17
Chemical & Chemical Products	25,502.43	4.45
Commercial Trade Financing	96,599.52	16.86
Construction (Other than Housing)	49,004.33	8.55
Diagnostic/Medical/Clinic	4,078.56	0.71
Educational Institute, Hotel, Restaurant	8,402.11	1.47
Electronics Media	318.90	0.06
Engineering, Basic Metal & Products	25,043.96	4.37
Food Products & Processing	31,240.17	5.45
Housing Industry	28,095.27	4.90
Jute Industries	231.08	0.04
Leather & Leather Products	1,627.02	0.28
Paper & Paper Products Industries	9,753.35	1.70
Power & Energy	21,199.26	3.70
RMG & Accessories	71,902.21	12.55
Ship Manufacturing	1,113.65	0.19
Ship Re-cycling	12,832.99	2.24
Telecommunication	3,005.75	0.52
Textile Industries	31,508.14	5.50
Transport & Communication	4,021.03	0.70
Wood & Wooden Products	2,367.34	0.41
Others	115,923.01	20.24
Total	**572,828.87**	**100**

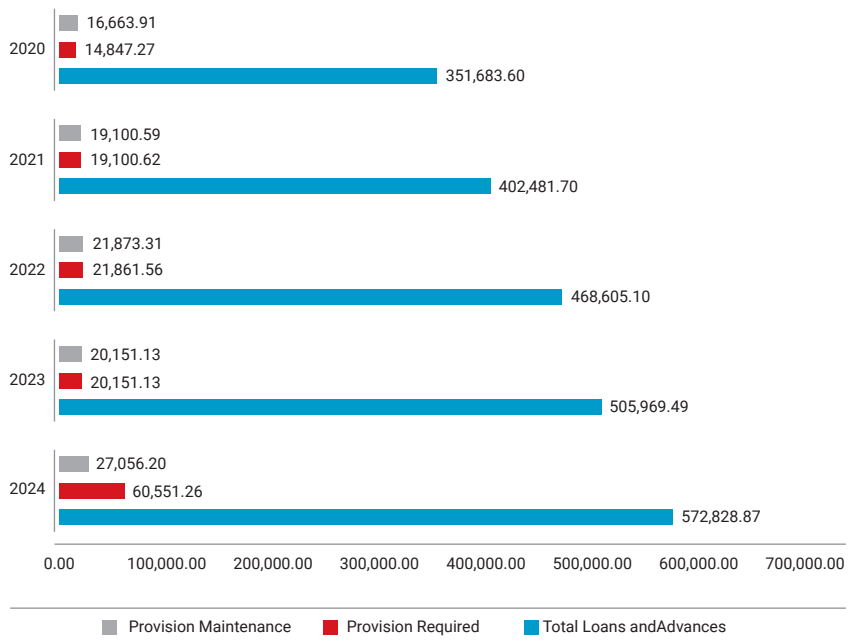
572,828.87	572,828.87
Total Risk weight BDT in Million	Total Credit Exposure BDT in Million
Composition of RWA of loan portfolio	***Industry-wise loan concentration***

5.2 Assets quality

The quality of assets is of paramount importance and how well the bank manage them to remain with high quality assets indicates the success of the bank. One of the major parameters of measuring bank's performance is the quality of assets. It draws attention to the quality of credit that provides earnings for the bank. This shows the stability of the bank when faced with particular risks. At the end of December, 2024, loans of UCB (including SMA) stood at 85.10% of total loans and advances, while NPL stood at 14.90%.

Composition of Loans and Advances

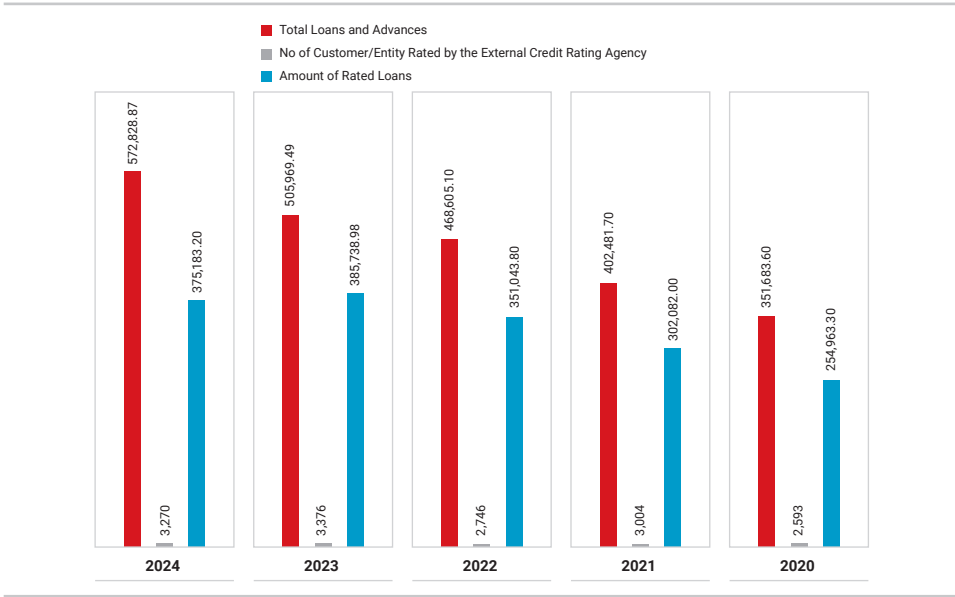
Particulars	2024	2023	2022	2021	2020
Total Loans and Advances	572,828.87	505,969.49	468,605.10	402,481.70	351,683.60
Provision Required	60,551.26	20,151.13	21,861.56	19,100.62	14,847.27
Provision Maintenance	27,056.20	20,151.13	21,873.31	19,100.59	16,663.91



5.3 Credit Rating of the borrowers

UCB PLC always gives emphasis to the client's credit rating. A good rating of the borrowers implies the identification of high-quality borrowers that improve the asset quality and also require less capital. According to Bangladesh Bank's Standardized Approach of Risk Based Capital Adequacy (RBCA) guidelines of Basel-III, the client's credit rating is the most important element for managing credit risks. The bank gives more attention to its branches to increase the number of rated-borrowers to reduce risk-weighted assets (RWAs). The rating growth is graphically presented here.

Particulars	2024	2023	2022	2021	2020
Total Loans and Advances	572,828.87	505,969.49	468,605.10	402,481.70	351,683.60
No of Customer/Entity Rated by the External Credit Rating Agency	3,270	3,376	2,746	3,004	2,593
Amount of Rated Loans	375,183.20	385,738.98	351,043.80	302,082.00	254,963.30



6.0 Market risk

Market risk is the risk that any changes in market prices, such as interest rates and capital market conditions, will affect the bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The major components of Market risk and the position of UCB are as follows:

6.1 Interest rate risk

United Commercial Bank PLC. computes an estimated change in the bank's net interest income (NII) given changes in interest rates. To evaluate the impact on earnings, interest rate sensitive liabilities (RSL) in each time bucket are subtracted from the corresponding Interest Rate Sensitive Assets (RSA) to produce a re-pricing "gap" for that time bucket.

BDT in Million

Particulars	2024	2023	Change
RSA ≤ 1 Year	449,819.15	363,158.25	18,025.26
RSL ≤ 1 Year	367,908.19	302,874.67	27,443.02
Net Gap	81,910.95	60,283.58	(9,417.76)
Impact on NII (Rate Change by @1%)	819.11	602.83	(94.18)

The probable impact on net interest income of UCBPLC at the end of December, 2024 was measured at BDT. 819.11 million, which was BDT. 602.83 million in 2023.

6.2 Equity price risk

United Commercial Bank PLC. uses the mark to market valuation method against a predetermined limit. From an accounting perspective, the cost or market value of a share, whichever is lower, should be considered. If the market value falls below the cost, the bank must keep a provision for unrealized losses.

UCB has maintained sufficient provisions against its investment in the share market for un-realized losses and the limit of capital market exposures is also maintained as per Bangladesh Bank instruction.

6.3 Foreign exchange risk

The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying commitments and other remittance requirements. The impact of Foreign Exchange transaction risk is identified by providing exchange rate shocks to the net open position of the bank.

BDT in Million

Particulars	2024	2023
Net Open Position Limit	7,213.80	6,483.80
Net Open Position	4,296.46	3,244.10
Net Open Position to Regulatory Capital	5.96%	5.88%

At the end of 2024, the bank's open position was BDT. 4,296.46 million against the FEX holding limit equivalent to BDT. 7,213.80 million as determined by Bangladesh Bank.

7.0 Liquidity risk

The bank's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or taking risk of damage to the bank's reputation.

Liquidity Risk Indicators (LRI)

Ratios	2024	2023
Cash Reserve Requirement (CRR)	4.87%	4.15%
Statutory Liquidity Requirement (SLR)	13.66%	15.78%
Advance to Deposit Ratio (ADR)	91.31%	86.57%
Liquidity Coverage Ratio (LCR)	118.72%	106.81%
Net Stable Funding Ratio (NSFR)	108.61%	118.77%

Typically, the bank ensures that it has sufficient cash and cash equivalents to meet expected operational expenses through the preparation of the cash flow forecast, which is prepared based on the time line of payment of the financial obligation and accordingly sufficient liquidity/fund is arranged to make the expected payment by the due date.

8.0 Operational risk

UCBPLC, through its Risk Management Division and Internal Control and Compliance Division, controls the operational procedures of the bank. The Internal Control and Compliance Division undertakes periodic and special audits of the branches and departments at the Corporate Office for review of the operation and compliance with statutory requirements.

Particulars	2024	2023
No. of Branches Audited	137	209
No. of Major Non Compliances	Nil	Nil
Whether it is placed to audit committee	N/A	N/A

9.0 Money Laundering Risk

The Bank complies meticulously with the Money Laundering Prevention (Amendment) Act, 2015, Anti-terrorism (Amendment) Act, 2013 and related circulars of BFIU, Bangladesh Bank to prevent money laundering and combating terrorism financing. A Central Compliance Committee (CCC) has been formed headed by an AML expert who is the Chief Anti Money Laundering Compliance Officer (CAMLCO).

BDT in Million

Particulars	CTR	STR
No. of Accounts	10125	347
Amount	410,400.10	9,720.40

10.0 Residual Risk

Residual risk is a risk that arises mainly out of errors in documentation and errors in valuation of collateral. The bank always tries to collect and maintain documentation appropriately and conduct valuation of collateral both physically and financially at market rates. The residual risk of the bank has been measured and reported in the ICAAP-2023 submitted to Bangladesh Bank in 2024, where the loans and advances of BDT. 5,516.60 million was assessed against residual risk. The base for capital charge was BDT. 4,667.80 million and an amount of 466.78 million in capital has been kept. The ICAAP Report-2024 will also be submitted in 2025 as per the time-frame of Bangladesh Bank, and the bank is expecting to withness a fall in the residual risk.

11.0 Concentration risk

Credit concentration risk arises when the credit portfolio of the bank is concentrated on a few individuals, entities, or sectors. As there are no unanimously agreed tools to measure the concentration risk, some indicators are applied, such as:

a) Herfindahl Hirschman Index (HHI),

b) Simpson's Equitability Index (SEI),

c) Shannon's Index (SI),

d) Gini Coefficients (GC)

The concentration risk of the bank has been measured and reported in the ICAAP-2023 submitted to Bangladesh Bank in 2024, where the capital charge was BDT. 438.86 million. The ICAAP Report-2024 will also be submitted in 2025, as per the time-frame of the Bangladesh Bank.

12.0 Reputation risk

Reputation risk may arise from the possibility that negative publicity regarding the bank and its business practices, in the territory or elsewhere through related entities, whether accurate or not, will adversely impact the operations and position of the bank. The reputational risk of the bank has been measured and reported in the ICAAP-2023 submitted to Bangladesh Bank in 2024, where 977.01 million capital was charged. ICAAP report-2024 will also be submitted in 2025, as per the time-frame of Bangladesh Bank.

13.0 Strategic risk

Strategic risk is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment, both internal and external. Strategic risk of the bank has been measured and reported to the ICAAP-2023 submitted to Bangladesh Bank in 2024, where BDT 2,250.40 million was charged and it was adjusted from the capital kept under Operational Risk in Pillar-1 (MCR) of Basel-III. As a result, no additional capital was required under the strategic risk of the bank. ICAAP Report-2024 will also be submitted in 2025, as per the time-frame of Bangladesh Bank.

14.0 Settlement risk

Settlement risk arises when an executed transaction is not settled as the standard settlement system suggests or within a predetermined method. The settlement risk of the bank has been measured and reported in the ICAAP-2023 submitted to Bangladesh Bank in 2024, where BTD 438.86 million capital was charged due to the outstanding amount of non-receiving and the payment amount was above 5% of the total loans and advances. The ICAAP Report-2024 will also be submitted in 2025, as per the time frame of Bangladesh Bank.

15.0 Environmental & Social risk

UCB has developed an effective approach to managing environmental & social risk. In this regard, the bank measured environmental & social risk and reported it in the ICAAP-2023 and submitted it to Bangladesh Bank in 2024, where BDT 25.78 million capital was charged. ICAAP Report -2024 will also be submitted in 2025 as per the time frame of Bangladesh Bank.

16.0 Other Material Risk

These are risks that are not directly covered by the core risk guidelines of Bangladesh Bank, and more precisely,

additional risks under pillar II of Basel III are measured under this risk. Other material risks have been reported in the ICAAP-2023 and submitted to Bangladesh Bank in 2024, where no capital was charged. ICAAP Report-2024 will also be submitted in 2025 as per the time frame of Bangladesh Bank.

17.0 Policy development

UCB PLC has made significant progress in transitioning to uniform central operations rather than silo operations based in customer touchpoints. As part of that, policy and operational procedure development and review remain a top priority of the Bank. In parallel to the development and review of direct risk-related policies and procedures, Risk Management Division has simultaneously focused on ensuring the development and review of cross-divisional policies and procedures. In reference to policy-related issues, the bank has developed/revised a number of policies for the year 2024 which are as follows:

Core Risk Management Policies:

- Risk Management Policy
- Credit Risk Management Policy
- ALM Risk Management Policy
- Foreign Exchange Risk Management Policy
- ICC Risk Management Policy
- AML Risk Management Policy
- ICT Risk Management Policy

Other Risk Management Policies:

- Risk Appetites Statement (RAS)
- Management Action Triggers (MAT)
- Methodology for Customer Services & Complaint Management
- Operational Risk Management Policies, etc.

18.0 Meeting & implementation of minutes

UCB PLC arranged meetings of different risk-related committees according to the direction of Bangladesh Bank. During 2024, the bank has arranged the meetings of ERMC, BRMC etc. and discussions on the risk management activities regarding their findings, observations, and recommendations relating to various issues of interest and concern.

19.0 Reporting & compliance

Aggregate measures of risk, across products and businesses, are used in compliance with policies, limits, and guidelines. They also provide a clear statement of the amounts, types, and sensitivities of the different risks in the bank's portfolios. Senior management and the Board use this information to comprehend the bank's risk profile as well as the performance of the portfolio. The bank submitted the following risk reports during the year 2024:

Sl.	Name of the Reports	Frequency	Submitted To
A	**Risk Management Reporting:**		
1	Monthly Risk Management Report (MRMR)	Monthly	ERMC/BRMC/BB
2	Minutes of the ERMC Meeting	Monthly	ERMC/BRMC/BB
3	Comprehensive Risk Management Report (CRMR)	Half Yearly	ERMC/BRMC/Board/BB
4	Risk Appetite Statements	Annually	ERMC/BRMC/Board/BB
5	Effectiveness of Risk Management Policies & Functions	Annually	BB
6	Recovery Plan for Bank	Annually	ERMC/BRMC/Board/BB
B	**Basel - III Reporting and Capital Management**		
1	Risk Based Capital Adequacy Reporting (Pillar-1)	Quarterly	ERMC/BRMC/Board/BB
2	ICAAP Report (Pillar-2)	Annually	ERMC/BRMC/Board/BB
3	Disclosure on Risk Based Capital: Market Discipline (Pillar-3)	Annually	BRMC/Board/BB
C	**Stress Testing Report**	Quarterly	ERMC/BRMC/Board/BB

20.0 Building risk culture & awareness

In 2024, the following risk management training was provided to bank officials both online and offline in order to raise risk management awareness and build a strong risk management culture across the bank.

Sl	Subject	No of courses	Total Participants
1	Asset Liability Risk Management	1	1
2	Credit Risk Management	5	85
3	Foreign Exchange Risk Management	5	205
4	ICC Risk Management	2	93
5	AML Risk Management	21	1479
6	ICT Risk Management	3	189
7	Comprehensive Risk Management	0	0
8	Basel Accord	1	1
9	Overview on Stress Testing	0	0
10	Others	213	10061
	Total	**251**	**12114**

21.0 Capital planning

A bank's capital planning is a dynamic, ongoing, and forward-looking mechanism to incorporate changes in a bank's strategic focus, risk tolerance levels, business plans, operating environment, or other factors that materially affect capital adequacy. Capital planning assists the bank's Board of Directors and senior management to:

- Identify risks, improve the bank's understanding of overall risks, set risk tolerance levels, and assess strategic choices in long-term planning.
- Identify vulnerabilities, i.e. concentrations, and assess their impact on capital.
- Integrate business strategy, risk management, capital and liquidity planning decisions.

In devising capital planning, both short-term and long-term capital needs have been considered, and the bank's overall strategy and business growth have been coordinated, usually with a forecast horizon of five years.

21.1 Raising Additional Tier 1 Capital

To strengthen the Tier-1 capital and also to keep the adequate capital base according to the Capital plan of the Bank, UCB PLC has issued Perpetual Bond of BDT. 4,000 million in the year 2021 and 2nd Perpetual Bond of BDT. 3,000 million in 2023.

21.2 Raising Tier 2 capital

UCB PLC is always keen to maintain a sufficient capital base to do business to supporting healthy growth of the business and ensure compliance with the Basel III capital accord in line with the Bangladesh Bank road-map. The bank's CRAR (Capital to Risk Weighted Assets Ratio) stood at 10.59% as of December 31, 2024 against the required capital including capital conservation buffer of 12.50%. To keep an adequate capital base, the bank issued subordinated bond after obtaining required approvals from the Bangladesh Securities and Exchange Commission and Bangladesh Bank.

Disclosures on Risk Based Capital (Basel III)

Preamble

To strengthen global capital and liquidity rules with the goal of promoting a more resilient banking sector, the Basel Committee on Banking Supervision (BCBS) issued "Basel-III: A global regulatory framework for more resilient banks and banking systems" in December 2010. The objective of the reforms was to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thereby reducing the risk of spillover from the financial sector to the real economy. Through its reform package, BCBS also aims to improve risk management and governance as well as strengthen banks' transparency and disclosures. The Basel Committee's comprehensive reform package also addressed the lessons of the economic and financial crisis, which began in 2007, by holding insufficient liquidity buffers and building up excessive on and off-balance sheet leverage that resulted in a gradual erosion of the level and quality of the capital base.

To comply with international best practices and to make the bank's capital shock absorbent, Bangladesh Bank issued "Guidelines on Risk Based Capital Adequacy" (Revised Regulatory Capital Framework for Banks in Line with Basel-III) in December 2014 with the instructions to maintain the minimum capital requirement under pillar 1, an additional capital requirement under pillar 2 and a market disclosure requirement under pillar 3. United Commercial Bank PLC (UCBPLC) has given special attention to implement Basel-III inside the Bank. As per Bangladesh Bank guidelines, UCB PLC has formed "Basel Implementation Unit (BIU)" which is under the supervision of a supervisory committee and includes senior management of the Bank. UCB PLC has an exclusive body named the Supervisory Review Process (SRP) team constituted by the concerned departmental heads and headed by the Managing Director & CEO of the Bank.

Purpose

As part of Basel-III compliance, Market Discipline (pillar 3) is formulated with a view to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets.

Disclosure Framework

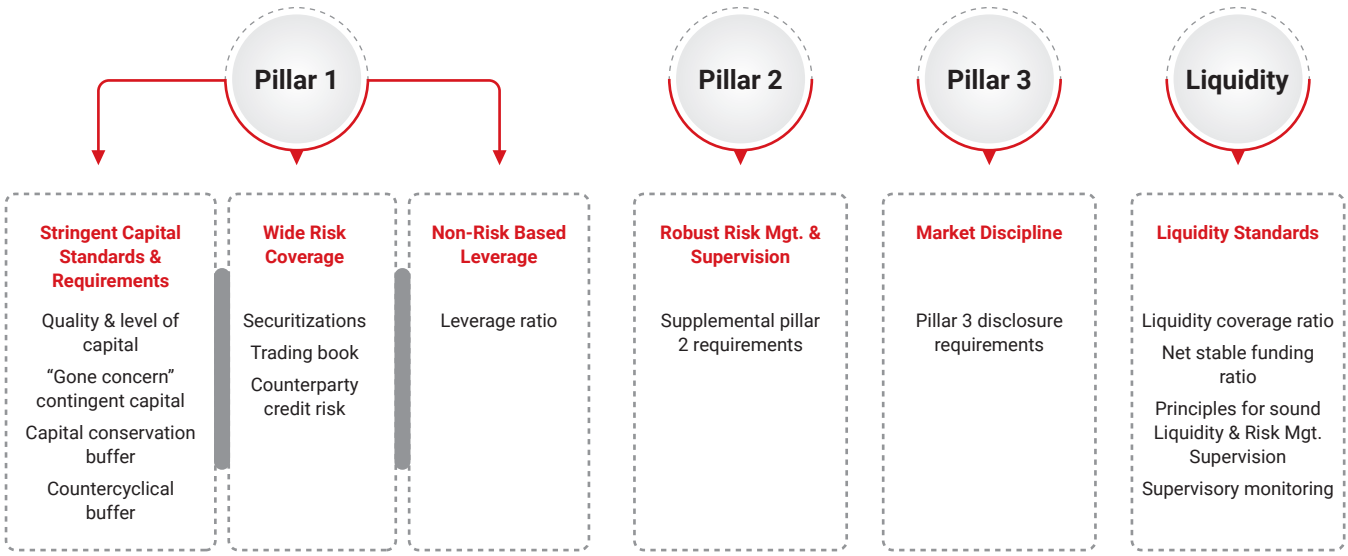
United Commercial Bank PLC has adopted the Basel-III framework as part of its capital management strategy in line with the revised Guidelines of Bangladesh Bank and also developed a set of formal disclosure frameworks approved by the Board of Directors of the Bank which includes the 'Qualitative and Quantitative Disclosures' containing the components of Scope of Application, Capital Structure, Capital Adequacy, Credit Risk, Equities: Disclosures for Banking Book Positions, Interest Rate Risk in the Banking Book (IRRBB), Market Risk, Operational Risk, Liquidity Ratio, Leverage Ratio and Remuneration of the Bank.

Consistency and Validation

The quantitative disclosures are made on the basis of audited financial statements of UCB PLC and its subsidiaries as at and for the year ended 31 December 2024. Those are prepared under relevant International Accounting and Financial Reporting Standards and related circulars/instructions issued by Bangladesh Bank from time to time. The assets, liabilities, revenues and expenses of the subsidiaries are combined with those of the parent company (UCB PLC), eliminating intercompany transactions. Assets of the subsidiaries are risk weighted and equities of subsidiaries are crossed out with the investment of UCB PLC while consolidating. So, information presented in the 'Quantitative Disclosures' section can easily be verified and validated with corresponding information presented in the consolidated and separate audited

financial statements of UCB. The report is prepared once a year and is available on the website of the bank (www.ucb.com.bd).

It may be befitting if a brief discussion on the prevailing 3rd edition of Basel (Basel III) regulation precedes the intended disclosure for a better grasp of the matter by the stakeholders. The Basel III regime, like the 2nd edition, is also composed of three-mutually reinforcing pillars or fundamentals i.e. Minimum Capital Requirement, Supervisory Review Process and Market Discipline but at an enhanced level to cope up with the ever evolving threats present in the financial market. Moreover, it introduces a non-risk based Leverage Ratio and a global standard Liquidity Ratio. All the attributes of the regulation may be viewed at a glance in the following diagram:



UCB PLC Approaches to the three Pillars and the Liquidity Standards

Pillar-1: Credit Risk, Market Risk & Operational Risk are considered under this Pillar for maintenance of the level of capital. Among the three approaches available to measure the Credit Risk, UCB employs 'Standardized Approach'. The same approach has been used for Market Risk measurement. As for Operational Risk, Basic Indicator Approach is followed. UCB is also maintaining the non-risk based Leverage Ratio at a healthy level.

Pillar-2: All other risks as well as the entire Risk Management framework from both the internal and external (Supervisory) perspective are covered under this pillar. UCB has developed a comprehensive ICAAP (Internal Capital Adequacy Assessment Process) manual/module to capture the risks minutely. The regular SRP-SREP interaction ensures compliance to the Pillar-2 regulations.

Pillar-3: This pillar ensures necessary disclosures intended for market participants to assess key information about the Bank's exposure to various risks and to provide a consistent and understandable disclosure framework for easy comparison among the banks operating in the market under the banner of Market Discipline.

Liquidity Standards: UCB PLC has successfully adopted and is maintaining the standards set for the two key Liquidity Ratios; the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR).

Key information regarding capital position at a glance: (Solo basis)

Key Items	Particulars	2024	2023
Risk Weighted Assets (RWAs)	Credit Risk	439,713.87	379,400.43
	Market Risk	14,331.95	14,422.65
	Operational Risk	54,656.42	45,033.29
	Total RWAs	**508,702.24**	**438,856.38**
Capital	CET 1 Capital	30,471.85	33,748.52

Key Items	Particulars	2024	2023
	AT 1 Capital	5,700.00	5,400.00
	Tier 1 Capital	**36,171.85**	**39,148.52**
	Tier 2 Capital	17,687.16	16,065.90
	Total Regulatory Capital	**53,859.01**	**55,214.43**
Minimum Capital Requirement (MCR)	MCR @10%	50,870.22	43,885.64
Surplus/ Shortfall of Capital	MCR	2,988.79	11,328.79
Leverage	Exposures	850,149.60	794,577.33
	Leverage (%)	4.25%	4.93%

1. Scope of Application

The disclosure made in the following sections has addressed UCB as a single entity (Solo Basis) as well as a consolidated entity (Consolidated Basis), the scope of which is as under:

- 'Solo' disclosure refers to only the affairs of the Bank but considering the Off-shore Banking Unit and Islamic Banking as an integral part.
- On the other hand, 'Consolidated' disclosure incorporates the affairs of its subsidiaries with the Bank. The consolidated disclosure of UCB PLC is composed of the affairs of UCB PLC and its five subsidiaries, namely:
  1. United Commercial Bank PLC.
  2. UCB Stock Brokerage Limited
  3. UCB Investment Limited
  4. UCB Asset Management Limited
  5. UCB Fintech Limited
  6. UCB Exchange (SG) PTE Ltd

A brief description of the Bank and its subsidiaries is given below:

➢ **United Commercial Bank PLC.**

United Commercial Bank PLC ("UCB PLC" or "the Bank") was incorporated in Bangladesh as a public limited company on 26 June 1983 under the Companies Act 1913. The Bank obtained approval from Bangladesh Bank to commence operations on 13 November 1983.

As of 31 December 2024, UCB PLC operates:

- 231 branches (2023: 228), including one Islamic Banking branch that adheres to Islamic Shariah principles.
- 50 Islamic Banking windows within conventional branches, providing Islamic Banking services in compliance with Shariah principles.
- 177 sub-branches (2023: 152).
- 716 ATMs/CRMs (2023: 672).
- 855 agent banking outlets (2023: 850).

UCB PLC is a publicly traded company listed on the Dhaka Stock Exchange (DSE) Limited and the Chittagong Stock Exchange (CSE) Limited. The Bank's Head office is located at: Plot – CWS-(A)-1, Gulshan Avenue, Dhaka – 1212, Bangladesh.

- **Off-shore Banking Unit (OBU)**

The Offshore Banking Unit (OBU) operates as an independent business division of UCB PLC under the regulatory framework set by Bangladesh Bank, as outlined in:

- BRPD Circular No. 02, dated 25 February 2019.
- FE Circular Letter No. 01, dated 18 March 2024.
- Additional regulatory directives and guidelines.

The Bank received approval to establish its Offshore Banking Unit through Letter No. BRPD (P-3) 744 (117)/2010-2577, issued on 9 June 2010, and officially commenced operations on 10 November 2010.

Currently, UCB PLC operates a single Offshore Banking Unit in Dhaka, which provides a comprehensive suite of foreign currency-based commercial banking services, ensuring full compliance with Bangladesh Bank regulations. The financial statements of the OBU are presented separately, maintaining transparency and regulatory adherence.

Islamic Banking

United Commercial Bank PLC received formal approval from Bangladesh Bank to commence Islamic Banking operations through Letter No. BRPD (P-3) 745 (17)/2020-1453, dated 6 February 2020.

The Bank currently operates through 50 Islamic Banking windows and a dedicated Islamic Banking branch, offering a comprehensive range of Shari'ah-compliant financial solutions tailored for retail, SME, and corporate clients.

UCB PLC extends Islamic financing facilities under various Shari'ah-compliant modes, including:

- Murabaha (cost-plus financing)
- Bai-Salam (advance purchase financing)
- Musharaka (profit-and-loss sharing partnership)
- Hire Purchase Under Shirkatul Melk (HPSM) (lease-purchase)
- Other approved Shari'ah modes

Additionally, the Bank mobilizes deposits through Shari'ah-compliant instruments, such as:

- Al-Wadiah (Current Accounts)
- Mudaraba (Savings, Short Notice Deposits, Term Deposits, and Recurring Deposits)

The financial statements for Islamic Banking operations are presented separately, ensuring transparency and compliance with regulatory requirements.

Agent Banking

UCB PLC received approval from Bangladesh Bank on 7 February 2017, through Letter No. BRPD (P-3) 745(17)/2017-677, to commence Agent Banking operations. Commercial operations officially began on 1 February 2018.

As of 31 December 2024, UCB PLC has established 855 agent outlets across Bangladesh, securing the 5th position in the industry based on the number of agent outlets.

Key highlights

- A strong, granular deposit portfolio of BDT 1,154 crore, sourced from grassroots-level banking.
- 245,000 accounts acquired, representing approximately 10% of the Bank's total accounts.

Core Services Provided

- Account opening
- Cash deposit and withdrawal
- Inward foreign remittance disbursement
- Utility bill collection
- Fund transfers via RTGS and BEFTN
- Salary disbursement
- Bank statement issuance
- Loan sourcing & repayment collection (SOD, SME, and Agricultural loans)
- Credit card application processing
- Balance inquiries, internet & SMS banking
- School fee collection
- Bangla QR merchant acquisition

Innovations & Technological Advancements

UCB PLC's Agent Banking platform has introduced several cutting-edge features to enhance accessibility and customer convenience, including:

- Fully digital, paperless onboarding using e-KYC.
- Bangla QR code onboarding through agents.
- Branch-led business model to enhance customer engagement.
- "UPAY"-collaborated business initiatives, promoting digital financial inclusion.

These innovations underscore UCB PLC's commitment to financial inclusion and delivering modern, accessible banking solutions across Bangladesh.

Subsidiaries of United Commercial Bank PLC.

- A subsidiary is an entity over which UCB exercises control through its shareholding and voting rights. Control is established when the Bank holds more than **50%** of a company's shares or has the power to govern its financial and operational policies.
- As per International Accounting Standard (IAS) 27 ("Separate Financial Statements") and International Financial Reporting Standard (IFRS) 10 ("Consolidated Financial Statements"), UCB PLC prepares both Solo Financial Statements and Consolidated Financial Statements.
- The non-controlling interest (NCI), representing minority shareholders' stake, includes share capital and profits attributable to minority shareholders. Intergroup transactions, balances, and unrealized profits/losses are eliminated in consolidation.

- **UCB Stock Brokerage Limited**

UCB Stock Brokerage Limited was restructured on 22 November 2020 from UCB Capital Management Limited (DSE TREC No. 181, CSE TREC No. 015).

Company Background

- Incorporated on 20 November 2007 as UCB Capital Management Limited.
- Commenced operations on 19 June 2013.
- Operates under licenses from Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- Registered with Bangladesh Securities and Exchange Commission (BSEC) as a Stock Dealer.

Core Activities

- Brokerage services
- Margin loan facilities
- Stock trading and investment management

UCB PLC holds 24,999,999 shares of UCB Stock Brokerage Limited (Face Value: Tk. 100 each), equivalent to 99.99% ownership.

- **UCB Investment Limited**

Incorporated on 3 August 2011, UCB Investment Limited is a private limited company operating under the Companies Act 1994.

- Registered with RJSC (C-94654/11).
- Obtained Merchant Banking License (MB-97/2020) from BSEC on 5 October 2020.
- Provides portfolio management, underwriting, fund management, and capital market advisory services.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

- **UCB Asset Management Limited**
  - Incorporated on 5 February 2019 under the Companies Act 1994.
  - Registered with RJSC.
  - Licensed as an Asset Management Company (BSEC/Asset Manager/2020/46) on 3 February 2020.
  - Manages investment portfolios, mutual funds, and institutional asset management.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

- **UCB Fintech Limited**
  - Incorporated on 30 July 2020 under the Companies Act 1994.
  - Offers mobile financial services, including:
    - Cash-in, cash-out, and money transfers
    - Utility bill payments
    - E-commerce & in-store payments
    - Remittance services
    - G2P & P2G transactions

UCB PLC holds 499,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

- **UCB Exchange (SG) PTE Ltd**

UCB Exchange (SG) PTE Ltd, a wholly owned subsidiary of United Commercial Bank PLC, was incorporated in Singapore on January 25, 2023, as a private limited company under t**he Companies Act 1967** in Singapore. It operates under the **Unique Entity Number (UEN): 202302830G**. Following its incorporation, UCB Exchange applied for a **remittance license** from the **Monetary Authority of Singapore (MAS)**, which is currently under process.

The company's primary objective is to engage in **remittance services** and conduct transactions, activities, and operations typically associated with **remittance and exchange houses**. UCB PLC holds **1,000 shares** of UCB Exchange (SG) PTE Ltd, each with a face value of **1 Singapore Dollar (SGD 1.00)**, representing **100% ownership** of the company.

2. Capital Structure

Qualitative Disclosures

Capital serves as a buffer to absorb unexpected losses as well as to fund ongoing activities of the bank. It can be defined as "the buffer storage of cash and safe assets that banks hold and to which they need access in order to protect creditors in case the bank's assets are liquidated". The bank's capital ratio is a measure of its financial health. Capital is the funds – traditionally a mix of equity and debt – that banks have to hold in reserve to support their business.

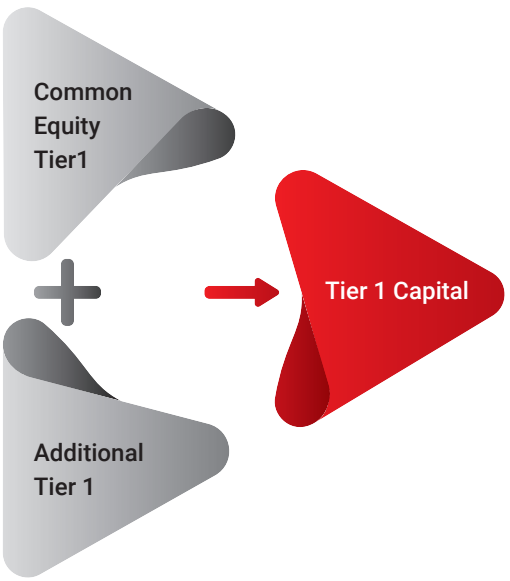
The capital structure of the Bank is categorized into two tiers – Tier I and Tier II capital; as per the Risk Based Capital Adequacy guidelines (December 2014) of Bangladesh Bank. The components of the total regulatory capital are enumerated as under:

1. Tier 1 Capital (going-concern capital)

a) Common Equity Tier 1

b) Additional Tier 1

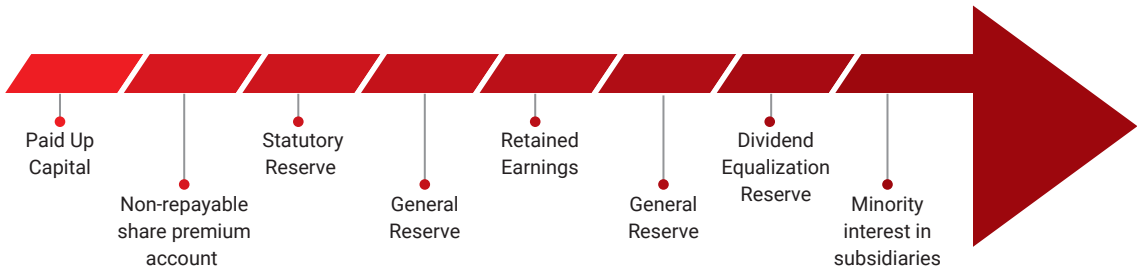
2. Tier 2 Capital (gone-concern capital)



Tier 1 Capital: (Going-Concern Capital)

Going-concern capital is the capital which can absorb losses without triggering bankruptcy of the bank. Thereby, Tier 1 capital is the core measure of a bank's financial strength from a regulator's point of view.

Tier 1 Capital is comprised of Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1). The components of Common Equity Tier 1 (CET1) capital is given below:



Additional Tier 1 (AT1) capital consists of the following items:

a) Non- cumulative Irredeemable Preference Shares

b) Instruments issued by the banks that meet the qualifying criteria for AT1 (The instrument is perpetual i.e. there is no maturity date)

c) Minority Interest, i.e. AT1 issued by consolidated subsidiaries to third parties

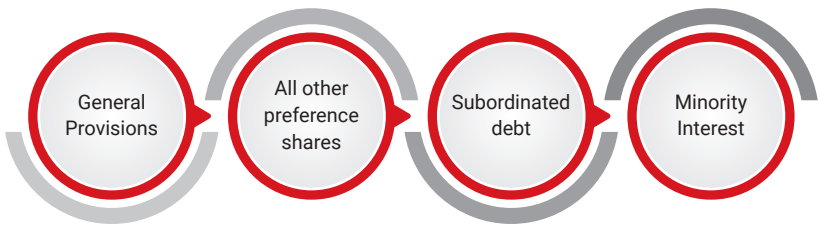
Perpetual Bond

After global economic turmoil in 2010, the global financial regulators are more concerned to enhance risk resilience capacity of the banks and introduced more risk sensitive capital adequacy framework namely Basel III. With a view to strengthening capital base of the bank and subsequently to meet up the capital adequacy ratio as per Bangladesh Bank's instruction in line with BASEL-III Accord, UCB PLC got permission to issue Perpetual Bond, as per Bangladesh Bank Banking Regulation and Policy Department (BRPD) letter no. BRPD(BFIS)/661/14B(P)/2020/9990 dated November 23, 2020 & letter No. BRPD(BFIS)/661/14B(P)/2021/33 dated January 31, 2021 and subsequent Bangladesh Securities and Exchange Commission (BSEC) letter no. BSEC/CI/DS-130/PB/2020/294 dated December 14, 2020 & letter No. BSEC/CI/DS-130/2020/318 dated January 27,2021. UCB PLC has an amount of BDT 5,700.00 million vide perpetual Bond under Additional Tier - I capital as of December 31, 2024

Tier 2 Capital: (Gone-Concern Capital)

Gone-concern capital is the capital which will absorb losses only in a situation of liquidation of the bank. Gone-concern capital also called Tier 2 capital. Gone-concern capital represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank.

Tier 2 capital consists of the following items:



As per the guidelines of Bangladesh Bank, Tier-1 Capital of UCB comprises (i) Fully Paid-up Capital, (ii) Non-repayable Share Premium Account, (iii) Statutory Reserve, (iv) General Reserve, (v) Retained Earnings and (vi) Perpetual Bond.

And Tier-2 Capital comprises of (i) General Provision, (ii) Subordinated debt/subordinated bond as approved by Bangladesh Bank etc.

Quantitative Disclosures

The amount of Regulatory capital of the Bank as on December 31, 2024 is stated below;

BDT in Million

Sl.	Particulars	Solo	Consolidated
1.0	**Tier-1 (Going-Concern Capital)**		
1.1	**Common Equity Tier 1 (CET1)**		
1.1.1	Paid-up Capital	15,503.76	15,503.76
1.1.2	Non-repayable Share premium account	1,454.98	1,454.98
1.1.3	Statutory Reserve	15,730.18	15,828.74
1.1.4	General Reserve	26.58	26.58
1.1.5	Retained Earnings	6,307.66	4,415.53
1.1.6	Dividend Equalization Reserve	0.00	0.00
1.1.7	Minority Interest in subsidiaries	0.00	0.00
	Sub-Total:	**39,023.16**	**37,229.58**
1.1.8	**Regulatory Adjustments:**	**8,551.31**	**8,558.36**
1.1.8.1	Goodwill and all other Intangible Assets	248.50	253.48
1.1.8.2	Deferred Tax Assets (DTA) @ 95%	8,302.81	8,304.88
1.1.8.3	Reciprocal crossholdings	0.00	
	0.00		
1.1.8.3	Others	0.00	0.00
	Sub-Total:	**30,471.85**	**28,671.22**
1.2	Additional Tier 1 (AT1)		
1.2.1	Non- cumulative Irredeemable Preference Shares	0.00	0.00
1.2.2	Instruments (Perpetual Bond)	5,700.00	5,700.00
1.2.3	**Minority Interest; i.e., AT1 issued by consolidated subsidiaries**	**0.00**	**0.00**
	Sub-Total:	**5,700.00**	**5,700.00**
1.3	**Total Tier 1 Capital**	**36,171.85**	**34,371.22**
2.0	Tier-2 (Gone-Concern Capital)		
2.1	General Provision	7,284.36	7,353.35
2.2	Subordinated debt	10,402.80	10,402.80
	Sub-Total:	**17,687.16**	**17,756.15**
2.4	**Regulatory Adjustments:**	**00.00**	**00.00**
2.4.1	Reciprocal crossholdings in the T-2 Capital Banking Financial and Insurance Entities	00.00	00.00
2.4.2	Others	0.00	0.00
2.5	**Total Tier 2 Capital**	**17,687.16**	**17,756.15**
3.0	**Total Regulatory Capital (Sl. 1.3+2.5)**	**53,859.01**	**52,127.37**

Note: As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated April 27, 2025, shortfall in provision for loans and advances is BDT 3,349.51 crore. As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise the financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore out of which the shortfall in provisions regarding the loans and advances is BDT 3,349.51 crore.

3. Capital Adequacy

Methodology of Capital Adequacy Determination

The Bank has computed the Capital Adequacy Ratio adopting the following approaches;

a. Standardized Approach for Credit Risk to compute Capital Adequacy under Basel III, using the following methods recommended by Bangladesh Bank:
   - Accepting the credit rating agencies as external credit assessment institutions (ECAI) for claims on Corporate & eligible SME Customers;
   - Accepting Credit Risk Mitigation (CRM) against the financial securities.

b. Standardized (Rule Based) Approach for Market Risk; and

c. Basic Indicator Approach for Operational Risk.

Assessment of the Adequacy of Capital: For assessing Capital Adequacy, the Bank has adopted Standardized Approach for Credit Risk measurement, standardized (Rule Based) Approach for Market Risk measurement and Basic Indicator Approach for Operational Risk measurement.

The Bank focuses on strengthening risk management and control environment rather than increasing capital to cover up weak risk management and control practices. UCB has been generating most of its incremental capital from retention of profit (stock dividend and statutory reserve transfer etc.) and issuance of Perpetual and Subordinated Bond to support incremental growth of Risk Weighted Assets (RWA). Risk Management Division (RMD) under the guidance of the Board of Directors/Risk Management Committee of the Board of Directors, the SRP Team/Executive Risk Management Committee and Basel implementation Unit of the Bank is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to.

The Minimum Capital Requirement and Capital to Risk-weighted Asset Ratio (CRAR) of the Bank as on December 31, 2024 are as under:

BDT in Million

Particulars	Solo	Consolidated
Capital requirement for Credit Risk	43,971.39	43,877.61
Capital requirement for Market Risk	1,433.20	1,636.68
Capital requirement for Operational Risk	5,465.64	5,724.25
Total Capital Requirement under Pillar-I	50,870.22	51,238.54
Capital to Risk-weighted Asset Ratio (CRAR)	10.59%	10.17%
Common Equity Tier 1 Capital to Risk-weighted Asset Ratio	5.99%	5.60%
Tier 1 Capital to Risk-weighted Asset Ratio	7.11%	6.71%
Tier 2 Capital to Risk-weighted Asset Ratio	3.39%	3.47%
Percentage of Capital Conservation Buffer	0.59%	0.17%

4. Credit Risk

Qualitative Disclosures

General Disclosure:

The possibility of incurring loss due to inability of a borrower or counterparty to honor its obligations or fulfilling their commitment in accordance with the agreed terms and conditions is termed as credit risk. In other words, it is the loss associated with degradation in the credit quality of borrowers or counterparties. In a Bank's portfolio, losses stem from outright default due to the inability or unwillingness of the customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. Alternatively, losses result from reduction in portfolio value arising from actual or perceived deterioration in credit quality. Credit risk emanates from a bank's on and off-balance sheet dealings with an individual, firm, company, corporate entity, bank, financial institution or a sovereign.

Credit risk management has been independent of origination of business functions to establish better control and to reduce conflicts of interest. The Head of Credit Risk Management (HoCRM) has well defined responsibility for management of credit risk. Final authority and responsibility for all activities that expose the bank to credit risk rests with the Board of Directors. The Board however delegated authority to the Managing Director and CEO or other

executives/officers of the credit risk management division.

The Board of Directors (BoD) sets credit policies and delegates authority to the management for setting procedures, which together has structured the credit risk management framework in the bank. The Credit Policy Manual contains the core principles for identifying, measuring, approving, and managing credit risk in the bank and is designed to meet the organizational requirements that exist today as well as to provide flexibility for future. These policies represent the minimum standards for credit extension by the bank, and are not a substitute of experience and good judgment.

Definitions of past due and impaired credit

To define past due and impairment through classification and provisioning, the bank follows Bangladesh Bank Circulars and Guidelines as summarized below:

Type of facility	Loans Classification		
	Sub Standard (Overdue Period)	Doubtful (Overdue Period)	Bad & Loss (Overdue Period)
Continuous Loan & Demand Loan	Other than CMS *: 3 months or more but less than 9 months.	Other than CMS: 9 months or more but less than 12 months.	Other than CMS: 12 months or more.
	CMS: 6 months or more but less than 18 months	CMS: 18 months or more but less than 30 months.	CMS: 30 months or more.
Fixed Term Loan [1]	Other than CMS *: 3 months or more but less than 9 months.	Other than CMS: 9 months or more but less than 12 months.	Other than CMS: 12 months or more.
	CMS: 6 months or more but less than 18 months	CMS: 18 months or more but less than 30 months.	CMS: 30 months or more.
Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more

* CMS means Cottage, Micro and Small credits defined in SMESPD Circular No. 02 dated 05 September 2019 & SMESPD Circular No. 01 dated 17 March 2025.

Specific provisions for classified loans and general provisions for unclassified loans and advances and contingent assets are calculated following BB prescribed provisioning rates as mentioned below:

Particulars	Rates of provision
General provision on:	
Unclassified (including SMA) small and medium enterprise	0.25%
Unclassified (including SMA) Loans to BHs/MBs/SDs against shares etc.	1%
Unclassified (including SMA) loans for housing finance	1%
Unclassified consumer financing including credit card (other than housing finance)	2%
Unclassified (including SMA) other loans and advances	1%
Short term agri. credit and micro credit	1%
Off-balance sheet exposures (excluding bills for collection)	0%-1%
Specific provision on:	
Substandard loans other than short term agri. credit, micro credit and CMSME	20%
Doubtful loans other than short term agri. credit, micro credit and CMSME	50%
Substandard & doubtful loans: short term agri. credit and micro credit	5%

Particulars	Rates of provision
Substandard loans: CMSME	5%
Doubtful loans: CMSME	20%
Bad/Loss loans and advances	100%

Methods used to measure Credit Risk

As per Central Bank's Guidelines, the Bank follows Standardized Approach for measurement of Credit Risk adopting the credit rating agencies as External Credit Assessment Institutions (ECAIs) for claims on Bank & Non-banking Financial Institutions (BNBFIs), Corporate & eligible SME Customers and Credit Risk Mitigation (CRM) against the financial securities & guarantees of loan exposure.

Credit Risk Management

Credit risk arises when the borrowers or counterparty to a financial transaction fails to discharge an obligation as per agreed covenants, resulting in financial loss to the Bank. Credit exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. Credit risk is managed in the UCB through a framework that spell out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the businesses and approvers in the Risk function. All credit exposure limits are approved within a defined credit approval authority framework. Credit policies and standards are considered and approved by the Board of Directors.

Credit Risk Measurement

Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. The standard Internal Credit Risk Rating (ICRR) is used in both Corporate and SME Banking. The grading is used to assess the client along with a range of quantitative and qualitative factors. Our credit grades against Corporate & eligible SME clients are supported by external credit grades, and ratings assigned by external ratings agencies.

Credit Approval

Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by and recommended for approval to the competent authority by the risk review units/divisions. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases.

Credit Monitoring

We regularly monitor credit exposures, portfolio performance, and external trends through relationship and credit administration team at Branch and Corporate Office. Internal risk management reports containing information on key environmental, political and economic trends across major portfolios; portfolio delinquency and loan impairment performance; as well as credit grade migration are presented to the respective divisions. The divisions meet regularly to assess the impact of external events and trends on the credit risk portfolio and to define and implement our response in terms of appropriate changes to portfolio shape, underwriting standards, risk policy and procedures. Accounts or portfolios are placed on Early Alert (EA) when they display signs of weakness or financial deterioration. Such accounts and portfolios are subjected to a dedicated process overseen by the Special Asset Management Division. Account plans are re-evaluated and remedial actions are agreed and monitored. In Retail/Consumer Banking, portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behavior is also tracked and informed in lending decisions. Accounts which are past due are subject to a collections process, monitored in collaboration with the Relationship manager by the Risk function. Charged-off accounts of the Bank are managed by specialist recovery teams of Special Asset Management Division.

Concentration Risk

Credit concentration risk is managed within concentration limit/boundary/Risk Appetite set for counterparty or groups of connected counterparties, for industry sector; areas, portfolios and for product. Additional targets are set and monitored for concentrations by credit committee. Credit concentrations are monitored by the Credit Risk Management Committee/ Executive Risk Management Committee /Board Risk Management committee in each of the businesses and concentration limits that are material to the Bank are reviewed and approved at least annually by the Board of Directors.

Credit Risk Mitigation

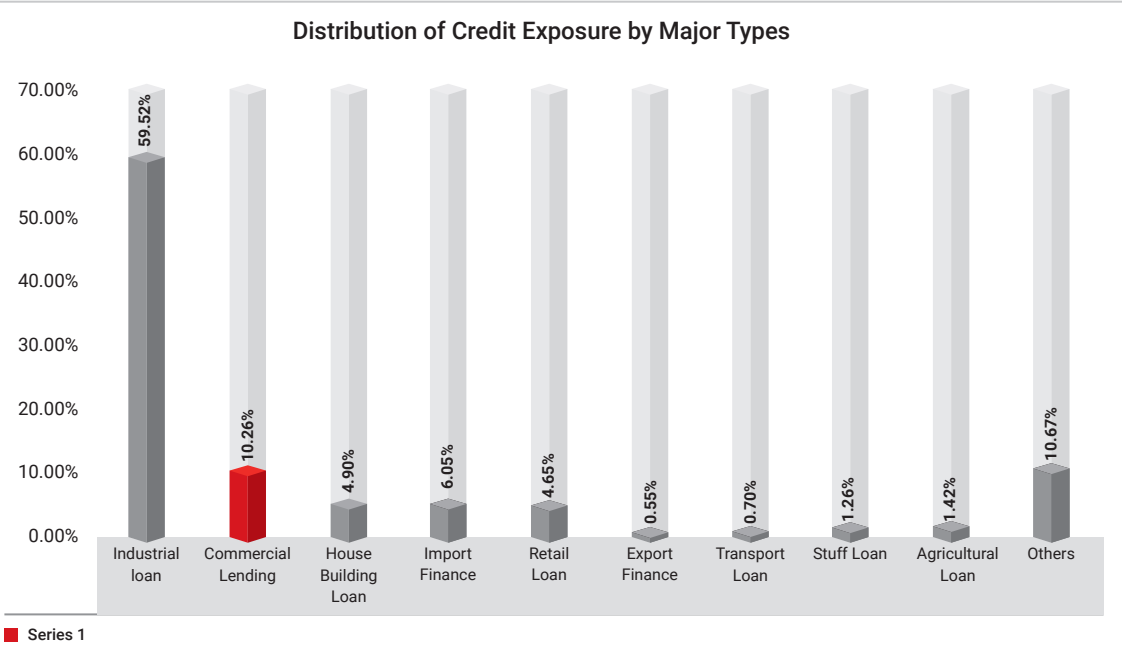
Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting agreements, insurance, and other guarantees. The reliance that can be placed on these mitigants is carefully

assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. Risk mitigation policies determine the eligibility of collateral types. Collateral types which are eligible for risk mitigation include: cash; residential, commercial and industrial property; fixed assets such as motor vehicles, plant and machinery; marketable securities; commodities; bank guarantees; and letters of credit. Collateral is valued in accordance with our Methodology for Valuation of Security/Collateral Assets, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral. Collateral held against impaired loans is maintained at fair value.

Quantitative Disclosures

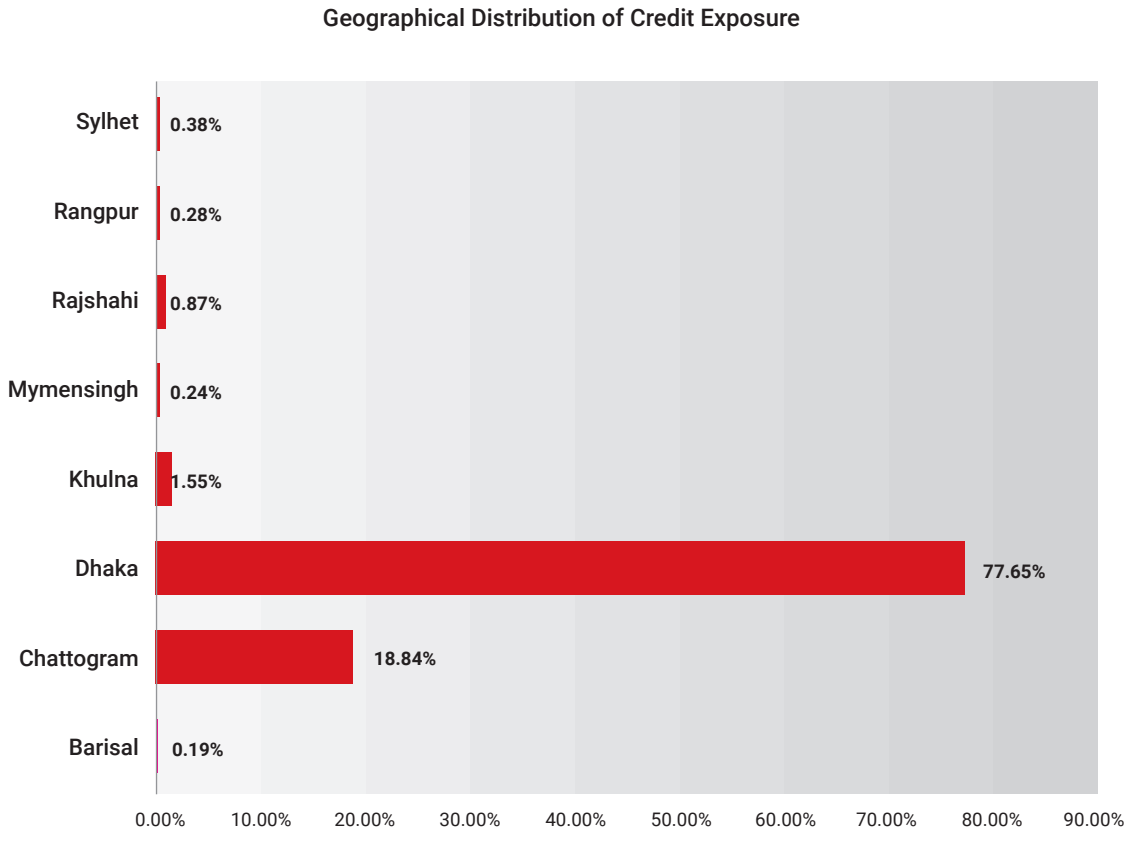
Distribution of Credit Exposure by Major Types

Types of Credit Exposure	BDT in Million	In %
Agricultural Loan	8,159.00	1.42
Commercial Lending	58,795.05	10.26
Export Finance	3,127.50	0.55
House Building Loan	28,095.27	4.90
Import Finance	34,676.97	6.05
Industrial Loan	340,972.71	59.52
Personal Loan	26,614.25	4.65
Staff Loan	7,233.96	1.26
Transport Loan	4,021.03	0.70
Others	61,133.12	10.67
Total	**572,828.87**	**100.00**



Geographical Location Wise Credit Exposure

Division	BDT in Million	In %
Barisal	1,083.24	0.19%
Chattogram	107,935.70	18.84%
Dhaka	444,809.23	77.65%
Khulna	8,852.20	1.55%
Mymensingh	1,360.17	0.24%
Rajshahi	4,990.02	0.87%
Rangpur	1,630.30	0.28%
Sylhet	2,168.01	0.38%
Total	572,828.87	100.00%



Industry Type Distribution of Exposure

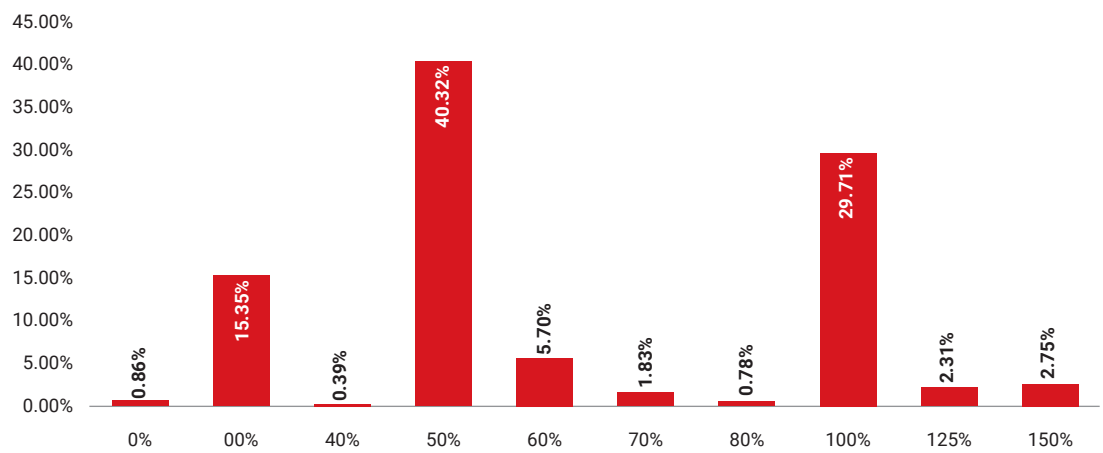
Types of Credit Exposure	BDT in Million	In %
Agriculture	8,159.00	1.42
Brick Field, Auto Bricks, Tiles	2,766.96	0.48
Cement Industries	18,132.83	3.17
Chemical & Chemical Products	25,502.43	4.45
Commercial Trade Financing	96,599.52	16.86
Construction (Other than Housing)	49,004.33	8.55
Diagnostic/Medical/Clinic	4,078.56	0.71
Educational Institute, Hotel, Restaurant	8,402.11	1.47
Electronics Media	318.90	0.06
Engineering, Basic Metal & Products	25,043.96	4.37
Food Products & Processing	31,240.17	5.45
Housing Industry	28,095.27	4.90
Jute Industries	231.08	0.04
Leather & Leather Products	1,627.02	0.28
Paper & Paper Products Industries	9,753.35	1.70
Power & Energy	21,199.26	3.70
RMG & Accessories	71,902.21	12.55
Ship Manufacturing	1,113.65	0.19
Ship Re-cycling	12,832.99	2.24
Telecommunication	3,005.75	0.52
Textile Industries	31,508.14	5.50
Transport & Communication	4,021.03	0.70
Wood & Wooden Products	2,367.34	0.41
Others	115,923.01	20.24
Total	**572,828.87**	**100**

Residual Contractual Maturity Wise Distribution of Exposure

Particulars	BDT in Million	In %
On demand	8,436.20	1.47
Not more than three months	167,775.89	29.29
More than three months but less than one year	138,589.05	24.19
More than one year but less than five years	181,479.11	31.68
More than five years	76,548.62	13.36
Total	**572,828.87**	**100**

Composition of Risk Weighted Asset of loan portfolio

Category of Risk weight	BDT in Million	In %
0%	4,939.66	0.86
20%	87,929.56	15.35
40%	2,246.74	0.39
50%	230,966.41	40.32
60%	32,639.37	5.70
75%	10,497.57	1.83
80%	4,470.75	0.78
100%	170,182.73	29.71
125%	13,230.61	2.31
150%	15,725.45	2.75
Total	**572,828.87**	**100**



Loans & Advances and Provision

BDT in Million

Particulars	Loans & Advances	Provision maintain against Loans & Advances
Total Loans and Advances	**572,828.87**	**27,056.20**
Performing Loans & Advances	487,484.91	4,715.46
Classified Loans and Advances	**85,343.96**	**22,340.75**
Substandard (SS)	22,167.32	5,857.60
Doubtful (DF)	2,249.00	683.43
Bad/Loss (BL)	60,927.65	10,493.70
Off-Balance Sheet Items	260,859.63	2,568.90

Total provision required and maintenance against Loans & Advances (*)

BDT in Million

Particulars	As of 31/12/2024	As of 31/12/2023
Total provision required for Loans & Advances	60,551.26	20,151.13
Total provision maintained for Loans & Advances	27,056.20	20,151.13
Excess/(Shortfall) in provision for loans and advances	(33,495.06)	-

(*) Note: As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated April 27, 2025, shortfall in provision for loans and advances is BDT 3,349.51 crore. As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise the financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore out of which the shortfall in provisions regarding the loans and advances is BDT 3,349.51 crore.

Gross Non-Performing Assets (NPAs)

Particulars	BDT in Million
Gross Non-Performing Assets (NPAs)	**85,343.96**
Total Loans and Advances	**572,828.87**
NPAs to outstanding Loans & Advances	14.90%

Movement of Non-Performing Assets (NPAs)

Particulars	BDT in Million
Opening Balance	**27,819.39**
Additions	65,550.76
Reductions	8,026.19
Closing Balance	**85,343.96**

Movement of Specific Provisions for NPLs

Particulars	BDT in Million
Opening Balance	**13,907.40**
Adjustment due to Write-off	(5,319.82)
Provisions made during the period	13,384.12
Recoveries of amounts previously written off	369.04
Write off transfer from interest suspense account	--
Closing Balance	**22,340.75**

5. Equities: Disclosures for Banking Book Positions

The major portion of the Bank's holding of equity exposure is mainly with the purpose of capital gain.

The quoted shares are valued both at cost price and market price basis. However, the unquoted shares are valued at their cost price.

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; and

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.

Bank's investment in equity securities are broadly categorized into two categories:

Quoted Securities: The instruments are quoted in active markets. These securities include Common shares, Mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investment in trading book includes securities holding for capital gains, dividend income and securities holding for strategic reasons.

Unquoted Securities: Unquoted Securities have no active market for price quotation. These instruments are categorized as banking book assets. Once unquoted securities get listed in secondary market, are reclassified as quoted and trading book assets.

Discussion of important policies covering the valuation and accounting of equity holdings in the banking book.

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Shares (Quoted)	Cost	Lower of cost or market value (overall portfolio)	Loss (net off gain) to profit and loss account but no unrealized gain booking.
Shares (Unquoted)	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealized gain booking.
Mutual fund (Closed-end)	Cost	Lower of cost and (higher of market value and 85% of NAV)	Loss (net) to profit and loss account but no unrealized gain booking.

As per Bangladesh Bank circular (ref: BRPD circular number -14 dated June 25, 2003), the quoted shares are valued as per market price in the stock exchange(s). Equity securities holdings in the banking book or unquoted are recognized at cost price.

Provisions for shares are maintained for unrealized loss (gain net off) arising from diminution in value of investments. Provision for shares against unrealized loss (gain net off) has been made according to DOS circular number-04 dated 24 November 2011 and for mutual funds (closed-end) according to DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

BDT in Million

Particulars	Cost Price	Market Price
Investment in Quoted Share	5,171.34	4,838.96

Particulars	BDT in Million
Realized Gains	793.02
Unrealized Gains	598.10
Unrealized Losses	(930.49)
Net Unrealized Gains/(Loss)	(332.39)
Capital requirement for Equity Risk (Specific & General)	967.79
Supervisory Provision against Classified Equity Investment	1,535.77

Capital Requirement as per Grouping of Equity:

(BDT in Million)

Sector	Cost Price	Market price	Capital Charge		Total Capital Charge
			Specific Risk	General Market Risk	
Pharmaceuticals & Chemicals	838.70	726.73	72.67	72.67	145.35
Telecommunication	700.69	731.51	73.15	73.15	146.30
Bank	1,342.10	1,775.68	177.57	177.57	355.14
Financial Institutions	1,359.34	866.62	86.66	86.66	173.32
Miscellaneous	930.52	738.43	73.84	73.84	147.69
Total	**5,171.34**	**4,838.96**	**483.90**	**483.90**	**967.79**

6. Interest Rate Risk in the Banking Book

Interest Rate Risk in the Banking Book reflects the shocks to the financial position of the Bank including potential loss that the bank may face in the event of adverse change in market interest rate. This has an impact on earning of the bank through Net Interest Earning as well as on Market Value of Equity or net worth. Thus this risk would have an impact on both earning potential and economic value of the Bank.

The Bank uses following measures for deriving value of capital requirement for interest rate risk.

i) Modified duration gap

ii) Simulation on market value of equity

iii) Impact of average interest rate fluctuation demonstrated in last 12 months from the date of computation. In the event of lack of data for last twelve months the bank considers data of maximum period available.

The Bank ensures that interest rate risk is not included within the market risk. The Bank has calculated the rate sensitive assets and liabilities with maturity up to 12 months' bucket and applied the sensitivity analysis to measure the level of interest rate shock on its capital adequacy.

The general qualitative disclosure requirement including the nature of Interest Rate Risk in Banking Book (IRRBB) and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.

Interest Rate Risk: Interest Rate Risk is the risk which affects the Bank's financial condition due to changes of market interest rates. Changes in interest rates affect both the current earnings (earnings perspective) and also the net worth of the Bank (economic value perspective). Bank assesses the interest rate risk both in earning and economic value perspective.

Interest Rate Risk Management: Interest Rate Risk Management policy, targets and controls are incorporated in Asset Liability Management Policy of the Bank. Interest rate risk in banking book is measured through the following approaches:

1. **Interest Rate Sensitivity analysis (Gap Analysis):** Interest Rate Sensitivity (or Interest Rate Gap) Analysis is used to measure and manage interest rate risk exposure specifically, bank's repricing and maturity imbalances. Gap reports is the bank's rate sensitive assets, liabilities, and off-balance-sheet instruments into maturity segments (time bands) based on the instrument's next re-pricing or maturity date. This analysis is conducted on monthly basis.

   The Bank uses the following approach to manage interest rate risks inherent in the Balance sheet:

   Traditional Gap analysis of on-balance sheet Asset Liability Management (ALM) involves careful allocations of assets and liabilities according to re-pricing/maturity buckets. This approach quantifies the potential change in net interest income using a specified shift in interest rates, e.g. 1% or 2%, or 3% of interest rates.

   Assumptions: For Gap analysis, bank considers the following:

   - For fixed-rate contract, remaining maturity is considered.
   - For contracts with provision of re-pricing, time remaining for next re-pricing is considered.
   - Deposits that are already matured but not withdrawn yet are considered to fall under overnight bucket.
   - Contractual repayment schedule is met.
   - Re-pricing of assets and liabilities takes place in the midpoint of time bucket.

- The expectation that loan payment will occur in schedule.
- No early encashment is considered in term and recurring deposit.
- Non maturity deposit withdrawal is considered based on past withdrawal behavior etc.

2. **Duration Analysis on Economic Value of Equity:** A weighted maturity/re-pricing schedule is used to evaluate the effects of changing interest rates on bank's economic value by applying sensitivity weights to each time band. Such weights are based on estimates of the duration of the assets and liabilities that fall into each time band. The duration analysis is conducted on quarterly basis.
3. **Stress Testing:** It is used for measuring the Interest rate risk on its Balance Sheet exposure for estimating the impact on the Capital to Risk Weighted Assets Ratio. Stress Testing is conducted on quarterly basis

BDT in Million

Particulars	Up to 3 months	3 - 6 months	6 - 12 months
Rate Sensitive Assets (RSA)	290,006.31	79,906.42	79,906.42
Rate Sensitive Liabilities (RSL)	221,823.82	71,772.47	74,311.90
Gap (RSA – RSL)	68,182.49	8,133.95	5,594.52
Cumulative Gap	68,182.49	76,316.43	81,910.95

Interest Rate Shock on Capital:			(BDT in Million)
Total Regulatory Capital		53,859.01	
Total Risk Weighted Assets (RWA)		508,702.24	
Capital to Risk-weighted Asset Ratio (CRAR)		10.59%	
Assumed Increase in Interest Rate	1%	2%	3%
Earnings Impact on Cumulative Gap	819.11	1,638.22	2,457.33
Capital After Shock	54,678.12	55,497.23	56,316.34
CRAR after Shock	10.75%	10.91%	11.07%
Increase in CRAR	0.16%	0.32%	0.48%

7. Market Risk

Market risk is a trading book concept. It may be defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject to the risks pertaining to interest rate related instruments and equities in the trading book and foreign exchange risk and commodities risk throughout the Bank. This signifies the risk of loss due to decrease in market portfolio arising out of market risk factors. It may be mentioned that the Bank considers Interest Rate Risk on Banking Book separately.

The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transaction.

Market Risk: Market Risk is defined as the possibility of loss due to changes in the market variables. It is the risk that the value of on/off-balance sheet positions will be adversely affected by movements in equity price, interest rate and currency exchange rates. The objective of our market risk policies and processes is to obtain the best balance of risk and return whilst meeting customers' requirements. The primary categories of market risk for the bank are:

Interest rate risk: Arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.

Currency exchange rate risk: Arising from changes in exchange rates and implied volatilities on foreign exchange options.

Equity price risk: Arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

Bank has a comprehensive Treasury Trading Policy, Asset-Liability Management Policy, Investment Policy approved by the BoD to assess, monitor and manage all the above market risks. Various internal limits have set to monitor market risk and capital requirement is assessed as per standardized approach of BASEL III Accord.

Methods used to measure Market Risk

Standardized (Rule Based) Approach is used to measure the Market Risk of the Bank whereas for Interest Rate Risk and Equity Risk, both general and specific risk factors are applied for calculating capital charge and for Foreign Exchange and Commodities, only general risk factor is applied.

Bank applies maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

Market risk management system

To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are liquidity coverage ratio (LCR), net stable funding ratio (NSFR), maximum cumulative outflow (MCO), liquid asset to total assets, volatile liability dependency ratio, snap liquidity ratio and short term borrowing to liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio.

To manage foreign exchange risk of the bank, the bank has adopted the limit set by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher.

Capital Charges for Market Risk

Market Risk	BDT in Million
Interest Rate Related instruments	35.76
Equities	967.79
Foreign Exchange Position	429.65
Commodities	0.00
Total	**1,433.20**

8. Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Recognizing the importance of information technology in banking business, the Bank has considered information technology risk as an independent risk.

Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure or external events. It is inherent in every business organization and covers a wide spectrum of issues.

Views of BoD on system to reduce Operational Risk

The responsibility of mitigating the operational risk of the Bank lies with Risk Management Division under the guidance of Board Risk Management Committee. The Board Risk Management Committee delivers policies and directions from time to time to keep the operating efficiency of the Bank up to the mark.

The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Board Risk Management Committee directly oversees the activities of Risk Management Division to protect against all operational risks. As a part of continued surveillance, the Executive Risk Management Committee (ERMC) and Risk Management Division (RMD) regularly review different aspects of operational risks and suggest formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank.

Potential external event

No potential external event is expected to expose the Bank to significant operational risk. The Bank has a separate Operational Risk Management Policy addressing specific issues involving Operational Risk.

The overall environment within which a bank operates creates certain externalities which could affect business performance directly such as:

Fraud risk is the risk of incurring losses as a result of an intentional act or omission by a third party involving dishonesty, for personal and/or business gain, to avoid personal and/or business loss, or to conceal improper or unauthorized activity. This includes facilitation, misrepresentation, money laundering, terrorist financing, theft, forgery and cyber-crime.

Business Continuity risk is the risk of incurring losses resulting from the interruption of normal business activities, i.e. interruptions to our infrastructure as well as to the infrastructure that supports our businesses.

Information Security risk is the risk of an event which could result in the compromise of organizational assets, including, but not limited to, unauthorized use, loss, damage, disclosure or modification of organization's IT assets. It includes the risk of cyber threats on the organization.

Regulatory Compliance risk is the risk of incurring regulatory sanctions (including restrictions on business activities, fines or enhanced reporting requirements), financial and/or reputational damage arising from our failure to comply with applicable laws, rules and regulations.

Vendor risk arises from adverse events and risk concentrations due to failures in vendor selection, insufficient controls and oversight over a vendor and/or services provided by a vendor and other impacts to the vendor itself.

Methods used to measure Operational Risk

Basic Indicator Approach is used to measure Operational Risk where capital charge is 15% on last three years average positive gross income of the Bank.

Capital Charges for Operational Risk

(BDT in Million)

Basis	Operational Risk	2022	2023	2024	Capital Charge
Solo	Gross Income	30,144.10	33,156.50	46,012.25	5,465.64
Consolidated	Gross Income	31,868.75	34,949.17	47,669.84	5,724.25

9. Liquidity Ratio

As per the BRPD Circular no. 18 dated December 21, 2014, Bangladesh Bank has strengthened the liquidity framework by developing two minimum standards for liquidity. These standards have been developed to achieve two separate but complementary objectives.

The first objective is to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to survive an acute stress scenario lasting for one month. Liquidity Coverage Ratio (LCR) addresses this objective.

The second objective is to promote resilience over a longer time horizon by creating additional incentives for a bank to fund its activities with more stable sources of funding on an ongoing structural basis. The Net Stable Funding Ratio (NSFR) has a time horizon of one year and has been developed to provide a sustainable maturity structure of assets and liabilities.

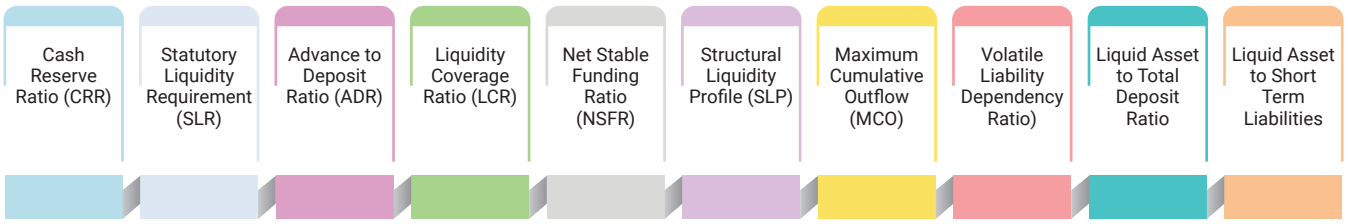
Views of BoD on system to reduce liquidity Risk

United Commercial Bank Limited maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits to manage liquidity risk. The prime responsibility of the liquidity risk management of the bank rests with Treasury Division under the supervision of ALCO Committee, which maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of fund, options for reducing funding needs, present and anticipated asset quality, present and future earning capacity, present and planned capital position, etc.

Methods used to measure Liquidity risk

Liquidity measurement involves assessing all of a bank's cash inflows against its outflows to identify the potential for any net shortfalls including funding requirements for off balance sheet commitments.

An important aspect of measuring liquidity is making assumptions about future funding needs, both in the very short-term and for longer term. Another important factor is the critical role a bank's reputation plays in its ability to access funds readily and at reasonable terms. Several key liquidity risk indicators monitored on a regular basis to ensure healthy liquidity position are as follows:



Liquidity risk management system

The intensity and sophistication of liquidity risk management process depend on the nature, size and complexity of a bank's activities. Sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical to the viability of the bank.

The Asset Liability Committee (ALCO), which meets at least once in a month, is responsible for managing and controlling liquidity of the bank. Treasury Front Office closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly.

Policies and processes for mitigating liquidity risk

In order to develop comprehensive liquidity risk management framework, the bank has Board approved Contingency Funding Plan (CFP), a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. In this sense, a CFP is an extension of ongoing liquidity management and formalizes the objectives of liquidity management by ensuring:

a) Maintenance of a reasonable amount of liquid assets;

b) Measurement and projection of funding requirements; and

c) Management of access to funding sources.

CFP also provides directions for plausible actions in distressed and emergency situations. In case of a sudden liquidity stress, it is important for the bank to be seemed organized and efficient to meet its obligations to the stakeholders.

Maturity ladder of cash inflows and outflows are effective tool to determine the bank's cash position. A maturity ladder estimates a bank's cash inflows and outflows and thus net deficit or surplus (GAP) on a day to day basis and different buckets (e.g. call, 2-7 days, 1 month, 1-3 months, 3-12 months, 1-5 years, over 5 years).

Liquidity Coverage Ratio (LCR)

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, Balance with other Bank and financial institutions or Treasury bonds, equal to or greater than their net cash over a 30-day period (having at least 100% coverage).

$$\text{LCR} = \frac{\text{(Stock of High Quality Liquid Assets)}}{\text{(Total net cash outflows over the next 30 calendar days)}}$$

The minimum standard for LCR is greater than or equal to 100. However, the bank's status as on 31 December 2024 in this ratio is as follows:

(BDT in Million)

Particulars	Regulatory Standard	As on 31 December, 2024
Total Stock of High Quality Liquid Assets		120,511.63
Total Net cash outflows over the next 30 calendar days		101,509.12
Liquidity Coverage Ratio (LCR)	Greater than or equal to 100	118.72%

Net Stable Funding Ratio (NSFR)

Net Stable Funding Ratio (NSFR) is another new liquidity standard introduced by the Basel Committee. The NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on- and off-balance sheet items.

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.

The minimum acceptable value of this ratio is 100 percent, indicating that available stable funding (ASF) should be at least equal to required stable funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or "long-term" and therefore requires stable funding. The time horizon of the NSFR is one year. Like the LCR, the NSFR calculations assume a stressed environment.

The status of Net Stable Funding Ratio (NSFR) as on 31 December, 2024 is as under:

(BDT in Million)

Particulars	Regulatory Standard	As on 31 December, 2024
Available amount of stable funding (ASF)		662,839.65
Required amount of stable funding (RSF)		610,294.54
Net Stable Funding Ratio (NSFR)	Greater than 100	108.61%

10. Leverage Ratio

Views of BOD on system to reduce excessive leverage

Leverage ratio is the ratio of Tier 1 capital to total on and off balance sheet exposures. It was introduced into the Basel III framework as a non-risk based backstop limit, to supplement risk-based capital requirements. UCB PLC has embraced this ratio along with Basel III guideline as a credible supplementary measure to risk based capital requirement and assess the ratio periodically.

Policies and processes for managing excessive on and off-balance sheet leverage

Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by UCB PLC while managing excessive on and off-balance sheet leverage of the bank. As per RBCA, leverage ratio shall be Tier I Capital divided by Total Exposure after related deductions.

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 by the Bangladesh Bank as per BRPD Circular no. 18 dated December 21, 2014.

The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:

- Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy
- Reinforce the risk based requirements with an easy to understand and a non-risk based measure
- UCB PLC calculates leverage ratio on quarterly basis and submits it to the Department of Off-site Supervision (DOS), Bangladesh Bank along with CRAR (Capital to Risk Weighted Asset Ratio) Report.

The Approaches for calculating exposure

The Bank has calculated the regulatory leverage ratio as per the guideline of Basel III. The numerator, capital measure, is calculated using the new definition of Tier I capital applicable from 1st January 2015. The denominator, exposure measure, is calculated on the basis of the Basel III leverage ratio framework as adopted by Bangladesh Bank.

A minimum Tier-1 leverage ratio of 3.50% has been prescribed by Bangladesh Bank to maintain by the Banks both at solo and consolidated level. Accordingly, UCB maintains leverage ratio on quarterly basis. The formula for calculating leverage ratio is as under:

Leverage Ratio = Tier-1 Capital (after related deductions)/ Total Exposure (after related deductions)

The status of Leverage Ratio as on 31 December, 2024 is as under:

(BDT in Million)

Particulars	As on 31 December,2024	
	Solo Basis	Consolidated Basis
Tier 1 Capital*	36,171.85	34,371.22
On Balance Sheet Exposure*	746,713.72	749,467.88
Off-Balance Sheet Exposure*	111,987.18	111,987.18
Total Deductions	8,551.30	8,558.36
Total Exposure	850,149.60	852,896.69
Leverage Ratio	4.25%	4.03%

* Considering all regulatory adjustment

In addition of the above, UCB PLC has been comfortably remaining in the right course of implementation of Leverage Ratio regulation under Basel III as per (Bangladesh Bank BRPD Circular no. 18 dated August 21 of 2021) the roadmap outlined by Bangladesh Bank. Bank's progression along the roadmap is depicted below:

Particulars	2021	2022	2023	2024	2025	2026
Leverage Ratio	3.00%	3.00%	3.25%	3.50%	3.75%	4.00%
UCB Status:						
Solo Basis	4.92%	5.00%	4.93%	4.25%	--	--
Consolidated Basis	4.89%	4.86%	4.72%	4.03%	--	--

11. Remuneration

Qualitative Disclosures

a)	**Information relating to the bodies that oversee remuneration.**	
	i. Name of the bodies that oversee remuneration	At the management level, primarily the Human Resources Management Division oversees the 'remuneration' in line with its Human Resources Management strategy/policy under direct supervision and guidance of the Senior Management Team of the Bank.
	ii. Composition of the main body overseeing remuneration	The Managing Director and CEO along with other top executives of the Corporate Office.
	iii. Mandate of the main body overseeing remuneration	The Senior Management Team is the main body for overseeing the Bank's remuneration. The Senior Management Team also review the position of remuneration and associated matters and recommend to the Board for approval of its restructuring, rearrangement and modification commensurate with the industry best practices.
	iv. External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	The Bank has no External Consultant regarding remuneration and its process.
	v. 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 Bank does not have any differentiated Pay Structure and employee benefits by regions/business line/activity. As of 31 December 2024, the Bank has one foreign subsidiaries (UCB Exchange (SG) PTE Ltd) outside Bangladesh.

	vi. A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	We consider the members of the senior management, branch managers and the employees engaged in different functional divisions at Corporate Office and branches (except the employees involved in internal control & compliance and risk management) as the material risk takers of the Bank.
b)	**Information relating to the design and structure of remuneration processes.**	
	i. An overview of the key features and objectives of remuneration policy.	We target a fair human resources management by using a performance based system. Remuneration and other associated matters are guided by the Banks Service Rule as well as instruction, guidance from the Board from time to time in line with the industry practices. The objective of the Bank's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits.
	ii. Whether the remuneration committee reviewed the bank's remuneration policy during the year of 2024, and if so, an overview of any changes that was made.	The Senior Management under direct supervision and guidance of the Board of Directors reviewed the Bank's remuneration in 2022 by overseeing the Banks remuneration position in the Banking industry.
	iii. A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	The risk and compliance employees are carrying out the activities independently as per job allocated to them. Regarding remuneration of the risk and compliance employees, Human Resources Management Division does not make any difference with other regular employees and sets the remuneration as per the prevailing service rule of the Bank.
c)	**Description of the ways in which current and future risks are taken into account in the remuneration processes.**	
	i. An overview of the key risks that the bank takes into account when implementing remuneration measures.	The business risk including credit/default risk, compliance, reputational, financial and liquidity risk are mostly considered when implementing the remuneration measures.
	ii. An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure.	Different sets of measures are in practice based on the nature & type of business lines/segments etc. These measures are primarily focused on the business target/goals set for each area of operation, branch vis-a-vis the actual results achieved as of the reporting date. The most vital tools & indicators used for measuring the risks are the asset quality (NPL ratio), Net Interest Margin (NIM), provision coverage ratio, credit to deposit ratio, cost to income ratio, growth of net profit, as well the non-financial indicators, namely, the compliance status with the regulatory norms, as well as instructions from all concerned of the Bank from time to time.
	iii. A discussion of the ways in which these measures affect remuneration.	While evaluating the performance of each employee, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well.
	iv. A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	No material change has been made during the year 2024 that could affect the remuneration.

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 main performance metrics for bank, top-level business lines and individuals.	The Board sets the Key Performance Indicators (KPIs) while approving the business target/budget for each year for the Bank as well as business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans and advances liquidity position etc.
	ii. A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	Yearly incentive bonus, salary increment, employee house building loan facilities, employee car facilities, and promotion are directly linked with employees' individual performance.
	iii. A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak. This should include the bank's criteria for determining "weak" performance metrics.	Various performances like yearly incentive bonus, salary increment, employee house building loan facilities, Employee car facilities and promotion are determined by the outcome of scorecard in prescribed Key Performance Indicators of the individual.
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 employees or groups of employees, a description of the factors that determine the fraction and their relative importance.	The remuneration policy of the Bank does not allow any discrimination between male and female employees. UCB PLC has variety of market-competitive benefit schemes designed to motivate the employees. However, employees are eligible for variable remuneration arrangements in the form of Incentive Bonus (non-deferred cash awards), as per their Performance appraisal Report.
	ii. A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.	Not Applicable
f)	**Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.**	
		A summary of Short-term and Long-term compensation packages of the Bank are as follows: **Short-Term Incentives / Rewards** 1. Yearly incentive bonus; 2. Yearly Increment; 3. Special Increment for special achievement; 4. Car, fuel and car maintenance allowance for executives; 5. Cash Risk allowance for cash cadre; 6. Leave Feare Facilities etc. **Long-Term Incentives/Rewards** 1. Provident fund; 2. Gratuity; 3. Employees welfare Fund 4. Employee house building loan facilities 5. Provident fund loan

		6. Periodical salary review (enhancement) 7. Group insurance coverage; 8. Employee Car facilities etc. **Others Form:** 1. Study leave. 2. Foreign training etc.

Quantitative Disclosures

g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	The Senior Management of the bank overseeing the remuneration of the Bank.
h)	i. Number of employees having received a variable remuneration award during the financial year.	The variable remuneration award during the financial year as under: Particulars: Incentive Bonus — BDT in Million: 848.44 Particulars: Ex-gratia — BDT in Million: 74.05 ***Total*** — ***922.49***
	ii. Number and total amount of guaranteed bonuses awarded during the financial year.	Number of total festival bonus: 02 Total amount of festival bonus as under: Particulars: Festival Bonus — BDT in Million: 666.97 Particulars: Ex-gratia — BDT in Million: 110.86 **Total** — **777.83**
	iii. Number and total amount of sign-on awards made during the financial year.	-
	iv. Number and total amount of severance payments made during the financial year.	Number of severance payments:309 Total amount of severance payments: BDT. 1,108.88 Million (Provident fund, gratuity fund, retirement benefit and leave encashment)
i)	i. Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	No deferred remuneration was paid out in the financial year of 2024
	ii. Total amount of deferred remuneration paid out in the financial year.	-
j)	Breakdown of amount of remuneration awards for the financial year to show: - fixed and variable. - deferred and non-deferred. - different forms used (cash, shares and share linked instruments, other forms).	**Breakdown of Remuneration for the year-2024 is as under:** (BDT in Million):

Particulars	**Amount**
Basic salary	3,988.06
Allowances	1,850.00
Bonus	1,877.03
Provident fund contribution	457.35
Gratuity	1,200.00
Total	**9,372.44**

k)	**Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs 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.	No amount is outstanding of deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.
	ii. Total amount of reductions during the financial year due to ex post explicit adjustments.	There were no reductions during the financial year 2024 due to ex post explicit adjustments
	iii. Total amount of reductions during the financial year due to ex post implicit adjustments.	There were no reductions during the financial year 2024 due to ex post implicit adjustments



UCB Introduces new banking products aspiring a world of 3 Zeros to achieve Sustainable growth

Inspired by the concept of 3 Zeros by Dr. Muhammad Yunus, UCB is proud to introduce 6 new innovative products to cater a green and sustainable world. We are humbly honoured to be a part in this glorious journey to end Poverty, Unemployment, and Carbon Emissions.

ZERO POVERTY

সমতা
সেভিংস অ্যাকাউন্ট

প্রগতি
ক্ষুদ্র ব্যবসার জন্যে ঋণ

ZERO UNEMPLOYMENT

UCB স্বাধীন
সকল স্বাধীনতা হাতের মুঠোয়

সূচনা
নতুন উদ্যোক্তার জন্য ঋণ

ZERO NET CARBON EMISSIONS

সবুজ সঞ্চয় একাউন্ট
পেপারলেস ব্যাংকিং

UCB সবুজ সমৃদ্ধি
পরিবেশ বান্ধব সবুজ উদ্যোগের জন্য ঋণ

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SUSTAINABLE FINANCE

BALANCING PROFIT AND PLANET

Introduction to the Sustainable Finance Section

In an era defined by climate urgency and transformative global agendas, sustainable finance has emerged as the cornerstone of resilient economic ecosystems. The repercussions of climate changes are catastrophic and inevitable, and it becomes a planetary imperative to adopt remedial measures in a concerted manner for ensuring sustainability in business and net-zero emission across the globe. UCB is not an exception in this regard and is committed to remodelling the way it does its core business and internal operations to fast-track its convergence toward sustainability. The traditional financing concepts lack the calibration for environmental, social, and governance aspects which are essential in securing the endurance of the projects or businesses being finance in the long run.

As a forward-thinking bank United Commercial Bank (UCB) PLC recognizes that the path to prosperity is inextricably linked to environmental stewardship, social equity, and governance excellence. In 2024, we fortified our commitment to aligning its operations with the United Nation's Sustainable Development Goals (SDGs), leveraging innovative financial instruments and stakeholder-centric frameworks to catalyse Bangladesh's transition toward a net-zero, inclusive future.

By prioritizing sustainable and green financing, impact investing, and sustainable value chains, we are not only mitigating systemic risks but also unlocking opportunities for equitable growth in one of the world's most climate-vulnerable regions. Our approach transcends transactional compliance—it is a holistic reimagining of finance as a force for regenerative development.

Central to our strategy is the deployment of a fusion of cutting-edge frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD), ensuring transparency and accountability in our sustainability journey. In 2024, UCB continued to pioneer SDG-aligned financial solutions, directing capital toward renewable energy, sustainable agriculture, and community-centric green infrastructure. These initiatives reflect our resolve to decarbonize portfolios while empowering communities disproportionately affected by climate volatility.

UCB's leadership extends beyond financial metrics; we have adopted a green-by-design ethos, integrating ESG criteria into credit risk assessments and fostering cross-sector partnerships to mainstream sustainable practices. Our efforts align with Bangladesh's National Adaptation Plan and our aspiration to become a regional beacon for sustainable finance.

As we navigate the complexities of a rapidly evolving regulatory landscape, UCB remains steadfast in its pledge to balance profitability with planetary boundaries. This section delves into our 2024 initiatives, showcasing green and sustainable performance against targets, Sustainable governance, capacity building initiatives, ESD integration, carbon accounting, and in-house innovation redefining our roles for a sustainable future. Together, we are not just financing progress—we are architecting it.

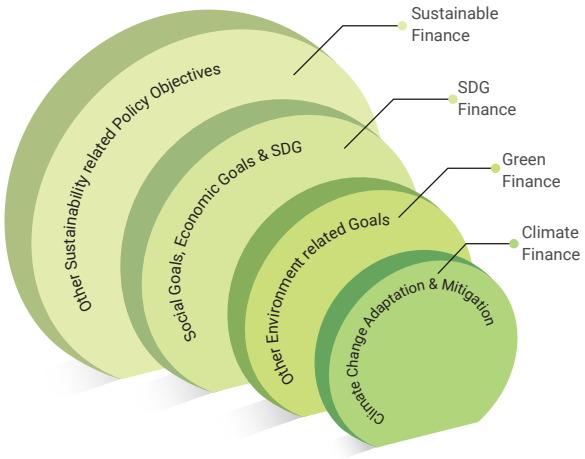
Sustainable Finance & Green Finance

Sustainable finance refers to the process of taking due account of Environmental, Social and Governance (ESG) considerations when making investment decisions in the financial sector. In other words, financing activities that integrate ESG factors into investment decision-making processes. This means weighing environmental, social, and governance factors alongside traditional financial metrics when evaluating investment opportunities.

On the other hand, Green Finance refers to banks /FIs lending to projects in the form of Term Loan which reduces negative externality or promotes positive externality within the scope of the environment, thus endorsing or supporting green initiatives through financial instruments of banks/FIs. In other words, financing activities that promote environmentally sustainable economic growth. This can take many forms, including funding renewable energy projects, green buildings, sustainable agriculture initiatives, and other similar projects.

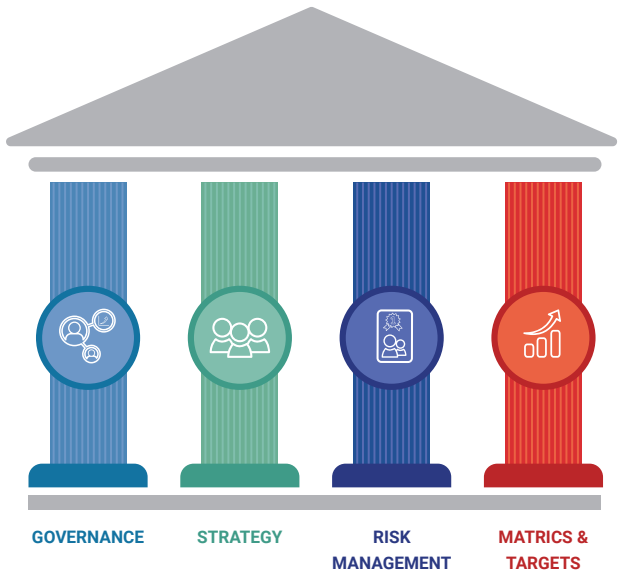
Besides, Sustainable Linked finance encompasses sustainable agriculture sectors, Sustainable MSMEs, Socially Responsible Finance, and Other Sustainable Linked Finance.

Hence, it can be asserted that Sustainable Finance = Green Finance + Sustainable Linked Finance.



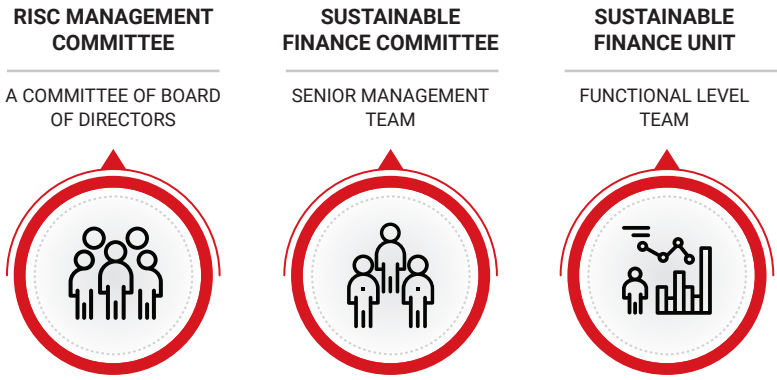
UCB's Pillars of Sustainability

In an evolving financial landscape, climate-related factors are increasingly integral to long-term resilience and stakeholder trust. The IFRS Climate-related Financial Disclosures framework outlines four pillars—Governance, Strategy, Risk Management, and Targets & Matrix—that enable banks to systematically address climate risks and opportunities while aligning with global sustainability goals.



A. Governance

UCB's sustainability governance comprises of 03 (Three) components: (i) Risk Management Committee of the Board (ii) Sustainable Finance Committee (SFC) (iii) Sustainable Finance Unit (SFU).



(i) Board Risk Management Committee (BRMC)

The BRMC evaluates sustainable lending and investment proposals while overseeing the implementation, review, and guidance of action plans developed by the Bank's Sustainable Finance Committee.

Name	Status in the Committee
Mr. Md. Yusuf Ali	Chairman
Mr. Sharif Zahir	Member
Mr. Md. Shazzad Hossoin	Member
Mr. Obaidur Rahman, FCA	Member

(ii) Sustainable Finance Committee (SFC)

Chaired by the Additional Managing Director, the SFC actively monitors, supervises, and guides the Sustainable Finance Unit (SFU). It directs the SFU's roadmap to achieve BoD-defined sustainability targets. Comprising senior leaders from key divisions, the SFC executes governance frameworks and ensures the implementation of sustainability initiatives across the bank.

SFC Constituents	Dignitaries
Chief Risk Officer	Chairman
Head of Business (RMG)	Member
Head of Wholesale Banking	Member
Head of Special Assets Management	Member
Head of Finance Division	Member
Head of Retail Banking	Member
Head of SME & Agri Banking Division	Member
Head of Credit Risk Management (SME & Retail)	Member
Head of Risk Management Division & SFU	Member Secretary
Head of Branch Distribution Channel Unit	Member
Head of Brand Marketing & Corporate Affairs	Member
Head of Human Resources Management	Member
Head of Financial Institution & OBU	Member
Head of Credit Administration Division	Member
Head of Information Technology Division	Member
Head of Credit Monitoring & Sanction-SME	Member
Head of Credit Risk Management (Wholesale Banking)	Member
Head of General Services	Member
Head of Internal Control & Compliance	Member
Risk Management Division	Member

(iii) Sustainable Finance Unit (SFU):

This is the functional level unit. Operationally mandated by the SFC, the SFU drives the bank's sustainability agenda. It coordinates strategic initiatives, tracks progress, and ensures alignment with business priorities. The SFU also spearheads reporting, prioritizes actions, and fosters integration of sustainability into core operations.

SFU Constituents	Dignitaries	Remarks
Head of Risk Management Division	Unit Head	
VP, Sustainable Finance Unit	Member	Focal Point Official
VP, Brand Marketing & Corporate Affairs	Member	
VP, SME & Agri Banking Division	Member	
FAVP, General Service Division	Member	
SO, Sustainable Finance Unit	Member	Fall-back Person

B. Strategy

The strategy pillar focuses on how a bank incorporates climate-related risks and opportunities into its business model, operational planning, and financial resilience. This involves assessing the short, medium and long-term impacts of climate change on the bank's activities, including shifts in market dynamics, customer behaviour, and regulatory landscapes. A forward-looking strategy aligns with global climate goals, such as the Paris Agreement, and emphasizes sustainable finance initiatives, green lending products, or transition financing. By articulating how climate considerations shape strategic priorities, the bank positions itself to capitalize on emerging opportunities while mitigating risks to its core operations.

C. Risk Management

Climate risk management requires a systematic approach to identifying, assessing, and mitigating climate-related financial risks. UCB is working on to integrate these risks—such as physical risks (e.g., extreme weather events) and transition risks (e.g., policy changes or technological shifts)—into their enterprise-wide risk frameworks. This involves scenario analysis, stress testing, and adjusting credit risk models to account for climate vulnerabilities. Proactive risk management ensures the bank's portfolio remains resilient, safeguards asset quality, and aligns with prudential standards.

D. Targets and Metrics

A clear target matrix establishes measurable goals and performance indicators to track progress on climate objectives. Banks define metrics such as financed emissions reductions, green asset ratios, or alignment with net-zero pathways. These targets are underpinned by data-driven methodologies and regular reporting to stakeholders, ensuring accountability. By disclosing time-bound milestones, the bank demonstrates its commitment to tangible climate action while enabling investors, regulators, and clients to assess its progress. Transparent metrics also support informed decision-making, helping the bank refine strategies and allocate resources effectively to meet sustainability ambitions.

Sustainability Rating awarded by Bangladesh Bank

For uncompromising commitment to implementing Sustainability in its credit portfolio and overall operations, UCB was awarded the Prestigious Sustainability Rating by Bangladesh Bank for three years. The rating was based on core banking sustainability, sustainable finance indicators, Banking services coverage, CSR activities, and Green Refinance.







Bank's Annual Sustainable Finance Target for 2024

UCB fixed its annual target in terms of loan outstanding for both Green Financing and Sustainable Financing at minimum 2% and 15% respectively based on the outstanding of Net L&A. The outstanding of Net L&A was determined after deducting Staff Loan, Classified Loan, and Credit Cards as on December, 31 of the preceding year.

Achievement of target in terms of disbursement for Green Financing will be based on the disbursement of Total Term Loans (except Staff Loans) and the target threshold is at least 5%.

Achievement of target in terms of disbursement for Sustainable Finance (Green Finance + Sustainable Linked Finance) will be based on Total disbursement (except Staff Loans) and the target threshold is at least 20%.

Green Finance Target	
Disbursement	Outstanding
5%	2%
	Tk. **940.35** Crore

Sustainable Finance Target	
Disbursement	Outstanding
20%	15%
	Tk. **7,052.61** Crore

Note:

1. Target for GF Disbursement = Green Finance Disbursement / TERM Loan Disbursement.
2. Target for GF Outstanding = Green Finance Outstanding / TOTAL Outstanding
3. Target for SF Disbursement = Sustainable Finance Disbursement / TOTAL Disbursement.
4. Target for SF Outstanding = Sustainable Finance Outstanding / TOTAL Outstanding.

Performance of Sustainable Finance and Green Finance in 2024

Sustainable finance is a need of time and entails a substantial quantum of investment on a continuous basis. As banks and financial institutions are the key players in our economic system, Bangladesh Bank has initiated the concept of Sustainable Finance aligned with the Sustainable Development Goals (SDGs) encouraging the Banks to promote investment targeting sustainability. Sectors that have been prioritized in the Sustainable Finance Policy of Bangladesh Bank encompass agriculture, cottage, micro, and SME (CMSME), Socially Responsible Finance (SRF), and green finance products/projects.

Sustainable Finance is bisected into broader domains namely (1) Green Finance and (2) Sustainable Linked Finance. A snippet of the performance of Sustainable Finance in 2024 is presented below:

(Fig. in Cr. BDT)

	Sustainable Finance	=	**Green Finance**	+	**Sustainable Linked Finance**
Disbursement (During 2024)	21,235.80 **(72.47% of Total Disbursement)**	=	1,069.23 **(41.00% of Total Term Loan Disbursement)**	+	20,166.57 **(68.82% of Total Disbursement)**
Outstanding (As on 31.2.2024)	37,918.10 **(77.92% of .Total Net Loans & Advances)**	=	3,861.45 **(7.93% of Total Net Loans & Advances)**	+	34,056.7 **(60.21% of Total Net Loans & Advances)**

3.1 Sustainable Finance

3.1.a Sustainable Finance Disbursement During 2024

The Bank's disbursement during September Quarter, 2024 in Sustainable Finance (which also includes Green Finance) was 72.47% against the target of 20%.

(Fig. in Cr. BDT)

DISBURSEMENT	Achievement 2023	Target 2024	Achievement 2024				
			Q1	Q2	Q3	Q4	Total
Sustainable Finance	**(22.03%)** 5,973.04	**20%**	**44.50%** (3,274.22)	**79.40%** (7,348.28)	**83.65%** (4,535.86)	**83.61%** (6077.43)	**72.47%** (21,235.80)

Note: *Disbursement target on Sustainable Finance is determined against the Bank's total disbursement.*

3.1.b Sustainable Finance Outstanding in 2024

The Bank's outstanding of Sustainable Finance, at the end of the December 2024, was BDT 37,918.10 crore (77.92% of total Loans & Advances) significantly exceeding the annual target of BDT 7,052.61 crore only.

(Fig. in Cr. BDT)

OUTSTANDING	Achievement 2023	Target 2024	Achievement 2024				
			Q1	Q2	Q3	Q4	Total
Sustainable Finance	**(28.71%)** 13,652.32	**15%** (7,052.61)	**36.06%** (16,931.71)	**73.51 %** (34,517.02)	**68.07%** (37,173.30)	**77.92%** (37,918.1)	**77.92%** (37,918.10)

Note: *Due to an amendment in the latest Sustainable Policy of October, 2023 which allows to include any exposure having "Low" ESDD rating under the categorization of Sustainable Finance, the outstanding of Sustainable Finance of the bank has increased substantially. Previously, a laundry list was followed instead of such criterion.*

3.2 Green Finance

3.2.a Green Finance Disbursement During 2024

The Bank's disbursement in Green products and initiatives during the year 2024 turned out to be 41.00% surpassing the regulatory requirement of 5% at a larger margin.

(Fig. in Cr. BDT)

DISBURSEMENT	Achievement 2023	Target 2024	Achievement 2024				
			Q1	Q2	Q3	Q4	Total
Green Finance	**(36.21%)** 1,049.10	**5%**	**52.41%** (311.98)	**48.26%** (471.21)	**21.98%** (121.58)	**34.03%** (164.46)	**41.00%** (1069.23)

Note: *Disbursement target on Green Finance is determined against the Bank's total Term Loan (except Staff) disbursement.*

3.2.b Green Finance Outstanding in 2024:

At the end of the December 2024, the Bank's outstanding of Green Finance was BDT 3,861.45 crore (7.93% of total Loans & Advances) significantly exceeding the annual target of BDT 940.35 crore.

(Fig. in Cr. BDT)

OUTSTANDING	Achievement 2023	Target 2024	Achievement 2024				
			Q1	Q2	Q3	Q4	Total
Green Finance	**(5.57%)** 2,649.61	**2%** (940.35)	**52.41%** (2,818.98)	**48.26%** (3,482.64)	**21.98%** (3,691.86)	**34.03%** (3,861.45)	**41.00%** (3,861.45)

Out of 14 categories, the Bank's Green Finance has covered 11 categories so far. The present status is demonstrated below:

(Fig. in Cr. BDT)

n	GREEN FINANCING AREAS	Disbursement					Outstanding 31.12.2024	
		Q1	Q2	Q3	Q4	Total	Amount	In %
1)	Renewable Energy	75.00	41.17	2.00	0	118.17	142.99	3.70%
2)	Energy & Resource Efficiency	49.19	148.91	92.21	110.40	400.71	767.00	19.86%
3)	Alternative Energy	0	0	0.36	0	0.36	0.33	0.01%
4)	Liquid Waste Management	41.68	18.84	13.44	3.06	77.02	1,072.90	27.78%
5)	Circular Economy & Eco-Projects Fin.	100.00	0	0	0	100.00	156.83	4.06%
6)	Environment Friendly Brick Production	0.77	64.25	0	0	65.02	176.77	4.58%
7)	Green/Environment Friendly Est.	2.31	36.98	6.86	46.85	93.00	944.52	24.46%
8)	Green CMSME	0.20	0.18	0.20	0	0.58	51.81	1.34%
9)	Green Socially Responsible Financing	32.00	7.93	6.51	3.68	50.12	370.32	9.59%
10)	Blue Economy Financing	0	152.97	0	0	152.97	164.66	4.26%
11)	Information and Communication Tech.	10.83	0	0	0.46	11.29	13.32	0.34%
	TOTAL	**311.98**	**471.21**	**121.58**	**164.46**	**1,069.24**	**3,861.45**	**100.00%**

3.3.1 Sustainable Linked Finance–Outstanding & Disbursement, 2024

(Fig. in Cr. BDT)

Sector	Achievement 2024					Outstanding 31.12.2024	
	Q1	Q2	Q3	Q4	Total	Amount	In %
Sustainable Agriculture	57.03	61.85	55.95	57.78	232.61	253.85	0.75%
Sustainable MSME	262.31	457.60	364.30	115.45	1199.66	1162.94	3.41%
Sustainable Linked Socially Responsible Finance	477.54	472.82	335.20	338.15	1623.71	799.51	2.35%
Other Sustainable Linked Finance	2,165.37	5,884.80	3,658.84	5401.6	17110.61	31840.4	93.49%
GRAND TOTAL	**2,962.25**	**6,877.07**	**4,414.29**	**5912.96**	**20,166.57**	**34,056.7**	**100%**

Refinance (Green Finance Related) Status

The Bank entered into following Green Finance related refinancing agreements with Bangladesh Bank for availing low-cost fund, both for the banks and the customers, with a view to protecting and preserving the environment as well as ensuring the sustained economic development:

(a) Green Transformation Fund (GTF) in Foreign Currency.

(b) Green Transformation Fund (GTF) in Local Currency.

(c) BB Refinancing Schemes for Green Products/Projects/Initiatives.

(d) Technological Development/Upgradation Fund.

(a) GTF Local Currency

Agreement on GTF in Local Currency was signed on 16 March, 2023 and during 2024, total disbursement of GRF (Local) was BDT 130.66 crore and the total outstanding was BDT 207.57 crore.

(Fig. in Cr. BDT)

Sl.	Customer's Industry	Disbursement					Outstanding (as of 31.12.2024)
		Q1	Q2	Q3	Q4	Total	
1.	Sweater Factory					-	5.16
2.	Spinning Factory					-	12.01
3.	Knit Composite					-	41.88
4.	Knit Factory	30.68				30.68	27.39
5.	Knit & Woven Factory					-	4.79
6.	Knit Factory					-	4.84
7.	Cycle Industry					-	16.35
8.	Sweater Factory	7.10				7.10	6.21
9.	Woven/Knit Factory	3.17				3.17	2.77
10.	Knit Factory	13.65				13.65	11.94
11.	Knit Factory		10.40			10.40	9.53
12.	Knit Factory			7.83		7.83	7.55
13.	Spinning Factory			16.85		16.85	16.15
14.	Woven/Knit Factory				6.35	6.35	6.35
15.	Knit Composite				34.63	34.63	34.63
	Total	**54.60**	**10.40**	**24.68**	**40.98**	**130.66**	**207.57**

(b) GTF Foreign Currency

Since 2022, around 09 (nine) nos. of RMG customers had availed Green Transformation Fund (GTF) in Foreign Currency (US Dollar & Euro) under refinance scheme of Bangladesh Bank. The existing outstanding as of 31.12.2024 is presented below:

Sl.	Customer's Industry	Disbursed Date	Limit	Outstanding (in US$ & Euro) (as of 31.12.2024)	Outstanding (Equivalent BDT)
1	Knit Factory	27.08. 2022	USD 1,217,767.00	USD 6,14,380.36	BDT 7.50 crore
2	Knit & Woven	27.08. 2022	USD 1,243,463.00	USD 6,27,344.35	BDT 7.65 crore
3	Packaging & Accessories	27.08. 2022	EURO 86,000.00	EURO 43,388.19	BDT 0.57 crore
4	Spinning	31.01. 2022	EURO 1,706,596.00	EURO 4,66,118.99	BDT 6.11 crore
					BDT 21.83 crore

Note: BC selling rate as of 30.12.2024 was used in conversion.

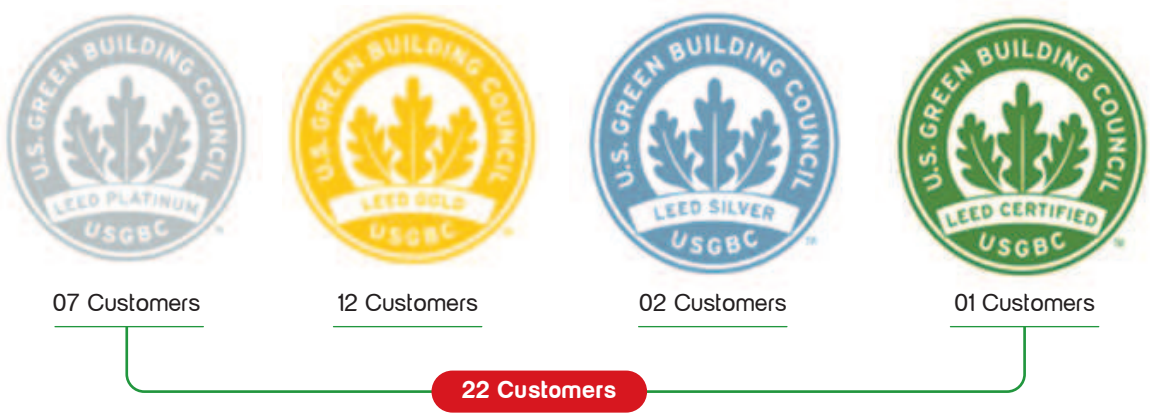
(c) BB Refinance Schemes for Green Products/Projects/Initiatives

Facility under Refinance scheme for Green Projects/initiatives is availed by an Autoclaved Aerated Concrete (AAC) block manufacturer in 2024. The present status of the facility is presented below:

(Fig. in Cr. BDT)

Sl.	Name of the Borrower	Disbursed Date	Limit	Outstanding (as of 31.12.2024)
1	Autoclaved Aerated Concrete Block Manufacturer	11.06. 2024	64.25	59.06

Financing in LEED Certified Green Garments Factories



As of December 31, 2024, the Bank has 22 customers certified under the LEED (Leadership in Energy and Environmental Design) program. Among these, 7 customers hold Platinum certification, 12 are categorized as Gold, 2 have Silver certification, and 1 falls under the Certified tier.

These clients are recognized as "Green/Environment-Friendly Establishments" under the Bank's Green Finance framework. In 2024, the Bank disbursed Tk. 93.00 crore in this category, with the total outstanding portfolio reaching Tk. 944.52 crore by the year's end.

Dedicated Sustainable Finance Help Desks (DSFHDs)

In line with Bangladesh Bank's requirement, UCB has operationalized Dedicated Sustainable Finance Help Desks (DSFHDs). The performance of the DSHDs is presented below

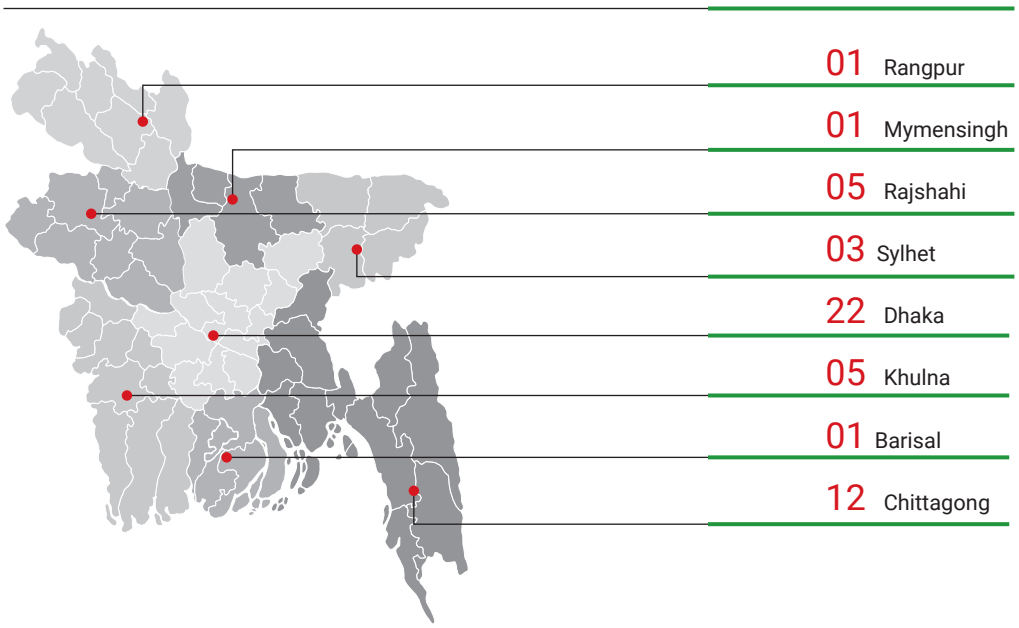
Activities of Dedicated Sustainable Help Desks (DSHDs) during 2024:

(Fig. in Cr. BDT)

Particulars	Q1	Q2	Q3	Q4	Total
Number of DSF HDs	50	50	50	50	50
employees in DSF HDs	50	50	50	50	50
No. of application from DSFHD in 2024	197	545	363	442	647
Amt. of application from DSFHD in 2024	2,891	7,795	3,374	4,538	18,598

Committed to advancing and implementing Sustainable Finance, the Bank has established 50 specialized Sustainable Finance Help Desks across both rural and urban regions nationwide. These help desks aim to fulfil two primary objectives: actively identifying new entrepreneurs in underserved sectors, while simultaneously evaluating opportunities to integrate existing clients into sustainable finance practices. Staff at these desks are trained to deliver end-to-end support, offering tailored advisory services and expedited processing of credit proposals linked to sustainable finance initiatives. This ensures streamlined, efficient assistance for both current clients and prospective borrowers seeking to align with Sustainable Financial solutions.

Geographical Footprints of DSFHDs



ESG Integration to Credit Risk Management

For fortifying the financing portfolio of the Bank along with protection and preservation of the environment, the Bank has started implementing Environmental and Social Risk Management (ESRM) guidelines, the latest version was issued in June, 2022 by Bangladesh Bank and was incorporated as an integral part of CRM Policy of the Bank in 2023. As per the guidelines, Environmental and Social Due Diligence (ESDD) checklist has to be conducted for the eligible customers of the Bank generating an Environmental and Social Risk Rating (ESRR) to facilitate the competent approval authority for approval decision based on the Environmental and Social (E&S) risk assessment and applicable mitigation measures of the customers.

Disbursement of ESDD as per DoE categories during 2024:

	2024								
	Q1		Q2		Q3				
	No. of A/c	Amt. Disbursed	No. of A/c	Amt. Disbursed	No. of A/c	Amt. Disbursed	No. of A/c	Amt. Disbursed Q4	Total Disbursement
Low	5,376	3,558.00	6,739	6,517.04	5161	4,129.89	7,103	5,666.01	19,870.94
Medium	59	35.05	54	291.93	191	136.40	87	20.81	484.19
		3,593.05		**6,808.97**		**4,266.29**		**5,686.82**	**20,355.13**

Training on Sustainable Finance and Green Finance

Two training sessions titled “Necessity of Green Banking” and “ESRM guidelines” are being regularly conducted every quarter. During 2024, the Unit has arranged several sessions on “Revised ESRM guidelines of Bangladesh Bank, 2022”. This year total of 395 personnel participated from various departments/divisions of the Corporate Office and from different branches. Nominated officials of the Dedicated Sustainable Finance Help Desks were also trained on the above issues and Green Finance.

Particulars	2023	2024				
		(Q1)	(Q2)	(Q3)	(Q4)	Total
Training Program organized	14	3	17	1	4	39
Number of Employees trained	395	283	100	50	84	912
Number of Customers trained	01	26	2,747	0	0	2,774

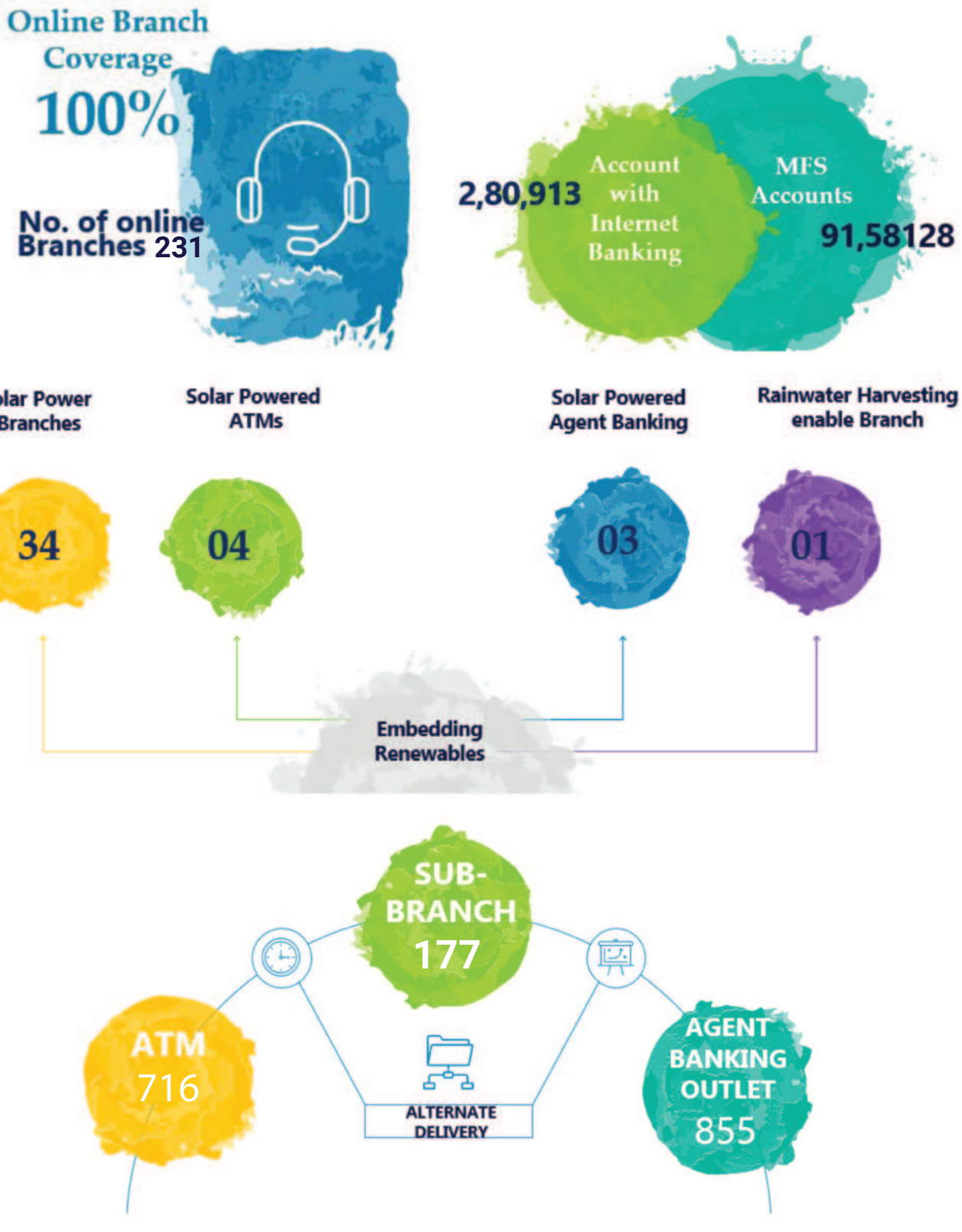


UCB's alignment with Sustainable Development Goals (SDGs)

1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
In 2024, a total disbursement of **Tk. 1,623.71** crore was disbursed through Sustainable linked socially responsible Financing	In 2024, total **Tk. 232.61** crore was disbursed for Sustainable Agriculture.	Total CSR expenditure of Tk. 3.12 crore was incurred (for NICVD).	UCB regularly takes up CSR initiatives for educational domain of the society.	In 2024, the bank's women employees are about 20% of the entire permanent employees.	UCB disbursed Tk. 77.00 crore for installation of Liquide waste Treatment Plants for major hazardous industries.

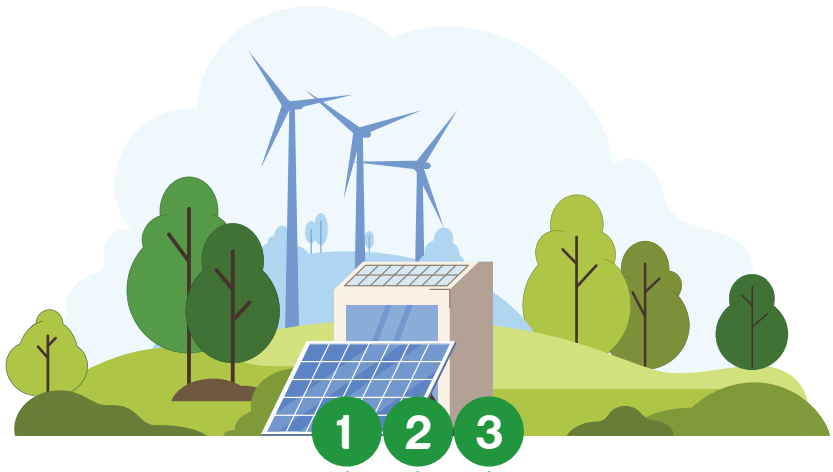
7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	13 CLIMATE ACTION	15 LIFE ON LAND
In 2024, total Tk. 118.17 crore was disbursed for Renewable Energy	The bank has sound compensation, pension, and other policies including workplace safety. It has created employment through financing in productive sectors.	In 2024, total of Tk. 65.02 crore was disbursed under environmentally friendly bricks and Tk. 93.00 crore in green and eco-friendly establishments.	Integration of ESDD in credit appraisal and escalating issues for mitigation to higher authority and taking up of time-bound corrective measures.	Active engagement in events like tree plantation, seminars on ecological balance, disaster management initiative/ support, etc.

Sustainable Footprint of UCB



Carbon Emission of UCB

UCB, as financial institution plays a critical role in the economy, but its operations also contribute to greenhouse gas (GHG) emissions. Understanding and managing Scope 1 and Scope 2 emissions is a foundational step in its climate action strategies.



Scope-1

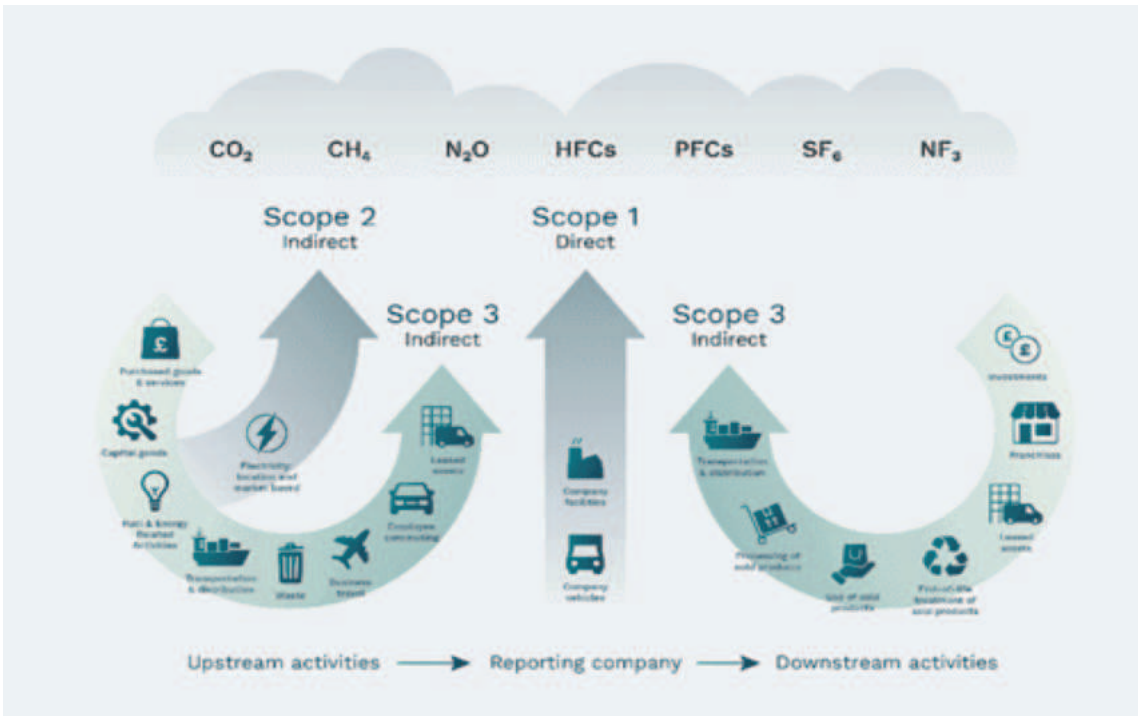
emissions arise from sources directly owned or controlled by a bank

Scope-2

covers indirect emissions from the generation of purchased electricity, steam or cooling consumed by the bank

Scope-3

enmcompasses all indirect greenhouse gas (GHG) emissions that occur across a bank's value chain but are not directly owned or controlled by the institution



Scope 1, 2, and 3 emissions collectively define a bank's carbon footprint. While Scope 1 and 2 focus on operational control, Scope 3 underscores the systemic role bank plays in enabling—or hindering—global climate goals. Transparent reporting and ambitious action across all scopes are essential to mitigate climate risks, meet regulatory requirements, and align with the Paris Agreement's 1.5°C target.

UCB is committed to understanding and reducing its greenhouse gas (GHG) emissions. We have implemented estimated measurement and reporting processes to track our emissions across different scopes. Estimated data is used for attribution and emission factors because, so far, specific Bangladesh data are unavailable

Scope 1 & 2 GHG Emission*

Sl.	Particulars	Unit	Total Consumption	GHG Emission (tCO2e)
1	Electricity	Kwh	16,668	11,203
2	Diesel	Litre	150,755	378
3	Octane	Litre	1,109,475	2,313

* Notes:

- Estimated data is used for attribution and emission factors because, so far, specific Bangladesh data are unavailable.
- Scope-1 covers only the fossil fuel (Diesel and Octane) consumption by company vehicles.
- For Scope-2 Grid emission factor of Bangladesh is used; while for Scope-1, UK Government GHG conversion factors are used.

Data Quality Score of Scope 1 & 2 emissions

Referring to the (Partnership for Carbon Accounting Financials) PCAF classification methodology, we consider the data quality to be Score 5 because specific Bangladesh data are unavailable. Estimated data is used for attribution and emission factors

Scope 3 GHG Financed Emission

While Scope 1 and 2 emissions represent a smaller portion of UCB's total carbon footprint, Scope-3 holds the largest slice of the carbon pie which is associated with financed emissions and supply chains.

Financed Amount (as on 31.12.2024)	Financed Emission (tCO_2e) in 2024*		
Tk. 57,282.89 Cr.	Scope-1	Scope-2	Scope-3
	514,174	221,315	910,420
	Total Financed Emission: 1,645,909		

Note: **JIM** (Joint Impact Model) Foundation's financed emission model is used. It is an economic activities based calculation.

Financed Emission per Crore

SCOPE	Emission per Crore Exposure in tCO2eq
1	8.76
2	7.86
3	27.94
Aggregate	**44.56**

Top 10 Sectors' Financed Emission

Sectors	Exposure	Emission tCO2eq	Exposure (%)	Emission (%)
Cement Factories	1,685	1,74,887	2.94%	10.63%
Contractor & Supplier Firms	4,151	1,36,784	7.25%	8.31%
Construction Companies	3,736	1,23,105	6.52%	7.48%
Power Generating Companies (Production, supply and distribution)	570	1,14,549	1.00%	6.96%
Readymade Garments Industries	6,914	1,09,486	12.07%	6.65%
Steel Engineering & Metallic Products Industries (Including Rerolling Mills)	2,204	95,322	3.85%	5.79%
Other Electricity/Power Generating Companies	791	1,59,077	1.38%	9.66%
Ship Breaking Industries	943	63,586	1.65%	3.86%
Agricultural Farms	--	--	--	--
Chemical & Chemical Products Indus.	904	60,260	1.58%	3.66%
Paper & Paper Products Manufacturing Industries	681	52,370	1.19%	3.18%
Total of Top 10 Sectors	**22,581**	**10,89,426**	**39.42%**	**66.19%**
Total Exposure/Emission	**57,283**	**16,45,909**		

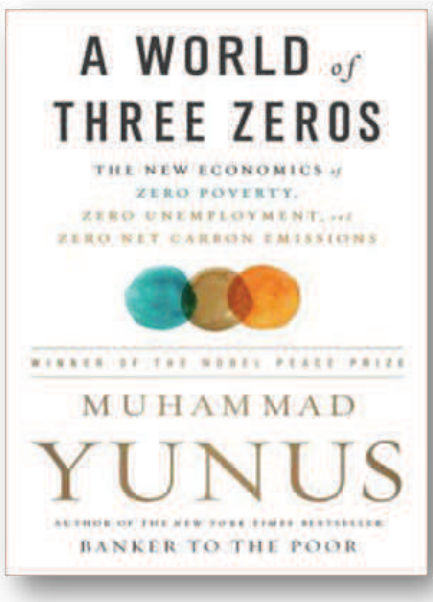
Spirit of Aspiring for a Word of Three (03) Zeros

> **If we imagine something, there is a good chance that it will happen.**
>
> **If we don't imagine it, there is almost no chance of it happening**
>
> -Nobel Laureate Professor Muhammad Yunus



In this book "**A World of Three Zeros**", Muhammad Yunus envisions a radical reimagining of capitalism, "proposing social business"–non-profit enterprises driven by altruism-to eradicate poverty, unemployment, and net carbon emissions. He critiques wealth concentration in traditional systems, advocating microcredit and entrepreneurship to empower marginalized communities, likening financial access to "**Economic Oxygen**".

By prioritizing collective welfare over profit, he argues humanity can forge a sustainable, equitable future where creativity and compassion reign.

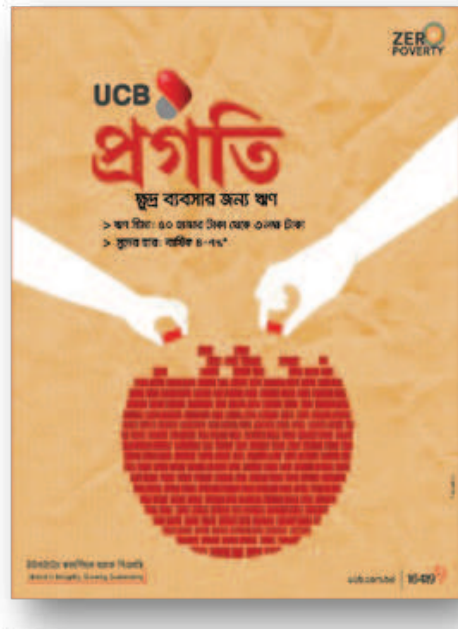


Though a profiteering financial entity, UCB always care about the community through reengineering its products and services. Being inspired to provide the Economic Oxygen to the society the bank launched six (06) products addressing zero poverty, zero unemployment, and Zero Net Carbon emission.

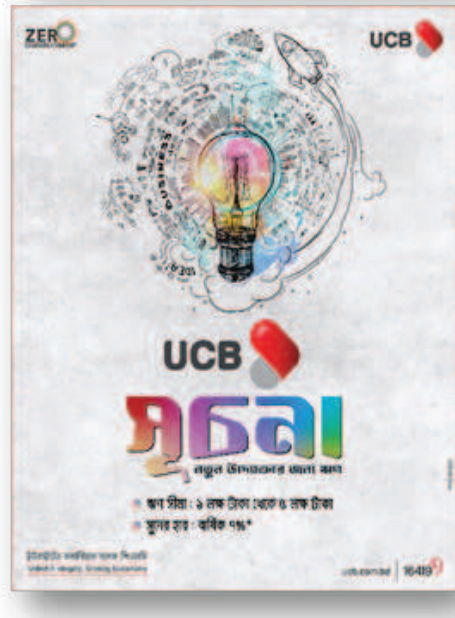
The Products are:

Zero Poverty	Zero Unemployment	Zero Net Carbon Emissions
Deposit Products		
Somota	Swadhin	Sabuj Sonchoy
Loan Products		
UCB Progoti	UCB Shuchona	UCB Shobuj Shomriddhi


ZERO POVERTY
UCB
সমতা
সেভিংস অ্যাকাউন্ট


ZERO POVERTY
UCB
প্রগতি
ক্ষুদ্র ব্যবসার জন্য ঋণ


ZERO
UCB
UCB স্বাধীন


ZERO
UCB
UCB
সূচনা

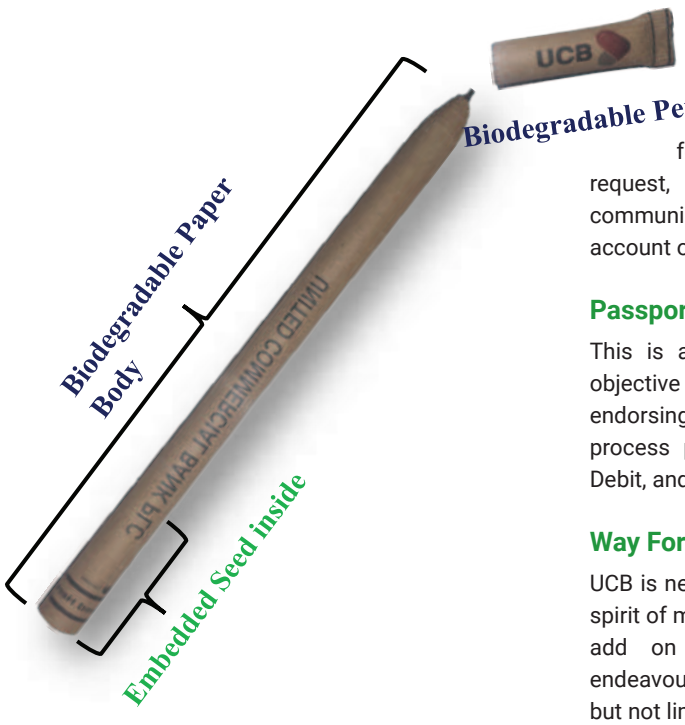

ZERO
UCB
UCB
সবুজ সঞ্চয়
একাউন্ট
পেপারলেস ব্যাংকিং


ZERO
UCB
UCB সবুজ
সমৃদ্ধি
পরিবেশ বান্ধব
সবুজ উদ্যোগের জন্য ঋণ

In-house Initiatives for the Year 2024

United Commercial Bank PLC is pledged to reduce its carbon footprint and actively spearheads innovative conduits to have a benign impact on the environment by reducing paper consumption, minimizing water wastage, bringing in efficiency in the diurnal operation. In the previous years the bank has introduced Robotic Process Automation, U-click phase 2 deployment, Aggregate access control (Umbrella), Electronic Form C, online collection of income tax return certificate, change management through UCB Home, CIB inquiry work flow system etc. This year the bank has again boarded the scope of such initiatives in the following areas:

Biodegradable Pen with embedded seed



Caring for People, Planet, and Prosperity, UCB has introduced Biodegradable Plantable-Pen for its internal use.

The whole barrel and the cap of the pen are made out of biodegradable paper, and after being used up, the bottom section (where seeds are concealed) can be bisected and planted on earth. We believe such a small but inspiring initiative will motivate others to step forward to reduce the carbon footprint on this ailing planet.

School Management Payment System

We have developed a system that allows students or their guardians to make fee payments from anywhere without visiting the school or bank branches. The system includes the following modules:

- Student Payment Application
- Student Payment Cash Module
- Admin Module for Account Users
- Reconciliation Module for Head Office
- Transaction Inquiry Service (Card, Wallet)

Offshore Banking Account Opening

We have developed a system that enables people residing abroad to request the opening of the following bank accounts:

- Offshore Banking FC Current Account
- Offshore Banking FC Term Deposit Account

During the account opening request, users can upload all necessary documents required for account creation. After receiving the request, a designated officer from UCB will communicate with the customer to complete the account opening process.

Passport Endorsement Automation

This is a fully automated end-to-end process. The objective of this system is to facilitate customers in endorsing their passports quickly. Branch users can process passport endorsement requests for Credit, Debit, and Prepaid Cards through this portal.

Way Forward

UCB is never satisfied with the status que and with its spirit of making incremental value creation, it thrives to add on various initiatives to its sustainability endeavour. Looking forward, our aspiration includes, but not limited to, the followings:

- Signing up with an international ESG advisory for strengthening the existing carbon accounting framework of the bank and also for a solid capacity building for the in-house executives of the bank.
- Creating an ingrained culture of sensible and sustainable consumption of resouces considering the theme of reduce, reuse, and recycle.
- Increasing the financing in renewable and alternative energy alongside other green products.
- Becoming the leading brand of holistic sustainable practice in the financial sector of Bangladesh.

UCB



A Car in MIND is a **CAR** today

UCB CAR LOAN

ucb.com.bd

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CORPORATE
SOCIAL RESPONSIBILITY

Report on
Corporate Social Responsibility



At United Commercial Bank PLC, we firmly believe that our success as a business is deeply connected to the well-being of the communities we serve and the health of the environment we all share. At UCB, we remain committed year after year to embracing and supporting initiatives, programs, and activities that generate meaningful, long-lasting impact. These efforts are not only central to our CSR strategy but are also embedded in our identity as a responsible corporate citizen. We understand that the true measure of our growth lies in how much we contribute back to society.

Our approach to CSR is driven by purpose and guided by the real needs of the communities around us. Each initiative we undertake is designed to be impactful, relevant, and sustainable — forming the foundation for inclusive development and economic progress.

As a financial institution, we recognize the powerful role we play in shaping positive change. Whether it's financing the shift to a low-carbon economy, championing financial inclusion, or upholding the highest standards of ethics and governance, we treat every decision as an opportunity to build a better future.

With that spirit, we are proud to present our Corporate Social Responsibility (CSR) Report for 2024, highlighting the strides we've made and the initiatives that continue to drive us toward a more inclusive, equitable, and sustainable tomorrow.

In the year 2024, our total expenditure in CSR was an amount of BDT 74.46 Million. the detailed of the CSR activities comes as follows:

Education

At UCB, we believe education is the cornerstone of sustainable development and inclusive growth. Our CSR efforts in education focus on bridging the gap in access to quality learning opportunities, especially for underprivileged communities. We aim to empower the next generation with the knowledge and skills needed to thrive in a rapidly changing world. An amount of Taka 8.84 Billion has been donated in the sector of Education. UCB contributed in the areas like financial assistance to Bandarban University, financial assistance to students of Department of Law, Dhaka University on attending Monroe E Price Media Law Moot Court Competition 2024 and many more.

Health

Access to quality healthcare is fundamental to human well-being and economic progress. We are committed to improving healthcare outcomes for underserved communities through sustained, impactful interventions. Our health-focused CSR initiatives aim to enhance accessibility, awareness, and affordability of medical services for those who need them most. In 2024, an amount of Taka 31.32 Million has been donated in the sector of Health. Some of the major contributions are medical support to various individual patients suffering from lymphoma, leukaemia, cancer,



brain stroke etc. Support to Moonflower Autism Center, Assistance to Satarkul Protibondhi, financial support to student protesters admitted at Dhaka Medical College and Hospital, financial support to injured protesters admitted to NITOR.

Environment

Environmental sustainability is an integral part of our CSR vision and long-term strategy. As a responsible corporate citizen, we are committed to mitigating our environmental footprint and supporting community-led initiatives that promote ecological balance, climate resilience, and sustainable resource use. In 2024, an amount of Taka 3.87 Million has been contributed.

Disaster Management

We highly recognize the critical role that timely and coordinated disaster response plays in saving lives and restoring communities. Our CSR strategy incorporates a strong focus on disaster preparedness, response, and recovery to support vulnerable populations affected by natural and man-made calamities. Through strategic partnerships, community engagement, and rapid mobilization of resources, we have worked to build resilience and provide meaningful aid where it's needed most. In 2024, 5.25 Million has been contributed in Disaster Management Sector. Some interventions in this sector covers donation for flood affected people, blanket distribution etc.

Sports

Sports play a vital role in shaping well-rounded individuals and fostering social inclusion, discipline, teamwork, and leadership. Through our CSR initiatives in sports, we aim to promote grassroots participation, nurture emerging talent, and ensure that people have access to quality sports infrastructure and training. In 2024, our contribution to sports has been an amount of Taka 5.00 Million.

Others

Financial assistance to war torn Palestine, donation to July Shaheed Smriti Foundation are some of the other notable areas, UCB also contributed as part of CSR which is an amount of Taka 20.17 Million.

Looking ahead, we remain steadfast in our mission to integrate sustainability into our core business strategy. We will continue to collaborate with stakeholders, embrace innovation, and expand our reach to address the evolving needs of society. With each initiative, we aim to build not just a stronger bank, but a better future for all.

We thank our partners, employees, and communities for their trust and participation. Together, we are banking on a brighter, more equitable tomorrow.

UCB Taqwa
ISLAMIC BANKING

INTRODUCING NEW

Islamic Banking Services of UCB Taqwa



- Al-Wadia Current Account
- Mudaraba Savings Account
- Mudaraba Term Deposit
- Mudaraba Monthly Income Term Deposit
- Mudaraba Imperial Savings Account
- Personal Finance

And Many More



UCB TAQWA

ISLAMIC BANKING

Report on
UCB Taqwa-Islamic Banking

In the name of Allah, The Most Gracious and The Most Merciful

1. Introducing UCB Taqwa-Islamic Banking

As one of Bangladesh's leading first-generation private commercial banks since 1983, United Commercial Bank PLC (UCB) continues its legacy of contributing significantly to Bangladesh's financial sector through innovative and client-centric services.

Formally launched in September 2020, 'UCB Taqwa' represents UCB's dedicated Islamic Banking service, established in response to significant market demand for Shariah-compliant financial solutions. Operations began through 10 dedicated windows, offering a diverse portfolio of Personal and Corporate Banking products and services. This initiative reflects our commitment to inclusivity and providing ethical financial solutions for all segments of our valued clientele. UCB Taqwa Islamic Banking operates distinctively, adhering strictly to Islamic tenets under the guidance of its Shariah Supervisory Committee.

Our commitment to expanding UCB Taqwa Islamic Banking continued with the inauguration of a dedicated Islamic Banking Branch in Gulshan in 2021. Subsequently, in 2024, we received regulatory approval from Bangladesh Bank to open fifty (50) additional Islamic Banking windows within our branch network, further extending the reach of our Shariah-compliant services.

In 2024, the economy faced considerable challenges, impacting various sectors, including Islamic banking. Despite these difficulties, Islamic banking in the country achieved significant milestones. Deposits reached BDT 4,397.58 billion by December 2024, constituting 24.75% of total deposits in the banking sector. Financing and investment grew to BDT 4,793.10 billion, representing 28.15% of the total loans and advances across the industry by year-end. Remittances mobilized by Islamic banks totalled BDT 319.14 billion during the same period. The branch network of Islamic banks, including Islamic branches of conventional commercial banks, expanded to 1,731, and Islamic banking windows increased to 825 by December 2024. Consistent with the sector's growth, UCB Taqwa Islamic Banking's portfolio also saw substantial expansion. Its deposit increased from BDT 1,723 Crore in the year 2023 to BDT 2,127 crore in the year 2024, marking a year-on-year rise of approximately 23.4%, its financing rose from BDT 1319 crore in the year 2023 to BDT 1433 crore in the year 2024 with year-on-year rise of approximately 8.65%.

2. Differentiating factors of UCB Islamic Banking

a) Profit sharing for Mudaraba Accounts

All profit-bearing deposit accounts under UCB Taqwa Islamic Banking operate on the basis of the Mudaraba principle—a Shari'ah-compliant partnership contract wherein the depositor acts as the capital provider (Shaheb Al Maal) and the Bank assumes the role of the fund manager (Mudarib). Income generated from Shari'ah-compliant financing and investment activities is distributed between the parties in accordance with a pre-agreed Income Sharing Ratio (ISR).

It is important to note that UCB Taqwa Islamic Banking does not declare or offer any provisional profit rates on Mudaraba accounts. Instead, the actual profit rate is determined monthly, based on the realized income from financing activities and the agreed ISR between the Bank and the customer.

b) Diversified Products & Services

UCB Taqwa Islamic Banking delivers a broad range of ethical financial products and services. Its offerings include Al Wadia based Current Account, Mudaraba-based deposit schemes and Shari'ah-compliant financing solutions such as Murabaha, Bai Salam, Ijarah, and Musharaka to cater the need of Retail, SME and Corporate segment customers.

At UCB Islamic Banking, all profit-bearing deposit accounts operate on the Mudaraba principle. These Mudaraba deposits encompass various categories, including Savings accounts, Term Deposits, and specialized scheme deposits, catering to diverse customer segments.

For the retail segment of financing, our offerings include Personal Finance, Auto Finance, and Home Finance facilities. For Corporate and SME clients, we provide tailored products to meet working capital needs, as well as Term Finance facilities for fixed asset acquisition and project financing. Additionally, we offer specialized solutions for both export and import financing.

Specialized products are available for women, students, NRBs, corporates, and high-net-worth individuals through tailored schemes like the Imperial Deposit. The Bank also supports foreign exchange services and offers digital banking for convenient, secure access.

c) Value-Added Services to Customers

UCB Taqwa Islamic Banking is committed to offering superior service to its customers. From the very beginning, customers can transact and avail of Islamic Banking services from any branch of the Bank with a real-time online banking platform. We also brought the convenience of UCB Internet Banking (UNET) to our Islamic customers through which customers can get account information, transfer funds within and outside UCB, and pay utility bills using the mobile app. We have also introduced Visa Debit Card, Travel prepaid card, Prepaid Card for Corporate Salary Account Holders, and SMS Alert after transactions.

3. Portfolio Overview & Growth (Highlights of the Year 2024)

Deposit and Financing Growth: Despite sluggish market growth, UCB Taqwa Islamic Banking achieved Phenomenal growth last year:

a) Deposit book stood at BDT 2126.79 Crore in the year 2024 with a growth of 23.46% from last year

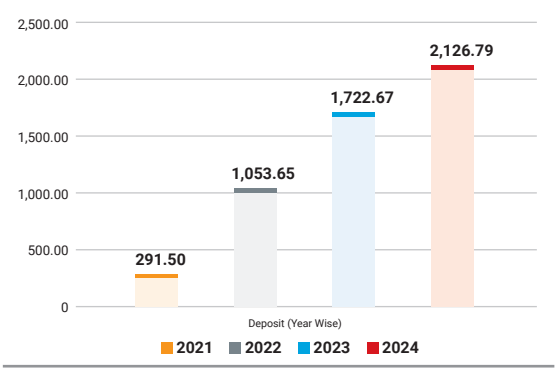


Figure: Year-to-year deposit growth (Amount in Crore BDT)

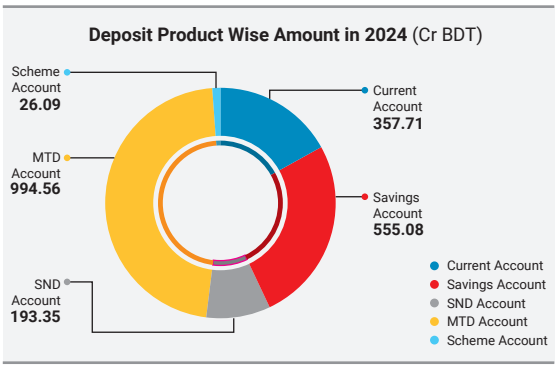


Figure: Product- wise Deposit Amount (Year- 2024)

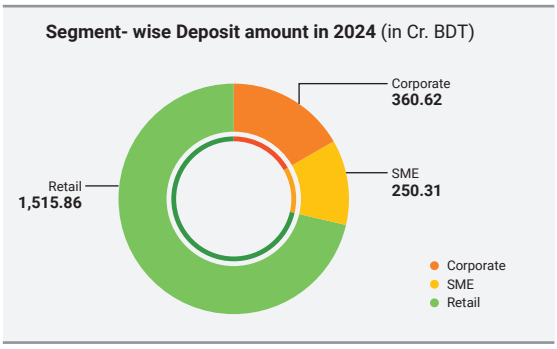


Figure: Segment- wise Deposit (Year- 2024)

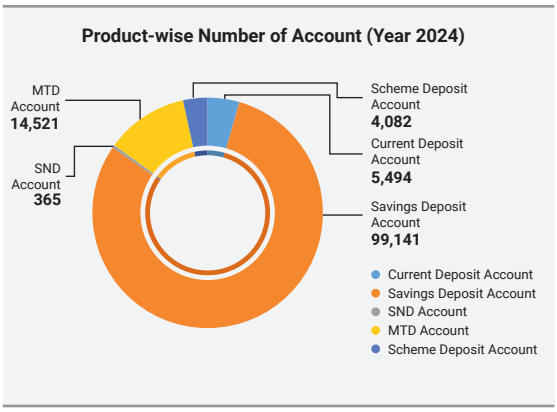


Figure: Product-wise number of account (Year 2024)

b) Financing & Investment book stood at BDT 1432.59 Crore in the year 2024 with a growth of 8.65% from last year

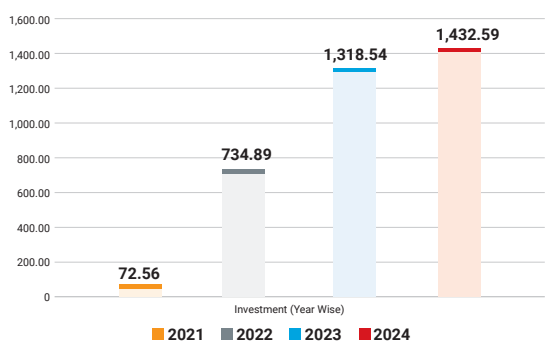


Figure: Year-to-year financing & investment growth (Amount in Crore BDT)

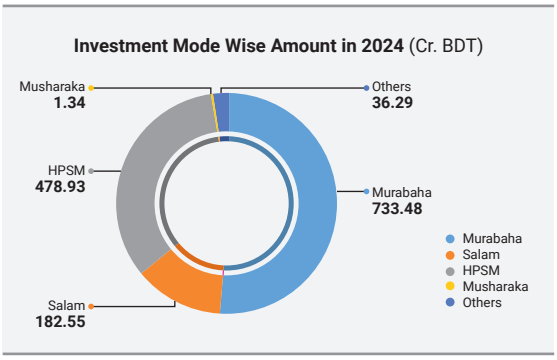


Figure: Mode-wise financing amount (Year 2024)

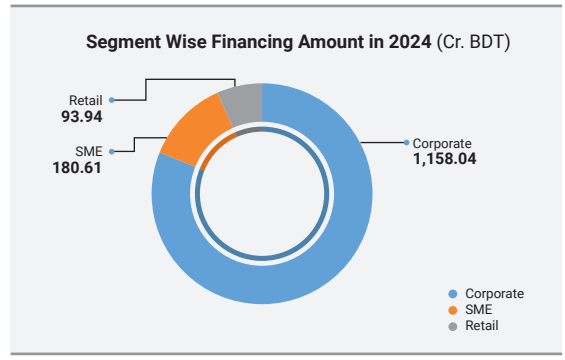
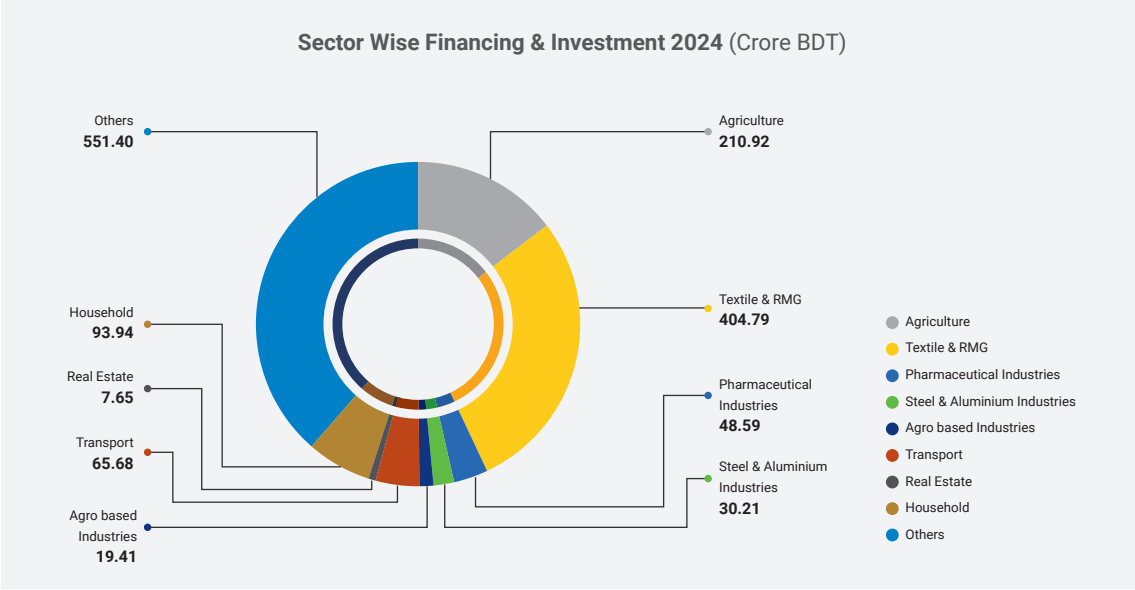


Figure: : Segment-wise financing amount (Year 2024)

- **Sector- wise Financing & Investment**



4. Financial Performance & Investment

- **Operating profit was recorded as BDT 91.88 Crore as of 31st Dec, 2024**

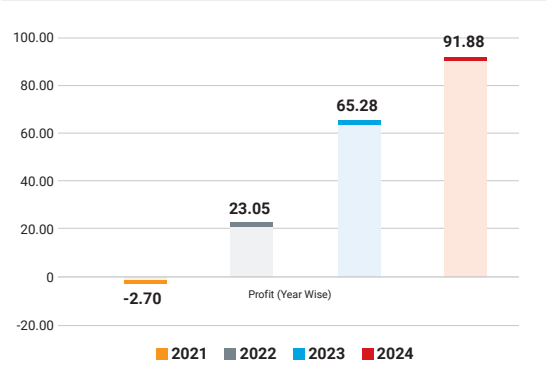


Figure: Year-to-year Profit (Amount in Crore BDT)

5. Key Initiative of the Year 2024

a) Expansion of service network

In 2024, UCB Taqwa Islamic Banking expanded its Islamic banking footprint by opening 50 new Banking Windows across UCB branches with approval from Bangladesh Bank. To enhance accessibility and customer experience, online banking services were extended nationwide, reinforcing our commitment to providing comprehensive Shariah-compliant financial solutions for evolving customer needs.

b) Customer Awareness Program

UCB Taqwa Islamic Banking launched an awareness-building program to promote Islamic banking principles through direct engagement at various branches. Our team met customers, exchanged insights, and fostered trust with existing and prospective clients, enhancing financial literacy in Shariah-compliant banking. This initiative reflects our commitment to customer-centric and ethical financial solutions.

c) Knowledge Sharing Program

Training is a continuous process and we engaged employees of different branches as well as of corporate Head Office in 2024 in classroom sessions as well as through digital platform to enhance knowledge on Islamic Banking.

d) New Products in 2024

- **Deposit Products-**

  UCB Taqwa Islamic Ayma Savings Account

  UCB Taqwa Young Star Savings Account

  UCB Taqwa Islamic Travel prepaid Card

- **Financing products**

  UCB Taqwa Bai Salam Packing Refinance

  Taqwa Earnest Money Financing

  Taqwa Financing against BG Claims settlement

6. Shariah Compliance & Governance

i. Formation of the Shariah Supervisory Committee

To uphold Shariah principles and ensure strict compliance, UCB has established a robust Shariah Supervisory Committee (SSC), operating under the direct oversight of the Board of Directors of United Commercial Bank PLC and in strict adherence to the Islamic banking guidelines set by Bangladesh Bank. The committee comprises five (5) distinguished Shariah scholars, along with other esteemed members, who possess exceptional expertise in the fields of the Quran, Sunnah, and Fiqh al-Muamalat. The SSC plays a pivotal role in ensuring that all banking products and processes align with Shariah principles, supported by both local and international Shariah standard-setting bodies, including the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

ii. Introducing the Members of Shariah Supervisory Committee:



Professor Dr. Md. Shamsul Alam
Chairman of Shariah Supervisory Committee



Dr. Md. Ebrahim Khalil
Member of Shariah Supervisory Committee



Professor Dr. A.F.M. Akbar Hossain
Member of Shariah Supervisory Committee



Dr. Mohammed Nasir Uddin (Azhary)
Member of Shariah Supervisory Committee



Dr. Mohammad Manjurur Rahman
Member of Shariah Supervisory Committee

iii. Role of the Sharia Supervisory Committee

a) **Shariah Compliance:** Reviews products, contracts, and transactions to eliminate riba, gharar, and maysir.
b) **Shariah opinion:** Provides Shariah rulings on new financial products and banking issues.
c) **Policy Guidance:** Endorses the development of Shariah-compliant policies and procedures.
d) **CSR and Non-Halal Income:** Advises on redirecting non-halal income to CSR activities.
e) **Regulatory Liaison:** Aligns with Bangladesh Bank and stakeholders for Sharia governance.
f) **Governance Framework:** Supports voluntary Shariah Governance Framework, advocating for standardization.

iv. Major Issues Reviewed by the Shariah Supervisory Committee in 2024

During the year 2024, the Committee met in 4 (four) meetings and gave its opinion on various Shariah-related issues placed before it by the Management. The issues are as follows:

a) The Committee reviewed the principles and the contracts relating to the transactions and applications introduced by the Bank Islamic Banking Division during the period from 1st January 2024 to 31st December 2024.

b) The contracts, transactions, and dealings entered into by UCB Islamic Banking during the year ended on 31st December 2024 were

reviewed in compliance with the Shariah rules and principles;

c) Distribution of profit to the Mudaraba Depositors conforms to the basis that had been approved in accordance with the Shariah rules and principles;

d) Reviewed the performance of the Islamic banking business on a quarterly basis;

e) Advised taking effective steps aiming at creating awareness among the employees and the customers about Shariah compliance;

f) Reviewed the Shariah Audit Report presented by the Muraquib;

g) Provided opinions and endorsements regarding new products and schemes.

7. Corporate Social Responsibility (CSR) of UCB Taqwa Islamic Banking

UCB Taqwa Islamic banking undertakes and implements various types of social programs under its Corporate Social Responsibility (CSR) activities. It always tries to make financial transactions based on human necessities and embark upon productivity-oriented projects or activities.

8. Sustainable and Green financing

The Government of Bangladesh introduced the Green Financing Policy and encouraged banks and FIs to participate in offering green financing to promote environment-friendly economic activities for sustainable economic development in Bangladesh. UCB Taqwa Islamic Banking is also playing important role in promoting green financing, which refers to financial products and services to support environmentally sustainable projects and initiatives.

9. Industry Position & Regulatory Compliance

UCB continues to maintain a strong business position among peer banks offering Islamic Banking services, with an extensive network of 60 Islamic Banking Windows as of December 2024. Additionally, our dedicated Islamic Banking branch further reinforces our commitment to delivering comprehensive Shariah-compliant financial solutions.

At UCB Taqwa Islamic Banking, we prioritize ethical banking, where Shariah compliance and regulatory adherence remain at the core of our operations. From product development to business execution, we strictly comply with local regulatory guidelines while aligning with AAOIFI's internationally recognized Shariah standards. This steadfast commitment ensures transparency, integrity, and trust in our Islamic banking practices.

10. Future Outlook & Strategic Initiatives

- **Branch & Network Expansion**

  Increase market penetration through branch and window expansion and financial literacy programs, and emphasizing ethical and sustainable investments.

- **Shariah Governance Enhancement**

  Strengthen compliance, training, and Shariah audit functions for better transparency and trust.

- **Branding & Awareness**

  Run Service Month and targeted campaigns to raise awareness and promote Islamic banking in underserved areas.

- **Product Diversification**

  Develop more Shariah compliant financial products, Including growing Islamic asset management and Islamic wealth management tools.

- **Knowledge Sharing Program**

  In the coming years, UCB Taqwa Islamic banking remains committed to continuous employee development, actively engaging team members in comprehensive training sessions on Islamic Banking. These initiatives will further enhance expertise, ensuring seamless service delivery and a deeper understanding of Shariah-compliant financial principles across all operational levels.

- **Innovations or digital banking initiatives**

  We can pioneer cutting-edge mobile banking apps that seamlessly embed Shariah-compliant Islamic finance solutions. Digital platforms can be introduced to enable instant, paperless account openings. With Islamic FinTech innovators we will be able to unlock microfinance and crowdfunding management. Powered by blockchain, various Shariah contracts—such as Murabaha, Bai Salam, etc.—can be automated, ensuring robust Shariah compliance.

- **Retail & SME Financing Growth**

  Focus on Shariah-compliant financing for individuals and small businesses.

- **Deposit Mobilization**

  Introduce innovative deposit products (e.g., Monthly Income Term Deposit, Waqf deposits, etc.) and promote digital deposit channels.

- **Green banking & finance:**

  Digital platforms for investing in green Sukuk, social impact funds, or Halal ESG portfolios, attracting ethically minded investors.

- **Focus in OBU finance through Islamic Banking:**

  In our future action plan we are focusing to separate the functions of OBU for Shariah and regulatory compliance —typically focused on foreign currency transactions in local and cross border trade based on Islamic principles avoiding interest-based mechanisms.

Report on
Service Quality Department (SQD)



A **Symphony** of UCB Customer Experience

UCB always meticulously orchestrates every interaction with a customer, creating a harmonious and memorable experience where all aspects, from marketing to sales to customer service, work together seamlessly to produce a positive overall feeling for the customer. Essentially, it signifies a carefully crafted, multi-faceted customer journey that leaves a lasting positive impression.

VISION of Service Quality Department (SQD)

"To enable customer delivery touch-points and concerned service delivery units to provide outstanding quality of service to our valued customers for making United Commercial Bank PLC a top service exemplary brand in banking industry and also be a catalyst in establishing a customer centric culture across the bank."

Core Functions of **Service Quality Department**



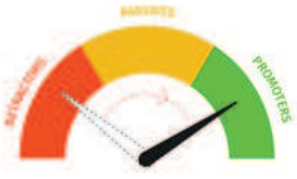
Complaint Management
(Identify Process & Service gap to Ensure Better Customer Experience)

Bangladesh Bank

Regulator Issues & Meeting Compliances
(Complaint, Compliance & Reports)



Mystery Shopping
3rd Party Physical Visits
(Identify Knowledge Gap, Service Deviation, Administration & Compliance)



NPS (Net Promoter Scores)
3rd Party Survey Calls
(Capture Customer's Voice on Service)



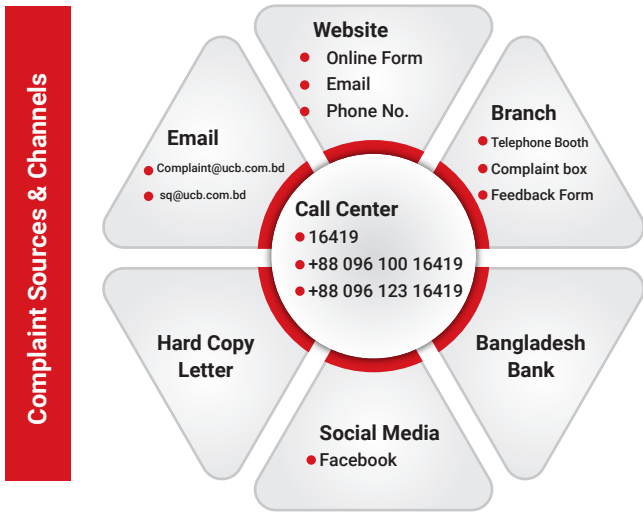
Service & Process Improvement
(From Root Cause Analysis)



Training & Coaching
(Ensure Improvement on Service)

Complaint Management & Resolution

UCB receives complaints generally from the following sources & channels.



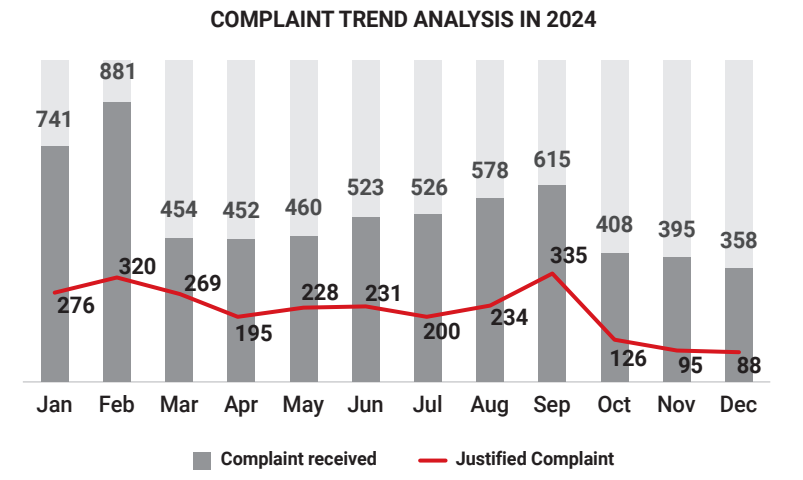


2024 Total Complaints Report

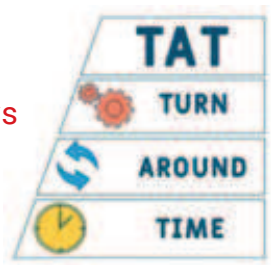
Total 6,391 complaints received from different channels in 2024. Service Quality Department receives majority of complaints registered through UCB Call Center.

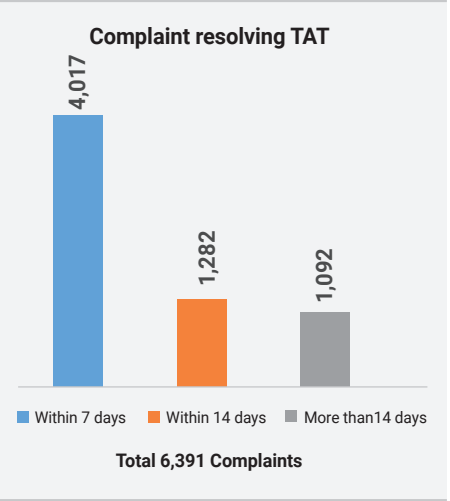
STATUS OF COMPLAINTS





Around **62.85% (4,017)** complaints closed within **7** calendar days, around **20.05% (1,282)** complaints closed within **8-14** calendar days and rest **(1,092)** were taken more than **14** calendar days



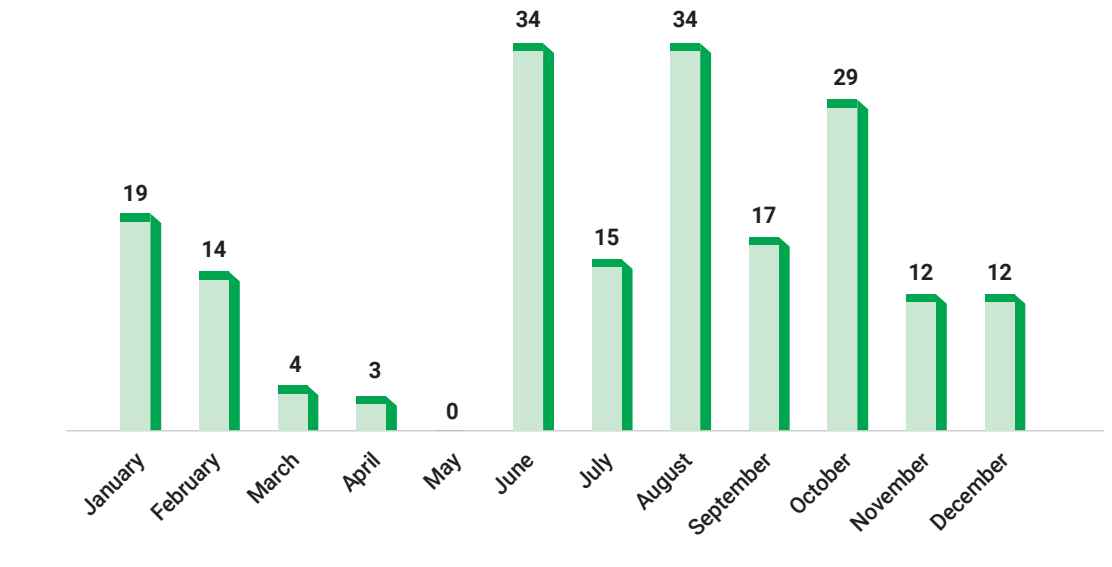




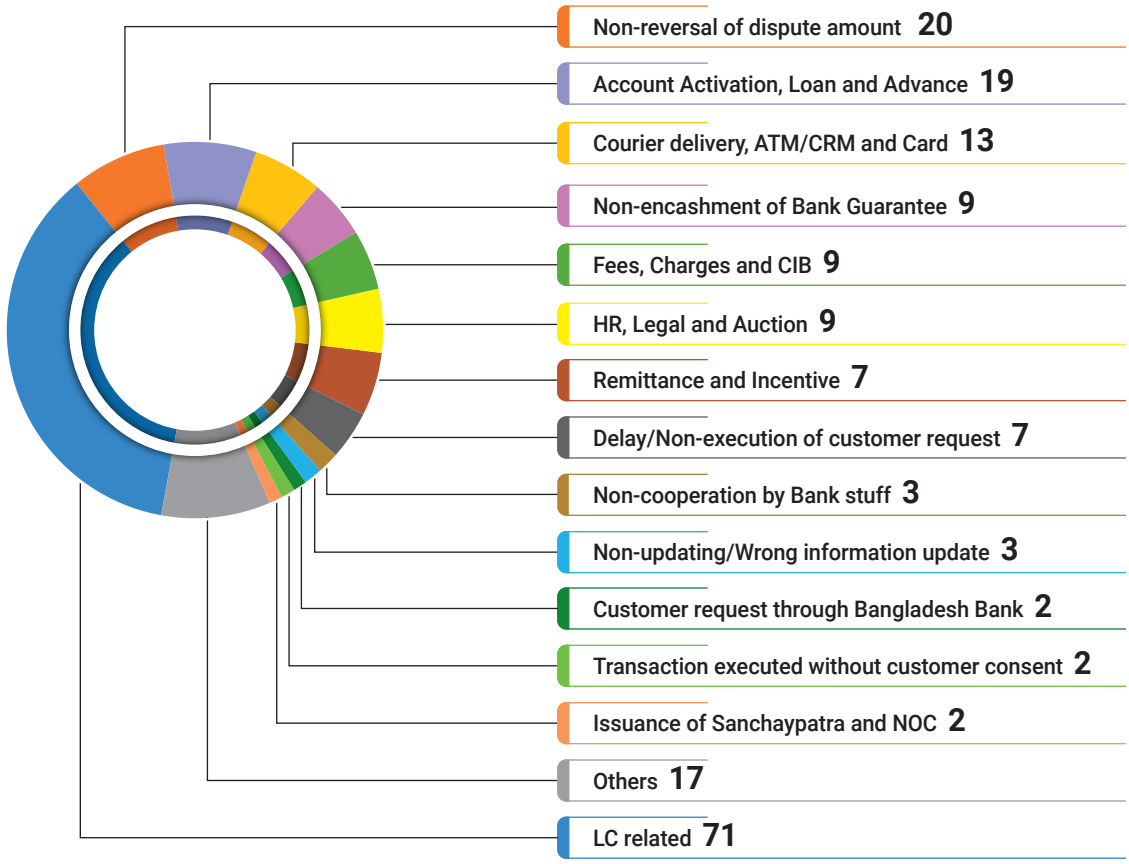
Bangladesh Bank

Regulatory Issues & Compliances

A total of 193 issues received from Bangladesh Bank (Regulator) through e-mail & hard copy and accordingly resolved with timely response.

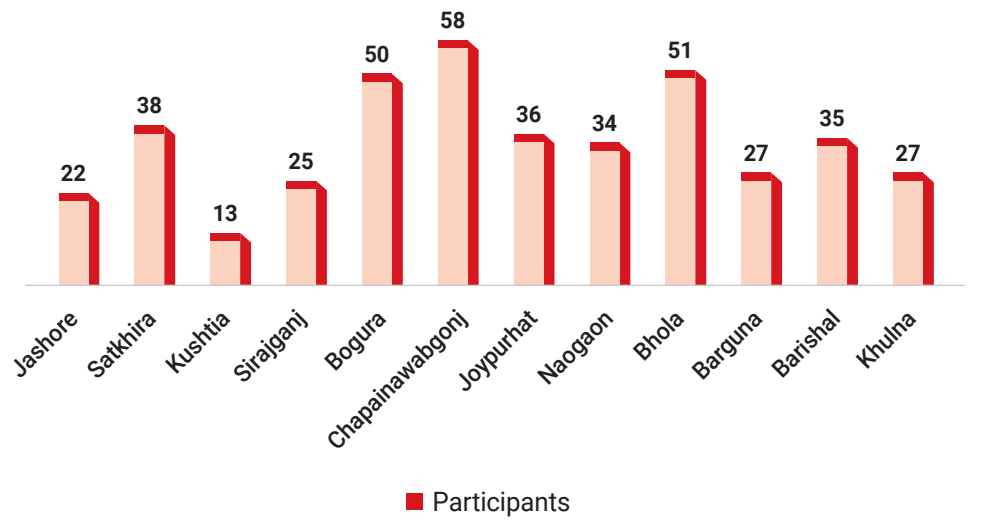


Bangladesh Bank Complaint Category



As per Bangladesh Bank instruction, 61 branches under 5 divisions were conducted "Customer Awareness Week" in 2024 covering banking information at all segments of customers related to loan guarantor, loan defaulter, remittance benefits, agent banking transactions, anti-money laundering issues etc.

Customer Awareness Week





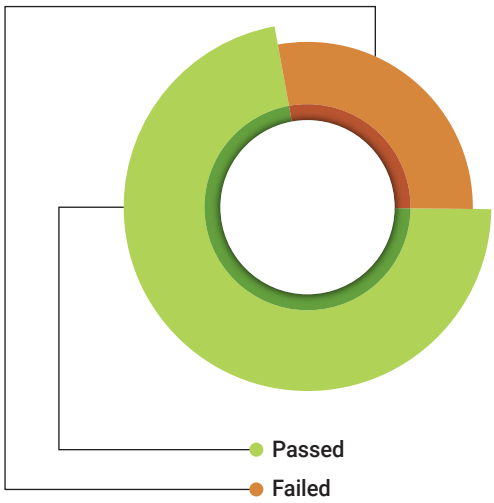




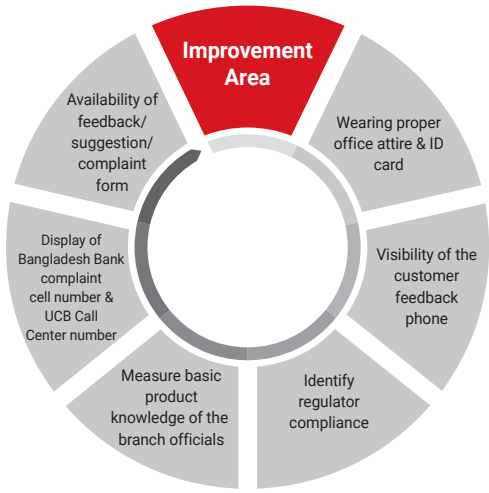
Mystery Shopping Management:

In the year 2024, Service Quality Department conducted Mystery Shopping for 224 Branches through 3rd Party to measure the real service standard of the branch from a third eye. Based on the threshold of 85%, 62 branches scored below the threshold where below improvement areas are required to regain the score.

MYSTERY SHOPPING BY 2024

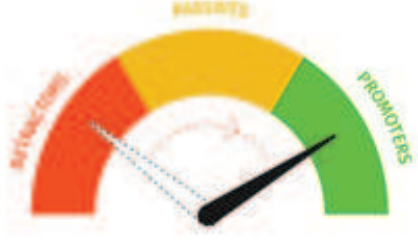


IMPROVEMENT AREAS



Customer Experience & Satisfaction Metrics (NPS):

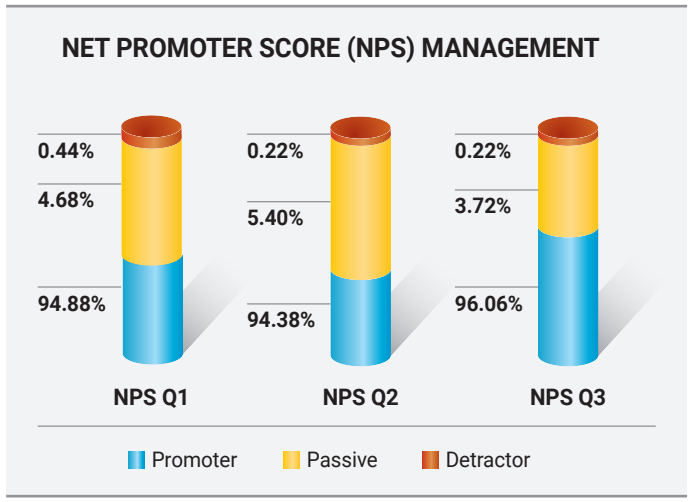
UCB has gathered customer experience through capturing customers' voices by using **Net Promoter Score (NPS)** survey calls through 3rd Party. NPS is a widely used metric for measuring customer loyalty and satisfaction. It is calculated based on responses to the question "***On a scale of 0 to 10***".





UCB 2024 NPS Scores: -

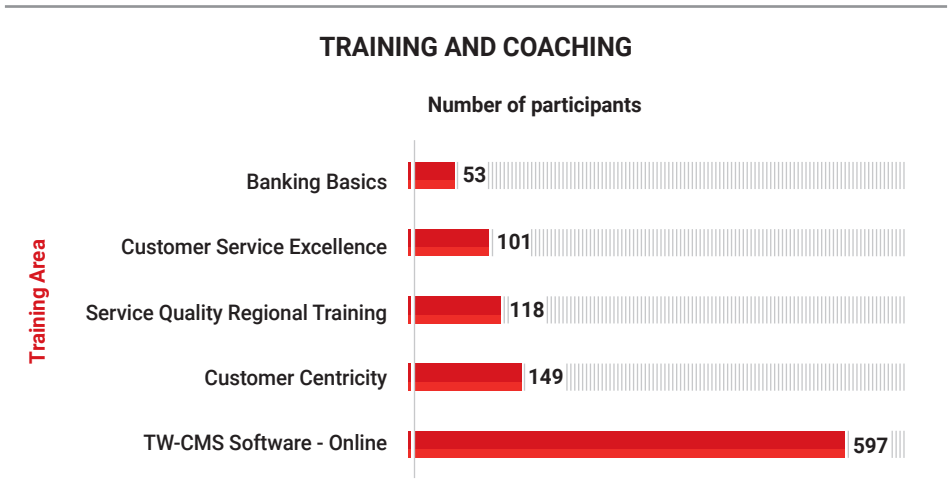
Year 2024	NPS Q1	NPS Q2	NPS Q3
NPS Scores	94.44%	94.16%	95.84%





Employee Training & Service Excellence Programs

To perform the tasks individually, skill set is essential which is a combination of abilities, qualities and experiences that requires training and coaching all through year to provide one stop service which will enhance better customer experience. Below training was conducted by SQD in the year 2024.











The following topics were covered while conducting the above trainings –

Banking Basics/Customer Centricity/Customer Service Excellence:

- Creating an organization wise customer centric or customer focused culture
- Strategies to serve customers better
- Purpose of Service Quality
- Creating customer delight
- Managing customer expectations
- Proper approach of complaint handling

Regional Training (Cumilla, Faridpur & Khulna Region Branches):

- Review Branch Complaint issues.
- Review Mystery Shopping & NPS Survey Results.
- Strategies to improve Service Quality and reduce complaints
- Customer Service Policy Guidelines for Complaint Management at Branches
- Awareness of Zonal Customer Service & Complaints Management Cell

TW-CMS Software Learning:

- Successfully trained the operational activities of Card Management System for all branches customer service employees through online session.

E-Learning on Service Quality:

- Common Complaint Issues & Root Causes
- Strategies to Serve Customer Better
- Service Quality Vs Service Recovery
- Importance of Knowledge on Products, Process and Fees
- Case Studies
- The Purpose of Service Quality

Service & Process Improvement (From Root Cause Analysis)



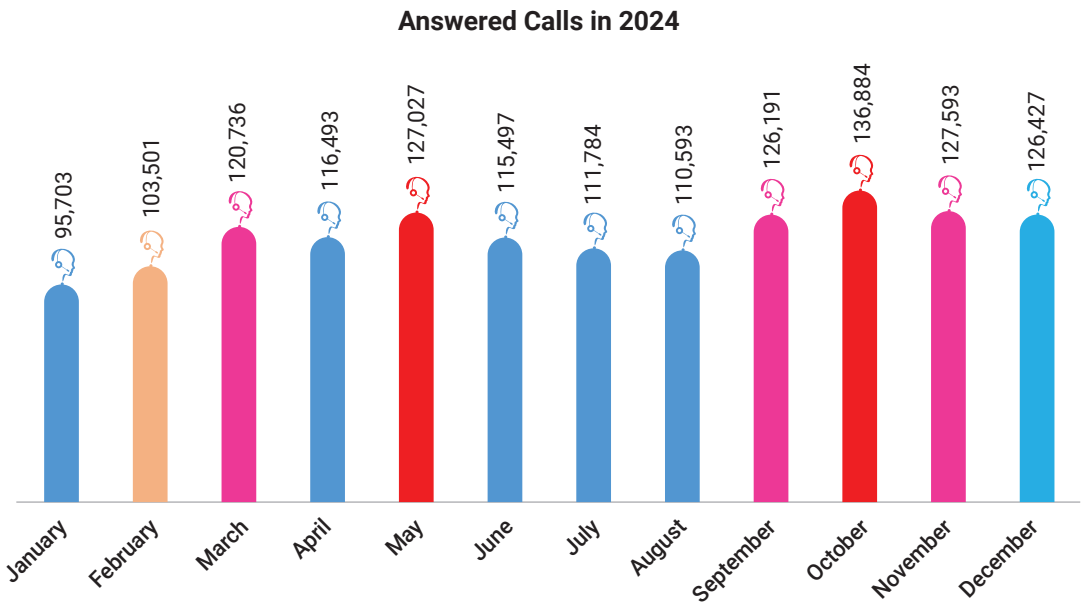
Below initiatives were taken in the year 2024 by Service Quality Department.

1) Established Account regularization TAT for Branch/Sub-Branch/Liability Operations to minimize account opening complaint and to increase customer satisfaction

2) Established MASTER Debit Card refunded transaction process without customer claim
3) Implemented a process with collaboration with Retail business so that customer has the options (YES/NO) to apply for Debit Card.
4) With involvement of SQD, Youngster account holders are now getting notification prior set the Account Status as No Debit and request to change the Account class while age become 18 years.
5) Conduct online knowledge sharing session on TWCMS among customer service officers of all the Branches/Sub-Branches with collaboration with Card operations and Card Business.
6) Conduct regional training on Service Quality in Faridpur, Cumilla and Khulna region.
7) Previously Credit Card payment was not accepted through NPSB channel, with involvement of SQD now we are accepting card payment through NPSB channel from other Bank
8) Established the process to Disable/Enable Card NFC/Pay wave option due to customer's security concern.
9) Establishing to increase the TP limit of E-KYC account (On Process)

UCB Call Center: 16419 One Call, That's All...

UCB Call Center has been an integral part of the Bank and a trusted ally to its customers, since its inauguration in 2016, by providing variety of services, ensuring utmost satisfaction of the customers. Initially the services were limited to Credit & debit Card products only, which with time has expanded its periphery to all other banking products. The introduction to Card PIN generation any time, absolutely free of cost, through the IVR, has reduced the hassle & cost of PIN issuing, replacement & delivery. The Center is dedicated to providing 24 hours' assistance to customers, 7 days a week, 365 days a year and excels in its' endeavor to make UCB's valued customer happy and satisfied. Our state of the art technology, initiatives and innovations, that have driven our commitment to service excellence towards a new height, are as follows:



14,18,429 Calls Answered –





– Feedback/ Apology Calls – 27,662

32,786 E-Mails Replied –





– 257,938 Cards Activated

- Debit Card – 1,96,667
- Credit Card – 33,658
- Pre-Paid Card – 27,613

2,86,126 Nos. of Card PIN Generated through IVR –





– 1,45,174 Nos. of Service Requests Processed

46,747 Nos. of Complaints Received





250,213,216 (Around 25.2 Crore) Revenue Generated by selling EMI at 11% interest (Flat Rate) on Credit Card Transactions.

Highlights:

- 42% more calls have been received
- Started apology call-back to the abandoned calls (more than 40 Seconds)
- 15% improvement achieved in service levels
- Increased agent licenses from 25 to 75 for higher response rate and better service levels
- Recruited 20 new agents to ensure customer's call to be answered quickly and more efficiently

Moving Forward:

In 2025 and onwards, UCB aims to enhance customer satisfaction, exceeding expectations by consistently delivering unparalleled service. Our focus is to establish a culture of innovation, by offering a variety of digital solutions, ensuring seamless customer interactions and courteous conversations. By making use of our customer feedback and continuously reengineering our processes, we strive to ensure a banking environment where every conversation brings happiness and strengthen our relationships with the customers, as a trusted financial partner in the industry.



FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of United Commercial Bank PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of United Commercial Bank PLC and its subsidiaries (the "Group") as well as the separate financial statements of United Commercial Bank PLC (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2024 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" section of our report, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank 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 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note no. 2.1.

Basis for Qualified Opinion

1. i) As on 31 December 2024 the Bank's total loans and advances is Tk. 57,282.89 crore, which includes classified loans and advances amounting to Tk. 8,534.40 crore. Required provision for these classified loans and advances amount to Tk. 6,055.12 crore against which the bank has provided Tk. 2,705.62 crore only. Thus, an amount of Tk. 3,349.51 crore has remained short in the provision for the said classified loans and advances.

   ii) As disclosed in note # 4.1 to the financial statements, the Bank has fixed deposits of Taka 155.48 crore in different Non-Bank Financial Institutes (NBFIs) which became matured long ago but are doubtful of recovery. The provision requirement of the said FDRs is Taka 155.48 crore, but the bank has not maintained any provision for those FDRs as at 31 December 2024, thus there is short of provision of Taka 155.48 crore.

   iii) As disclosed in notes # 9 and 9.6 to the financial statements, the provision shortfall of other assets is Taka 391.27 crore which includes the impairment loss of UCB Fintech Company Limited, a subsidiary Company of United Commercial Bank PLC and commonly known as UPAY, for Taka 389.40 crore. The Bank holds 99.99% of the shares of the Company. As on 31 December 2024, the Company has incurred cumulative loss of Taka 389.40 crore, but the Bank has not accounted for the impairment loss in its financial statements on solo basis.

However, Bangladesh Bank vide their letter # DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025 has allowed the bank to finalize its financial statements for the year ended 31 December 2024 without adjusting the total shortfall amount of Taka 3,896.26 crore as stated above.

2. i) As per section 13 (2) of the Bank Company Act 1991 (amended in 2023) and BRPD circular no.18 dated 21 December 2014 to fulfil the Basel-III requirement, the required capital as on 31 December 2024 at Tk. 6,358.78 crore against which the bank's recorded capital is Tk. 5,385.90 crore. Thus, the bank's reported

capital shortfall is Tk. 972.87 crore as on the balance sheet date. If the shortfall in provision of Tk. 3,896.26 crore as stated in para 1 above is considered, the capital shortfall of the Bank would have been Tk 3,613.06 crore.

ii) As per Section 13(2) of the Bank Company Act 1991 (amended in 2023), BRPD Circular No. 35 dated 29 December 2010, and BRPD Circular No. 18 dated 21 December 2014 to fulfil the Basel-III requirement, the required Capital Adequacy Ratio (CRAR) of the Bank should have been 12.5% (including buffer) of Risk Weighted Assets but the Bank's reported CRAR is 10.59% approximately. If there were no forbearance from Bangladesh Bank and the shortfalls in provisions mentioned in this audit report were considered, as on 31 December 2024, the aggregated loss of the bank would have been Taka 2,009.42 crore and CRAR would have been 5.40% on solo basis.

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 Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), guidelines issued by Bangladesh Bank, and rules and regulations issued by Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Description of key audit matters	Our response to key audit matters
1. Recognition of interest income from loans and advances	
Refer to note no. 7 and 21 to the consolidated and separate financial statements	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environment.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest from loans and advances. We have performed test of operating effectiveness on automated control in place to measure and recognize interest income.
We have identified 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 in recognition of interest by management to meet specific targets or expectations. At the year ended 2024, the Group and the Bank reported total gross interest income from loans and advances of BDT 55,652 million (January 2023 to December 2023: BDT 37,414 million) and BDT 55,437 million (January 2023 to December 2023: BDT 36,768 million) respectively.	We have also performed substantive procedure to check whether interest income is recognized completely and accurately. We have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
2. Impairment assessment of unquoted shares	
Refer to note no. 6.3(C) to the consolidated and separate financial statements and para 1.iii of our basis for adverse opinion section	

Description of key audit matters	Our response to key audit matters
In the absence of quoted price in an active market, the fair value of unquoted shares and securities, especially any impairment is calculated using valuation techniques which may take into consideration direct or indirect unobservable market data and hence requires an elevated level of judgement and assumption.	We assessed the process and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. We have tested a sample of investment valuation as at 31 December 2024 and compared our results to the recorded value.
Due to high level of judgment and assumption involved in evaluating the impairment assessment of unquoted shares, we considered this to be a key audit matter.	Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. The impairment assessment and recognition was properly done for all shares except for the impairment loss of UCB Fintech Company Limited, commonly known as UPAY is a subsidiary Company of United Commercial Bank PLC.
3. Valuation of treasury bills and treasury bonds	
Refer to note no. 6a and 6.1 to the consolidated and separate financial statements	
The classification and measurement of treasury bills (T-Bills) and treasury bonds (T-Bonds) require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and treasury bonds. We have obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and treasury bonds valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments. We have 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, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
4. Deferred tax assets	
Refer to note no. 9.2 to the consolidated and separate financial statements	
As at 31 December 2024 the Group and the Bank reported net deferred tax assets of BDT 8,742 million (December 2023: BDT 5,965 million) and BDT 8,740 million (December 2023: BDT 5,964 million) respectively. Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of deferred tax assets and the assumptions used in estimating the Group and the Bank's future taxable income. We have assessed the completeness and accuracy of the data used for the estimations of future taxable income. We have involved tax specialist to assess key assumptions, controls, recognition and measurement of deferred tax assets. Finally, we have assessed the appropriateness and presentation of disclosures against IAS 12: Income Taxes.

Description of key audit matters	Our response to key audit matters
5. Legal and regulatory matter	
We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the Group's best estimation for existing legal matters that have a probable and estimable impact on the Group's financial position.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group and Bank's key controls over the legal provision and contingency processes. We enquired those charged with governance to obtain their views on the status of all significant litigation and regulatory matters. We enquired of the Group and the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Group and the Bank's provisions and contingent liabilities disclosure.
6. IT systems and controls	
Our audit procedures have focused 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 master data management, user access management and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of IT dependent application-based controls.	We tested the design and operating effectiveness of the Group and 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 Group and the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit. Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.

Other Matter

In accordance with IAS 24 Related Party Disclosures, the bank is required to disclose information regarding related party relationships, transactions, and outstanding balances. The management has stated in the financial statements that there are no related party disclosures other than those presented in the accompanying notes no 49.4.

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 consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information obtained prior to the date of this audit report, 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 and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note no. 2.1, 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 (as amended up to date) 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.

Auditor's 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 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 consolidated and separate 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 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.
- 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 and separate 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the 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, related safeguards.

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 which have been duly described in the basis for qualified opinion and the key audit matter section. 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 Securities and Exchange Rules, 2020, the Bank Company Act, 1991 (as amended up to date) 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) 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 of the Group and the separate financial statements of the Bank 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 Management's Responsibility for the financial statements and internal control:

(a) internal audit, internal control and risk management arrangements of the Group and the Bank 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 the Bank;

(iii) consolidated financial statements of the Bank include 05 (five) subsidiaries, namely UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited and UCB Exchange (SG) PTE Ltd. which reflect total assets of BDT 11,574 million, BDT 1,477 million, BDT 1,136 million, BDT 2,299 million and BDT 06 million respectively as at 31 December 2024 and total revenue of BDT 852 million, BDT 166 million, BDT 64 million, BDT 487 million and nil respectively for the year ended 2024.

(iv) in 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;

(v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

(vii) the expenditures incurred were for the purpose of the Group's and the Bank's business for the period;

(viii) 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 explained in notes 2.10.51 and 2.1.1 as well as related guidance issued by Bangladesh Bank;

(ix) provisions have been made for loans and advances and other assets which are in our opinion, doubtful of recovery, as per Bangladesh Bank Vide letter no. DBI-4/7007/2025-635 dated 27 April 2025 (refer to the matter as disclosed in Basis for Qualified Opinion para no. 1(i);

(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 7,520 person hours; and

(xii) Capital to Risk-weighted Assets Ratio (CRAR) has been maintained during the period based on provisions allowed by Bangladesh Bank against the requirement as explained in notes 13.1 and 14.6 as per Bangladesh Bank Vide letter no. DBI-4/7007/2025-635 dated 27 April 2025 (refer to the matter as disclosed in Basis for Qualified Opinion para no. 2).

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Dhaka,
29 May 2025

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353
DVC: 2505290353AS455673

UNITED COMMERCIAL BANK PLC

Consolidated Balance Sheet

As at 31 December 2024

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
PROPERTIES & ASSETS			
Cash	3	**45,443,634,157**	**36,186,600,376**
Cash in hand (including foreign currencies)		12,443,112,603	8,600,450,648
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		33,000,521,554	7,586,149,728
Balance with other banks & financial institutions	4	**19,013,303,637**	**22,455,110,493**
In Bangladesh		12,853,680,447	5,556,154,273
Outside Bangladesh		6,159,623,190	16,898,956,220
Money at call on short notice	5	**2,500,000,000**	-
Investments	6	**90,756,764,423**	**85,611,169,843**
Government		75,913,616,797	70,067,335,372
Others		14,843,147,626	15,543,834,471
Loans and Advances	7	**578,130,846,373**	**510,710,023,606**
Loans, Cash Credits, Overdrafts etc.		568,147,161,936	500,982,069,097
Bills purchased and discounted		9,983,684,437	9,727,954,509
Fixed assets including premises, furniture & fixture	8	**19,567,070,636**	**19,583,158,058**
Other assets	9	**16,768,471,179**	**13,012,610,508**
Non-banking assets	10	**3,336,000**	-
Total Assets		**772,183,426,405**	**687,558,672,884**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**81,142,166,248**	**66,590,306,142**
Deposits and other accounts	12	**552,225,706,273**	**511,392,706,168**
Current accounts & other accounts		104,192,635,067	126,365,845,416
Bills Payable		6,626,968,382	8,344,605,942
Savings Bank Deposits		93,476,409,174	94,572,958,191
Fixed Deposits		307,898,284,188	243,315,320,401
Bearer Certificates of Deposits		-	-
Other Deposits		40,031,409,462	38,793,976,218
Other Liabilities	13	**98,818,436,734**	**67,997,142,418**
Total Liabilities		**732,186,309,255**	**645,980,154,728**
Capital/Shareholders' Equity			
Paid up Capital	14	15,503,758,980	14,765,484,750
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,828,739,273	15,802,731,273
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,767,535,661	3,097,273,897
Retained Earnings	18	4,415,528,335	6,431,473,339
Total Shareholders' Equity		**39,997,116,960**	**41,578,517,970**
Non controlling interest		190	186
Total Shareholders' Equity with non-controlling interest		**39,997,117,150**	**41,578,518,156**
Total Liabilities and Shareholders' Equity		**772,183,426,405**	**687,558,672,884**

Off Balance Sheet Items
Contingent Liabilities

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
		250,123,379,742	**281,952,312,043**
Acceptances & Endorsements	**19.1**	105,263,752,167	121,717,014,733
Letters of Guarantee	**19.2**	60,918,919,087	65,230,862,378
Irrevocable Letters of Credit	**19.3**	59,160,060,971	73,731,069,769
Bills for Collection	**19.4**	24,780,647,517	21,273,365,163
Other Contingent Liabilities		-	-
Other Commitments		**10,736,246,402**	**9,723,925,200**
Documentary credit and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		10,736,246,402	9,723,925,200
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities		**260,859,626,144**	**291,676,237,243**

The annexed notes from 01 to 50 form an integral part of these financial statements.

Managing Director & CEO | **Director** | **Director** | **Director**

This is the Consolidated Balance Sheet referred to in our separate report of even date.

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Dhaka,
29 May 2025

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353
DVC: 2505290353AS455673

UNITED COMMERCIAL BANK PLC

Consolidated Profit and Loss Account

For the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Interest Income	21	56,329,944,149	38,527,432,247
Interest paid on deposits and borrowings etc.	22	35,174,181,758	22,238,997,029
Net Interest Income		**21,155,762,391**	**16,288,435,218**
Investment income	23	7,591,575,460	6,004,840,458
Commission, exchange and brokerage	24	9,005,638,512	8,376,878,550
Other Operating Income	25	373,798,700	350,098,451
Total Operating Income (A)		**38,126,775,063**	**31,020,252,677**
Salary and allowances	26	10,130,961,651	9,280,023,731
Rent, taxes, insurance, electricity etc.	27	1,626,418,570	1,454,739,940
Legal expenses	28	170,602,614	99,486,632
Postage, stamps, telecommunications etc.	29	241,811,089	238,779,237
Stationery, printing, advertisements etc.	30	2,137,940,631	2,328,552,381
Chief Executive's salary and fees	31	17,695,000	16,435,484
Directors' fees	32	6,013,571	4,057,995
Auditors' fees	33	1,778,833	1,612,500
Depreciation and repair of banks assets	34	2,690,805,309	2,556,626,841
Other expenses	35	6,314,523,617	5,445,974,082
Total Operating Expenses (B)		**23,338,550,885**	**21,426,288,823**
Profit before provision (C) = (A-B)		**14,788,224,178**	**9,593,963,854**
Provision for Loans & Advances	36	11,852,866,574	3,792,688,396
Provision for diminution in value of investments	37	841,677,725	52,461,975
Other provisions	38	219,505,616	711,543,580
Total Provision (D)		**12,914,049,915**	**4,556,693,951**
Total Profit before Income Taxes (C - D)		**1,874,174,263**	**5,037,269,903**
Provision for Taxation	39	**1,794,112,818**	**2,839,601,616**
Current tax		4,570,211,087	3,339,864,344
Deferred tax expense/(income)		(2,776,098,269)	(500,262,728)
Net Profit after Taxation		**80,061,445**	**2,197,668,287**
Appropriations			
Statutory Reserve		26,008,000	38,422,834
Start-Up Fund		6,078,043	26,850,863
Coupon payment on Perpetual Bond		587,500,000	367,500,000
Retained Surplus/(Deficit)		(539,524,598)	1,764,894,591
		80,061,445	2,197,668,287
Attributable to			
Equity holders' of the Bank		(539,524,788)	1,764,894,405
Non controlling interest		190	186
		(539,524,598)	**1,764,894,591**
Earnings Per Share (EPS)	40	**0.05**	**1.45**

The annexed notes 01 to 50 form an integral part of these financial statements.

Managing Director & CEO | **Director** | **Director** | **Director**

This is the Consolidated Balance Sheet referred to in our separate report of even date.

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353
DVC: 2505290353AS455673

Dhaka,
29 May 2025

UCB

UNITED COMMERCIAL BANK PLC

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation gain/(loss)	Retained Earnings	Total
Balance as at 01 January 2024	14,765,484,750	1,454,976,750	15,802,731,273	26,577,961	2,534,101,559	418,083,770	186	145,088,568	6,431,473,339	41,578,518,157
Surplus/deficit on revaluation of investments	-	-	-	-	-	(337,730,308)	-	-	-	(337,730,308)
Currency translation difference (OBU)	-	-	-	-	-	-	-	7,992,073	-	7,992,073
Net Profit for the year	-	-	-	-	-	-	-	-	74,111,467	74,111,467
Transferred to statutory reserve	-	-	26,008,000	-	-	-	-	-	(26,008,000)	-
Cash Dividend		-	-	-	-	-	-	-	(738,274,238)	(738,274,238)
Stock Dividend	738,274,230								(738,274,230)	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	(587,500,000)	(587,500,000)
Non Controlling Interest	-	-	-	-	-	-	4	-	(4)	-
Balance as at 31 December 2024	**15,503,758,980**	**1,454,976,750**	**15,828,739,273**	**26,577,961**	**2,534,101,559**	**80,353,462**	**190**	**153,080,640**	**4,415,528,335**	**39,997,117,150**

For the year ended 31 December 2023

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Non-Controlling Interest	Foreign Currency translation	Retained Earnings	Total
Balance as at 01 January 2023	14,062,366,430	1,454,976,750	15,764,308,439	26,577,961	2,534,101,559	128,060,537	174	134,906,899	6,072,815,386	40,178,114,135
Surplus/deficit on revaluation of investments	-	-	-	-	-	290,023,233	-	-	-	290,023,233
Currency translation difference (OBU)	-	-	-	-	-	-	-	10,181,669	-	10,181,669
Net Profit for the year	-	-	-	-	-	-	-	-	2,170,817,425	2,170,817,425
Transferred to statutory reserve	-	-	38,422,834	-	-	-	-	-	(38,422,834)	-
Cash Dividend		-	-	-	-	-	-	-	(703,118,308)	(703,118,308)
Stock Dividend	703,118,320	-	-	-	-	-	-	-	(703,118,320)	-
Coupon Payment Perpetual Bond	-	-	-	-	-	-	-	-	(367,500,000)	(367,500,000)
Non Controlling Interest	-	-	-	-	-	-	12	-	(12)	-
Balance as at 31 December 2023	**14,765,484,750**	**1,454,976,750**	**15,802,731,273**	**26,577,961**	**2,534,101,559**	**418,083,770**	**186**	**145,088,568**	**6,431,473,339**	**41,578,518,157**

The annexed notes from 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK PLC

Consolidated Cash Flow Statement

For the year ended 31 December 2024

		Notes	2024 Taka	2023 Taka
A.	**Cash flows from operating activities**			
	Receipts of Interest		63,967,566,565	44,338,215,812
	Payments of Interest		(27,352,624,039)	(21,016,017,221)
	Receipts of Dividend		329,838,753	231,790,122
	Receipt of Fees & Commission		7,770,645,799	6,809,110,517
	Recoveries from previously written off loans and advances		369,041,609	409,590,871
	Payments to employees		(10,157,248,369)	(9,347,373,468)
	Payments to suppliers		(4,301,989,387)	(5,597,917,983)
	Payments for Income Tax		(2,955,963,224)	(3,714,962,839)
	Receipts from other operating activities		(774,520,100)	255,557,185
	Payments for other operating activities		(5,986,950,896)	(5,131,534,477)
	Operating profit before changes in operating assets and liabilities		**20,907,796,711**	**7,236,458,519**
	Increase/Decrease in operating assets and liabilities			
	Statutory Deposits		(6,021,159,996)	(4,381,774,414)
	Purchase/Sales of trading Securities		713,619,478	(467,176,700)
	Loans and advances to Customers		(65,497,893,918)	(39,925,103,990)
	Other assets		(3,478,097,639)	(182,765,341)
	Deposit from banks		(3,237,348,162)	(1,312,414,303)
	Deposit from customers		43,972,343,313	87,043,023,616
	Other Liabilities		9,713,307,067	822,863,224
			(23,835,229,857)	**41,596,652,092**
	Net cash (used in)/flows from operating activities (A)		**(2,927,433,146)**	**48,833,110,611**
B.	**Cash flows from investing activities**			
	Net (Purchase)/Sale of Securities		(163,935,183)	409,051,366
	Net Purchase of Property, Plant & Equipment		(1,388,833,386)	(3,811,226,174)
	Net Cash used in investing activities (B)		**(1,552,768,569)**	**(3,402,174,808)**
C.	**Cash flows from financing activities**			
	Receipt/(Payment) from borrowing		11,399,096,746	(35,215,219,004)
	Receipt/(Payment) of Sub-Ordinated Bond		1,222,800,000	(1,000,000,000)
	Payment of cash dividend		(738,274,238)	(703,118,322)
	Coupon payment on perpetual bond		(587,500,000)	(367,500,000)
	Net cash from financing activities (C)		**11,296,122,509**	**(37,285,837,326)**
D.	**Net Increase/(Decrease) in cash (A+B+C)**		**6,815,920,794**	**8,145,098,477**
E.	Effects of the changes of exchange rate on cash and cash equivalents*		1,499,604,132	1,588,182,965
F.	Cash and Cash equivalents at beginning of the year		58,648,938,569	48,915,657,127
G.	**Cash and cash equivalents at the end of the year (D+E+F)**		**66,964,463,494**	**58,648,938,569**
	Consolidated Cash and cash Equivalents at end of the year			
	Cash in hand (including foreign currencies)	3	12,443,112,603	8,600,450,648
	Balance with Bangladesh bank and its agent bank	3	33,000,521,554	27,586,149,728
	Balance with other banks & financial institution	4	19,013,303,637	22,455,110,493
	Money at call on short notice	5	2,500,000,000	-
	Prize Bond		7,525,700	7,227,700
			66,964,463,494	**58,648,938,569**

The annexed notes from 01 to 50 form an integral part of these financial statements.

UCB

UNITED COMMERCIAL BANK PLC

Balance Sheet

As at 31 December 2024

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
PROPERTIES & ASSETS			
Cash	3	**45,443,390,740**	**36,186,305,779**
Cash in hand (including foreign currencies)		12,442,869,186	8,600,156,051
Balance with Bangladesh Bank & its agent bank(s) (including foreign currencies)		33,000,521,554	27,586,149,728
Balance with other banks & financial institutions	4	**17,724,645,465**	**21,177,381,033**
In Bangladesh		11,565,022,275	4,278,424,813
Outside Bangladesh		6,159,623,190	16,898,956,220
Money at call on short notice	5	**2,500,000,000**	-
Investments	6	**87,851,387,227**	**82,863,727,370**
Government		75,068,296,150	69,384,568,462
Others		12,783,091,077	13,479,158,908
Loans and Advances	7	**572,828,869,287**	**505,969,487,028**
Loans, Cash Credits, Overdrafts etc.		562,845,184,850	496,241,532,519
Bills purchased and discounted		9,983,684,437	9,727,954,509
Fixed assets including premises, furniture & fixture	8	**17,056,580,533**	**17,016,419,821**
Other assets	9	**25,371,267,219**	**21,799,089,941**
Non-banking assets	10	**3,336,000**	-
Total Assets		**768,779,476,471**	**685,012,410,972**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**79,786,237,601**	**65,271,763,944**
Deposits and other accounts	12	**554,215,267,256**	**513,394,683,785**
Current accounts & other accounts		106,182,196,050	128,367,823,033
Bills Payable		6,626,968,382	8,344,605,942
Savings Bank Deposits		93,476,409,174	94,572,958,191
Fixed Deposits		307,898,284,188	243,315,320,401
Other Deposits		40,031,409,462	38,793,976,218
Other Liabilities	13	**92,987,149,524**	**63,501,440,259**
Total Liabilities		**726,988,654,381**	**642,167,887,988**
Capital/Shareholders' Equity			
Paid up Capital	14	15,503,758,980	14,765,484,750
Share Premium	14.3	1,454,976,750	1,454,976,750
Statutory Reserve	15	15,730,183,055	15,730,183,055
General Reserve	16	26,577,961	26,577,961
Other Reserve	17	2,767,663,734	3,097,316,597
Retained Earnings	18	6,307,661,613	7,769,983,871
Total Shareholders' Equity		**41,790,822,093**	**42,844,522,984**
Total Liabilities and Shareholders' Equity		**768,779,476,471**	**685,012,410,972**

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
Off Balance Sheet Items			
Contingent Liabilities		**250,123,379,742**	**281,952,312,043**
Acceptances & Endorsements	**19.1**	105,263,752,167	121,717,014,733
Letters of Guarantee	**19.2**	60,918,919,087	65,230,862,378
Irrevocable Letters of Credit	**19.3**	59,160,060,971	73,731,069,769
Bills for Collection	**19.4**	24,780,647,517	21,273,365,163
Other Contingent Liabilities		-	-
Other Commitments	**19.5**	**10,736,246,402**	**9,723,925,200**
Documentary credit and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		10,736,246,402	9,723,925,200
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total Off-Balance Sheet items including contingent liabilities	**19**	**260,859,626,144**	**291,676,237,243**

The annexed notes from 01 to 50 form an integral part of these financial statements.

Managing Director & CEO **Director** **Director** **Director**

This is the Balance Sheet referred to in our separate report of even date.

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353
DVC: 2505290353AS455673

Dhaka,
29 May 2025

UCB

UNITED COMMERCIAL BANK PLC

Profit and Loss Account

For the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Interest Income	21	56,114,658,916	37,881,518,594
Interest paid on deposits and borrowings etc.	22	35,257,762,623	22,149,750,317
Net Interest Income		**20,856,896,293**	**15,731,768,277**
Investment income	23	7,438,953,056	5,871,930,074
Commission, exchange and brokerage	24	7,926,924,617	7,385,221,720
Other Operating Income	25	246,412,832	239,764,676
Total Operating Income (A)		**36,469,186,798**	**29,228,684,747**
Salary and allowances	26	9,372,438,905	8,539,916,432
Rent, taxes, insurance, electricity etc.	27	1,601,796,023	1,411,743,403
Legal expenses	28	159,313,658	90,864,365
Postage, stamps, telecommunications etc.	29	223,449,513	221,997,247
Stationery, printing, advertisements etc.	30	2,074,052,715	2,242,879,526
Chief Executive's salary and fees	31	17,695,000	16,435,484
Directors' fees	32	5,189,971	3,178,349
Auditors' fees	33	1,380,000	1,150,000
Depreciation and repair of banks assets	34	2,517,600,162	2,448,805,449
Other expenses	35	5,418,376,644	4,525,994,100
Total Operating Expenses (B)		**21,391,292,591**	**19,502,964,355**
Profit before provision (C) = (A-B)		**15,077,894,207**	**9,725,720,392**
Provision for Loans & Advances	36	11,850,515,516	3,775,539,844
Provision for diminution in value of investments	37	862,483,227	61,249,230
Other provisions	38	219,505,616	711,543,580
Total Provision (D)		**12,932,504,359**	**4,548,332,654**
Total Profit before Income taxes (C-D)		**2,145,389,848**	**5,177,387,738**
Provision for Taxation	39	**1,537,585,596**	**2,492,301,451**
Current tax expense		4,312,972,008	2,986,535,476
Deferred tax expense/(income)		(2,775,386,412)	(494,234,025)
Net Profit after Taxation		**607,804,252**	**2,685,086,287**
Appropriations			
Statutory Reserve		-	-
Start-Up Fund		6,078,043	26,850,863
CSR Fund		-	
Coupon payment on perpetual bond		587,500,000	367,500,000
Retained Surplus/(Deficit)		14,226,209	2,290,735,424
		607,804,252	**2,685,086,287**
Earnings Per Share (EPS)	40	**0.40**	**1.77**

The annexed notes from 01 to 50 form an integral part of these financial statements.

Managing Director & CEO | **Director** | **Director** | **Director**

This is the Balance Sheet referred to in our separate report of even date.

ACNABIN, Chartered Accountants
FRC Registration# CAF-001-012

Abu Sayed Mohammed Nayeem, FCA
Partner
ICAB Enrollment Number# 0353
DVC: 2505290353AS455673

Dhaka,
29 May 2025

UNITED COMMERCIAL BANK PLC

Statement of Changes in Equity

For the year ended 31 December 2024

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Foreign currency translation gain/(loss)	Retained Earnings	Total Equity
Balance as at 01 January 2024	14,765,484,750	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	418,083,770	145,131,268	7,769,983,871	42,844,522,984
Net deficit on revaluation of investments	-	-	-	-	-	(337,730,308)	-	-	(337,730,308)
Currency translation differences	-	-	-	-	-	-	8,077,445	-	8,077,445
Net profit for the period	-	-	-	-	-	-	-	601,726,209	601,726,209
Cash Dividend	-	-	-	-	-	-	-	(738,274,238)	(738,274,238)
Stock Dividend	738,274,230		-		(738,274,230)	-			
Coupon Payment of Perpetual Bond	-	-	-	-	-	-	-	(587,500,000)	(587,500,000)
Balance as at 31 December 2024	**15,503,758,980**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**80,353,462**	**153,208,713**	**6,307,661,613**	**41,790,822,093**

For the year ended 31 December 2023

Amount in BDT

Particulars	Paid up Capital	Share Premium	Statutory Reserve	General Reserve	Assets Revaluation Reserve	Investment Revaluation Reserve	Foreign currency translation gain/(loss)	Retained Earnings	Total Equity
Balance as at 01 January 2023	14,062,366,430	1,454,976,750	15,730,183,055	26,577,961	2,534,101,559	128,060,537	134,906,900	6,885,485,076	40,956,658,267
Net Surplus on revaluation of investments	-	-	-	-	-	290,023,233	-	-	290,023,233
Currency translation differences	-	-	-	-	-	-	10,224,368	-	10,224,368
Net profit for the year	-	-	-	-	-	-	-	2,658,235,424	2,658,235,424
Cash Dividend	-	-	-	-	-	-	-	(703,118,322)	(703,118,322)
Stock Dividend	703,118,320				-			(703,118,320)	-
Coupon Payment of Perpetual Bond	-	-	-	-	-	-	-	(367,500,000)	(367,500,000)
Balance as at 31 December 2023	**14,765,484,750**	**1,454,976,750**	**15,730,183,055**	**26,577,961**	**2,534,101,559**	**418,083,770**	**145,131,268**	**7,769,983,871**	**42,844,522,984**

The annexed notes from 01 to 50 form an integral part of these financial statements.

UCB

UNITED COMMERCIAL BANK PLC

Cash Flow Statement

For the year ended 31 December 2024

		Notes	2024 Taka	2023 Taka
A.	**Cash flows from operating activities**			
	Receipts of Interest		63,223,029,042	43,430,460,627
	Payments of Interest		(27,111,596,805)	(20,774,811,903)
	Receipts of Dividend		293,308,737	206,590,018
	Receipt of Fees & Commission		6,427,325,644	5,797,038,753
	Recoveries from previously written off loans and advances		369,041,609	409,590,871
	Payments to employees		(9,390,133,905)	(8,556,351,916)
	Payments to suppliers		(3,274,395,400)	(4,564,996,427)
	Payments for Income Tax		(2,687,359,301)	(3,458,466,080)
	Receipts from other operating activities		(806,907,709)	244,151,788
	Payments for other operating activities		(5,885,117,503)	(5,039,493,776)
	Operating profit before changes in operating assets and liabilities		**21,157,194,411**	**7,693,711,954**
	Increase/Decrease in operating assets and liabilities			
	Statutory Deposit		(6,021,159,996)	(4,380,922,450)
	Net Sale/(Purchase)of trading securities		840,193,258	(365,191,782)
	Loans and advances to customers		(66,859,382,258)	(37,364,391,015)
	Other Assets		(3,572,177,279)	(2,102,732,449)
	Deposit from Banks		(3,237,348,162)	(1,312,414,303)
	Deposit from customers		44,057,931,633	87,678,657,321
	Other liabilities		8,748,794,396	1,056,943,835
			(26,043,148,408)	**43,209,949,157**
	Net cash (used in)/flow from operating activities (A)		**(4,885,953,997)**	**50,903,661,111**
B.	**Cash flows from investing activities**			
	Net (Purchase)/Sale of Securities		(144,125,426)	444,200,000
	Net Purchase of Property, Plant & Equipment		(1,353,571,568)	(3,685,469,312)
	Net cash used in investing activities (B)		**(1,497,696,994)**	**(3,241,269,312)**
C.	**Cash flows from financing activities**			
	Receipts/(Payment) from borrowing		13,291,673,656	(37,620,129,454)
	Receipts/(Payment) of Sub-Ordinated Bond		1,222,800,000	(1,000,000,000)
	Payment of cash dividend		(738,274,238)	(703,118,322)
	Coupon payment on perpetual bond		(587,500,000)	(367,500,000)
	Net cash flow from/ (used in) financing activities (C)		**13,188,699,418**	**(39,690,747,776)**
D.	**Net Increase in cash and cash equivalents (A+B+C)**		**6,805,048,427**	**7,971,644,023**
E.	Effects of the changes of exchange rate on cash and cash equivalents*		1,499,598,967	1,588,182,967
F.	Cash and Cash equivalents at the beginning of the year		57,370,914,512	47,811,087,522
G.	**Cash and cash equivalents at the end of the year (D+E+F)**		**65,675,561,905**	**57,370,914,512**
	Cash and cash Equivalents at the end of the year			
	Cash in hand (including foreign currencies)	3.1	12,442,869,186	8,600,156,051
	Balance with Bangladesh bank and its agent bank	3.2	33,000,521,554	27,586,149,728
	Balance with other banks & financial institution	4	17,724,645,465	21,177,381,033
	Money at call on short notice	5	2,500,000,000	-
	Prize Bond		7,525,700	7,227,700
			65,675,561,905	**57,370,914,512**

The annexed notes from 01 to 50 form an integral part of these financial statements.

UNITED COMMERCIAL BANK PLC

Liquidity Statement

Asset and Liability Maturity Analysis

As at 31 December 2024

Amount in Taka

Particulars	Up to 1 Month	1 - 3 Month	3 - 12 Month	1 - 5 years	More than 5 years	Total
Assets						
Cash in hand	39,955,327,440	-	-	-	5,488,063,300	45,443,390,740
Balance with other banks & financial institutions	10,359,800,000	5,000,000,000	-	2,364,845,465	-	17,724,645,465
Money at call on short notice	2,500,000,000	-	-	-	-	2,500,000,000
Investment	1,237,425,942	7,631,393,866	19,246,367,419	14,736,400,000	44,999,800,000	87,851,387,227
Loans and Advances	53,418,481,147	116,172,056,758	135,226,918,187	181,479,105,791	76,548,622,967	562,845,184,850
Bill Purchased & Discounted	2,466,330,078	4,155,220,306	3,362,134,053	-	-	9,983,684,437
Fixed assets including premises, furniture & fixture	161,810,160	323,620,320	1,456,291,442	7,766,887,692	7,347,970,920	17,056,580,533
Other Assets	3,276,765,572	850,133,780	697,962,545	15,111,489,521	5,434,915,801	25,371,267,219
Non banking assets	-	-	-	-	3,336,000	3,336,000
Total Assets (A)	**113,375,940,339**	**134,132,425,030**	**159,989,673,646**	**221,458,728,469**	**139,822,708,988**	**768,779,476,471**
Liabilities						
Borrowing from Bangladesh bank, other banks,						
financial institutions and agents"	22,755,101,528	9,289,433,448	22,157,102,129	9,927,913,822	15,656,686,674	79,786,237,601
Deposits	77,541,096,775	128,907,541,749	107,321,816,458	221,970,221,350	18,474,590,924	554,215,267,256
Provisions and other liabilities	4,211,368,281	75,211,893	16,823,646,166	6,931,168,476	64,945,754,712	92,987,149,528
Total Liabilities (B)	**104,507,566,583**	**138,272,187,090**	**146,302,564,754**	**238,829,303,647**	**99,077,032,310**	**726,988,654,381**
Net Liquidity Gap (A-B)	**8,868,373,756**	**(4,139,762,060)**	**13,687,108,892**	**(17,370,575,179)**	**40,745,676,681**	**41,790,822,090**

United Commercial Bank PLC and its Subsidiaries

Notes to the Financial Statements

For the Year Ended 31 December 2024

1. The Bank and Its Activities

1.1 Status of the Bank

United Commercial Bank PLC ('UCB' or "the Bank") was incorporated in Bangladesh as a public limited company on 26 June 1983 under the Companies Act 1913. The Bank obtained approval from Bangladesh Bank to commence operations on 28 June 1983.

As of 31 December 2024, UCB operates:

- 231 branches (2023: 228), including one Islamic Banking branch that adheres to Islamic Shariah principles.
- 50 Islamic Banking windows within conventional branches, providing Islamic Banking services in compliance with Shariah principles.
- 177 sub-branches (2023: 152).
- 716 ATMs/CRMs (2023: 672).
- 855 agent banking outlets (2023: 850).

UCB is a publicly traded company listed on the Dhaka Stock Exchange (DSE) Limited and the Chittagong Stock Exchange (CSE) Limited. The Bank's Head office is located at: Plot – CWS-(A)-1, Gulshan Avenue, Dhaka – 1212, Bangladesh.

1.2 Nature of Business

UCB is engaged in a full range of commercial and Islamic banking services across Bangladesh. The Bank serves both individual and corporate clients, offering:

- Traditional banking services, including deposit products, loans, trade finance, and treasury management.
- Islamic banking services, provided through its dedicated Islamic Banking branch and windows.
- Transaction and foreign exchange services, catering to local and international clients.
- Structured finance solutions for corporations and financial institutions.
- Inland and international remittance services for individuals and businesses.
- Direct Custody and Clearing (DCC) services, introduced in 2020 for offshore clients.

1.3 Offshore Banking Unit

The Offshore Banking Unit (OBU) operates as an independent business division of UCB under the regulatory framework set by Bangladesh Bank, as outlined in:

- Off-shore Banking Act, 2024.
- BRPD Circular No. 02, dated 25 February 2019.
- FE Circular Letter No. 01, dated 18 March 2024.
- Additional regulatory directives and guidelines.

The Bank received approval to establish its Offshore Banking Unit through Letter No. BRPD (P-3) 744 (117)/2010-2577, issued on 9 June 2010, and officially commenced operations on 10 November 2010.

Currently, UCB operates a single Offshore Banking Unit in Dhaka, which provides a comprehensive suite of foreign currency-based commercial banking services, ensuring full compliance with Bangladesh Bank regulations. The financial statements of the OBU are presented separately, maintaining transparency and regulatory adherence.

1.4 Islamic Banking

United Commercial Bank PLC received formal approval from Bangladesh Bank to commence Islamic Banking operations through Letter No. BRPD (P-3) 745 (17)/2020-1453, dated 6 February 2020.

The Bank currently operates through 50 Islamic Banking windows and a dedicated Islamic Banking branch, offering a comprehensive range of Shari'ah-compliant financial solutions tailored for retail, SME, and corporate clients.

UCB extends Islamic financing facilities under various Shari'ah-compliant modes, including:

- Murabaha (cost-plus financing)
- Bai-Salam (advance purchase financing)
- Musharaka (profit-and-loss sharing partnership)
- Hire Purchase Under Shirkatul Melk (HPSM) (lease-purchase)
- Other approved Shari'ah modes

Additionally, the Bank mobilizes deposits through Shari'ah-compliant instruments, such as:

- Al-Wadiah (Current Accounts)
- Mudaraba (Savings, Short Notice Deposits, Term Deposits, and Recurring Deposits)

The financial statements for Islamic Banking operations are presented separately, ensuring transparency and compliance with regulatory requirements.

1.5 Agent Banking

UCB received approval from Bangladesh Bank on 7 February 2017, through Letter No. BRPD (P-3) 745(17)/2017-677, to commence Agent Banking operations. Commercial operations officially began on 1 February 2018.

As of 31 December 2024, UCB has established 855 agent outlets across Bangladesh, securing the 5th position in the industry based on the number of agent outlets.

Key highlights:

- A strong, granular deposit portfolio of BDT 1,154 crore, sourced from grassroots-level banking.
- 245,000 accounts acquired, representing approximately 10% of the Bank's total accounts.

Core Services Provided:

- Account opening
- Cash deposit and withdrawal
- Inward foreign remittance disbursement
- Utility bill collection
- Fund transfers via RTGS and BEFTN
- Salary disbursement
- Bank statement issuance
- Loan sourcing & repayment collection (SOD, SME, and Agricultural loans)
- Credit card application processing
- Balance inquiries, internet & SMS banking
- School fee collection
- Bangla QR merchant acquisition

Innovations & Technological Advancements:

UCB's Agent Banking platform has introduced several cutting-edge features to enhance accessibility and customer convenience, including:

- Fully digital, paperless onboarding using e-KYC.
- Bangla QR code onboarding through agents.
- Branch-led business model to enhance customer engagement.
- "UPAY"-collaborated business initiatives, promoting digital financial inclusion.

These innovations underscore UCB's commitment to financial inclusion and delivering modern, accessible banking solutions across Bangladesh.

1.6 Subsidiary Companies

A subsidiary is an entity over which UCB exercises control through its shareholding and voting rights. Control is established when the Bank holds more than 50% of a company's shares or has the power to govern its financial and operational policies.

As per International Accounting Standard (IAS) 27 ("Separate Financial Statements") and International Financial Reporting Standard (IFRS) 10 ("Consolidated Financial Statements"), UCB prepares both Solo Financial Statements and Consolidated Financial Statements.

The non-controlling interest (NCI), representing minority shareholders' stake, includes share capital and profits attributable to minority shareholders. Intergroup transactions, balances, and unrealized profits/losses are eliminated in consolidation.

1.6.1 UCB Stock Brokerage Limited

UCB Stock Brokerage Limited was restructured on 22 November 2020 from UCB Capital Management Limited (DSE TREC No. 181, CSE TREC No. 015).

Company Background:

- Incorporated on 20 November 2007 as UCB Capital Management Limited.
- Commenced operations on 19 June 2013.
- Operates under licenses from Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- Registered with Bangladesh Securities and Exchange Commission (BSEC) as a Stock Dealer.

Core Activities:

- Brokerage services
- Margin loan facilities
- Stock trading and investment management

Licensing & Regulatory Approvals:

Authority	License/Registration No.	Purpose
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-181/2011/486	Stock Broker (DSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.1/DSE-181/2011/487	Stock Dealer (DSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-015/2014/210	Stock Broker (CSE)
Bangladesh Securities and Exchange Commission (BSEC)	3.2/CSE-015/2014/211	Stock Dealer (CSE)
Bangladesh Securities and Exchange Commission (BSEC)	BSEC/Registration/CDBL-DP-175	Depository Functions with Central Depository Bangladesh Limited (CDBL)
Dhaka Stock Exchange Limited (DSE)	TREC NO. 181	Trading with DSE
Chittagong Stock Exchange Limited (CSE)	TREC NO. 015	Trading with CSE

UCB PLC holds 24,999,999 shares of UCB Stock Brokerage Limited (Face Value: Tk. 100 each), equivalent to 99.99% ownership.

1.6.2 UCB Investment Limited

Incorporated on 3 August 2011, UCB Investment Limited is a private limited company operating under the Companies Act 1994.

- Registered with RJSC (C-94654/11).
- Obtained Merchant Banking License (MB-97/2020) from BSEC on 5 October 2020.
- Provides portfolio management, underwriting, fund management, and capital market advisory services.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.3 UCB Asset Management Limited

- Incorporated on 5 February 2019 under the Companies Act 1994.
- Registered with RJSC.
- Licensed as an Asset Management Company (BSEC/Asset Manager/2020/46) on 3 February 2020.
- Manages investment portfolios, mutual funds, and institutional asset management.

UCB PLC holds 99,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.4 UCB Fintech Company Limited

- Incorporated on 30 July 2020 under the Companies Act 1994.
- Offers mobile financial services, including:
  - Cash-in, cash-out, and money transfers
  - Utility bill payments
  - E-commerce & in-store payments
  - Remittance services
  - G2P & P2G transactions

UCB PLC holds 499,999,999 shares (Face Value: Tk. 10 each), equivalent to 99.99% ownership.

1.6.5 UCB Exchange (SG) PTE Ltd

UCB Exchange (SG) PTE Ltd, a wholly owned subsidiary of United Commercial Bank PLC, was incorporated in Singapore on January 25, 2023, as a private limited company under the Companies Act 1967 in Singapore. It operates under the Unique Entity Number (UEN): 202302830G. Following its incorporation, UCB Exchange applied for a remittance license from the Monetary Authority of Singapore (MAS), which is currently under process.

The company's primary objective is to engage in remittance services and conduct transactions, activities, and operations typically associated with remittance and exchange houses. UCB PLC holds 1,000 shares of UCB Exchange (SG) PTE Ltd, each with a face value of 1 Singapore Dollar (SGD 1.00), representing 100% ownership of the company.

1.6.6 Summary of Shareholding in Subsidiaries and Associates

The shareholding structure of UCB PLC in its subsidiaries and associates is summarized below:

Name of Subsidiary	Face Value per Share	Total No. of Ordinary Shares	Shares Held by UCB	UCB's Shareholding (%)
UCB Stock Brokerage Limited	BDT 100	25,000,000	24,999,999	99.99%
UCB Investment Limited	BDT 10	100,000,000	99,999,999	99.99%
UCB Asset Management Limited	BDT 10	100,000,000	99,999,999	99.99%
UCB Fintech Company Limited	BDT 10	500,000,000	499,999,999	99.99%
UCB Exchange (SG) PTE Ltd	SGD 1.00	1,000	1,000	100%

1.6.7 UCB Foundation

UCB Foundation, the philanthropic arm of United Commercial Bank PLC, was established under the Societies Registration Act, 1860, with the mission of driving sustainable development across Bangladesh. The foundation actively contributes to education, healthcare, and community development, ensuring a meaningful impact on society.

Education Initiatives

UCB Foundation is committed to enhancing access to quality education through:

- Scholarships and stipends for meritorious and underprivileged students.
- Grants and funding for educational institutions.
- Capacity-building programs to equip students with essential skills for the future.

Healthcare Contributions

The foundation plays a pivotal role in improving public health by:

- Supporting healthcare facilities with financial aid and essential medical equipment.
- Funding public health initiatives to benefit underprivileged communities.
- Enhancing access to medical services for those in need.

Community Development Efforts

Beyond education and healthcare, the foundation collaborates with local and nonprofit organizations to:

- Address critical social challenges such as poverty alleviation and disaster relief.
- Promote economic empowerment by supporting small businesses and skill development programs.
- Preserve cultural heritage and foster social cohesion.

Through these strategic initiatives, UCB Foundation remains dedicated to uplifting communities and fostering a better, more inclusive future for Bangladesh.

2. Summary of Significant Accounting Policies and Basis of Preparation of the Financial Statements

2.1 Basis of Preparation

The financial statements of the Bank have been prepared in accordance with:

- First Schedule (Section 38) of the Bank Company Act, 1991 (as amended).
- Bangladesh Bank guidelines, including BRPD Circular No. 14 dated June 25, 2003, and other relevant circulars.
- International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs).
- Standards set by the Financial Reporting Council (FRC) under the Financial Reporting Act, 2015 (FRA).
- Other applicable laws and regulations in Bangladesh.

In compliance with Bangladesh Bank BRPD Circular No. 02, dated February 25, 2019, these financial statements for the year ended December 31, 2024, include the operations of both:

- Domestic Banking Unit (DBU) and Offshore Banking Unit (OBU)
- Consolidated financial statements of the Group, comprising the Bank (parent company) and its subsidiaries.

2.1.1 Statement of Compliance

The Financial Reporting Act, 2015 (FRA), enacted in 2015, led to the formation of the Financial Reporting Council (FRC) in 2017. The FRC adopted IFRSs and IASs as the applicable financial reporting framework for public interest entities, including banks.

Accordingly, the consolidated and separate financial statements of the Group and the Bank have been prepared in line with IFRSs as adopted by FRC, while also complying with the following regulatory requirements:

- The Bank Company Act, 1991, as amended.
- The Companies Act, 1994, as amended.
- Circulars, rules, and regulations issued by Bangladesh Bank (BB).
- Bangladesh Securities and Exchange Commission (BSEC) Regulations, including:
  - Bangladesh Securities and Exchange Rules, 2020.
  - Bangladesh Securities and Exchange Ordinance, 1969.
  - Bangladesh Securities and Exchange Act, 1993.
  - BSEC (Public Issue) Rules, 2015.
  - BSEC (Debt Securities) Rules, 2021.
- Income Tax Act, 2023, and related regulations.
- The Value Added Tax and Supplementary Duty Act, 2012, and related amendments.
- Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), and Central Depository Bangladesh Limited (CDBL) regulations.
- Financial Reporting Act, 2015.

Regulatory Precedence

In cases where there is a conflict between IFRS requirements and Bangladesh Bank regulations, the Bank Company Act, 1991 (as amended), and Bangladesh Bank circulars and regulations shall take precedence.

The following key departures from IFRS have been applied:

i. **Presentation of financial statements**

IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and noncurrent classification separately in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the "First Schedule" (section 38) of The Bank Company Act, 1991 (amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii. **Investment in Equity instrument**

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) along with their contractual cash flow characteristics. Based on these factors it would generally fall either under 'at fair value through profit or loss account" or under 'at fair value through other comprehensive income' where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

Bangladesh Bank: 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 book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise, investments are recognized at cost. UCB PLC recognizes investment in shares and securities at cost basis.

iii. **Subsequent measurement of Government securities**

IFRS: Debt instruments include both bonds and bills. As per requirements of IFRS 9 Financial Instruments, bonds can be categorized as "Amortized Cost (AC)", "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds 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 bonds designated as FVTPL is recognized in profit and loss account while changes in fair value of bonds designated as FVOCI is recognized in other reserve as a part of equity. As per requirements of IFRS 9, bills can be categorized either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognized in profit and loss or other reserve as a part of equity respectively.

Bangladesh Bank: As per DOS Circular no. 05 (26 May 2008) and subsequent clarification in DOS Circular no 05 (28 January 2009), Government securities/bills are classified either into Held for Trading (HFT) or 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 and 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 the year end and only gains on amortization are recognized in other reserve as a part of equity.

iv. **Repo and Reverse Repo transactions**

IFRS: 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).

Bangladesh Bank: As per DOS Circular letter no. 6 dated 15 July 2010 and subsequent clarification in 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 normal sales transactions and the financial assets are derecognized 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) program, 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.

v. Provision on loans and advances

IFRS: As per IFRS 9 an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the 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 the 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 reporting date.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020, BRPD circular 09, dated 8 April, 2024 and circulars issued till end of 2024, a general provision at 0.25% to 2% under different categories of unclassified loans (standard/SMA loans) has to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans and bad/losses loans has to be provided at 5% to 20%, 5% to 50% and 100%, respectively for loans and advances depending on the duration of overdue. Again, as per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 07 dated 21 June 2018 and BRPD circular no. 13 dated 18 October 2018 and BRPD circular no 06 dated 25 April 2023. a general provision at 0.25% to 1% is required to be provided for all off-balance sheet exposures, along with extra provision of 1%-5% on remaining overdue. Such provision policies are not specifically in line with those prescribed by International Financial Reporting Standards (IFRS) 9: Financial Instruments.

vi. Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9 and interest income is recognized by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular No. 03 dated 21 April 2019 and BRPD Circular Letter No. 56 dated 10 December 2020, once a loan is adversely classified, interest on such loans is 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 liability in the balance sheet.

vii. Other comprehensive income

IFRS: As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements through BRPD circular no. 14 dated 25 June 2003 which is strictly followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include OCI nor are the elements of OCI allowed to be included in a single OCI statement. As such the Bank does not prepare an OCI statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

viii. Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 cannot be made in the financial statements.

ix. Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently

measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognized less, income recognized in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, dated 25 June 2003 financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (which includes undrawn loan commitments) considering the latest BRPD circular letter No. 09 dated 27 May 2019.

x. Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as money at call and on short notice, treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents in the balance sheet. Money at call and on short notice are presented on the face of the balance sheet while treasury bills, Bangladesh Bank bills, prize bonds are shown as investments. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

xi. Non-banking asset

IFRS: No indication of Non-banking assets are found in any IFRS.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 and BRPD Circular no. 22 dated 20 September 2021, there must exist a face item named Non-banking asset.

xii. Presentation of intangible asset

IFRS: Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD 14 dated 25 June 2003 under section 7 Fixed Asset. Hence it is shown in fixed assets including premises and furniture and fixtures.

xiii. Cash flow statement

IFRS: 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.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, cash flows are the mixture of direct and indirect method.

xiv. Balance with Bangladesh Bank (Cash Reserve Requirement)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for the use in day-to-day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xv. Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement of disclosure of off-balance sheet items.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, off-balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of balance sheet.

xvi. Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvii. Loans and advance net of provision

IFRS: As per IFRS 9, Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xviii. Provision on Financial Guarantees

IFRS: As per IFRS 9 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 bank expects to receive.

Bangladesh Bank: Provision on financial guarantees is booked as per BRPD Circular No. 06 dated 25 April 2023.

xix. **Provision for Startup Fund**

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: In compliance with SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, the Bank has created Start-up Fund in first quarter 2021 appropriating BDT 3.17 Crore (1% of net profit of FY 2021 BDT 317.71 Crore). As a continuation of creating Start-up Fund, the bank has also contributed BDT 4.02 Crore (1% of net profit of FY 2022 BDT 393.28 Crore), BDT 2.68 Crore (1% of net profit of FY 2023 BDT 268.50 Crore) and BDT 0.61 Crore (1% of net profit of FY 2024 BDT 60.78 Crore). The objective of this fund is to provide loan facilities to the start-up entrepreneurs for their business and projects.

2.1.2 Going Concern

The accompanying financial statements have been prepared on the assumption that the Bank will continue operating as a going concern for the foreseeable future. The Bank has no intention or legal/regulatory obligation to liquidate or significantly reduce its scale of operations. Key financial indicators, including liquidity, profitability, asset quality, provision sufficiency, and capital adequacy, have demonstrated a healthy trend over the past several years. Additionally, all rating agencies have assigned the Bank a "Stable" outlook. Furthermore, management is not aware of any material uncertainties that could cast significant doubt on the Bank's ability to continue as a going concern.

2.1.3 Disclosure on Basel III

Basel III is a comprehensive set of financial reforms developed by the Basel Committee on Banking Supervision (BCBS) to strengthen regulation, supervision, and risk management in the banking sector. Introduced in response to the 2008 Global Financial Crisis, Basel III aims to enhance banks' ability to withstand financial stress, improve transparency, and enforce higher liquidity standards.

Basel III mandates increased capital requirements, enhanced liquidity provisions, and the reduction of excessive leverage. The framework requires financial institutions to hold more capital of higher quality, introduces a leverage ratio as a supplementary measure to risk-based capital requirements, and enforces new liquidity standards to ensure banks can sustain operations during financial crises.

Key Principles of Basel III:

- **Capital Conservation Buffer:** Designed to absorb losses during financial and economic stress, banks must maintain a 2.5% capital conservation buffer, bringing the total Common Equity Tier 1 (CET1) requirement to 7% (4.5% CET1 + 2.5% buffer). Failure to maintain this buffer results in restrictions on dividend payments, share buybacks, and bonuses.
- **Higher Common Equity Tier 1 (CET1):** Increased to 4.5%, with a total requirement of 7% including the buffer.
- **Minimum Total Capital Ratio:** Set at 10%. Tier 2 capital instruments have been harmonized, and Tier 3 capital has been abolished. Banks must maintain a total capital ratio of 12.5% of their Risk-Weighted Assets (RWA) with the buffer.
- **Leverage Ratio:** Basel III introduced a minimum leverage ratio calculated as Tier 1 capital divided by the bank's average total consolidated assets, with a minimum requirement of 3.5%.

Liquidity Requirements:

Basel III introduced two essential liquidity ratios:

a) **Liquidity Coverage Ratio (LCR):** Ensures banks maintain adequate high-quality liquid assets to survive a severe one-month stress scenario.

b) **Net Stable Funding Ratio (NSFR):** Enhances long-term resilience by incentivizing financial institutions to rely on more stable funding sources.

2.2 Basis of Measurement

The financial statements have been prepared on a historical cost basis with the following exceptions:

- **Government Treasury Bills and Bonds (Held for Trading - HFT):** Valued at present value using the 'mark-to-market' method, with gains credited to the revaluation reserve and losses charged to the Profit and Loss Account.
- **Government Treasury Bills and Bonds (Held to Maturity - HTM):** Measured using the amortization method.
- **Land:** Initially recognized at cost and subsequently remeasured at fair value as per IAS-16 and relevant regulatory guidelines.
- **Investments in Listed Companies:** Valued at market price, while investments in unlisted companies are measured at cost or book value, whichever is lower.
- **Defined Benefit Scheme:** Recognized as the net position of present value obligations, total plan assets, and other related items in accordance with IAS 19.

2.3 Basis of Consolidation

The consolidated financial statements include United Commercial Bank PLC and its subsidiaries: UCB Stock Brokerage Limited, UCB Investment Limited, UCB Asset Management Limited, UCB Fintech Company Limited, and UCB Exchange (SG) PTE Ltd. The consolidated financial statements have been prepared in accordance

with IAS 27 (Separate Financial Statements) and IFRS 10 (Consolidated Financial Statements) for the financial year ending December 31, 2024.

Key principles of consolidation include:

- **Full Line-by-Line Integration:** The financial statements of subsidiaries are fully incorporated from the date control is established until the date control ceases.
- **Elimination of Intercompany Balances and Transactions:** Unrealized intra-group profits/losses are eliminated.
- **Non-Controlling Interests (NCI):** Recognized separately within equity.
- **Loss of Control:** Upon losing control of a subsidiary, assets, liabilities, NCI, and related equity components are derecognized, and any resulting gain or loss is recorded in the Profit and Loss Account.

2.4 Use of Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates, and assumptions affecting asset and liability valuations, as well as income and expense recognition. These estimates are reviewed periodically and adjusted as necessary. Significant areas requiring estimation include:

i) **Provision for loans and advance**

The Bank assesses its loans and advances for objective evidence of impairment on a regular basis and particularly at year end. Whilst the primary criteria set out in BRPD circular no. 14 dated 23 September 2012, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020, BRPD circular letter no. 52 dated 20 October 2020 and circulars issued and effective till 2024 for determining whether a loan is impaired is objective, being based on borrower's ability to make timely repayments, loans and advances may also be classified based on qualitative judgment. This involves making assessments regarding the economic environment in which borrowers operate in addition to making judgments about a borrower's financial situation and net realizable value of any underlying collateral.

ii) **Taxation**

The estimation of current tax provision involves making judgments regarding admissibility of certain expenses, estimating the amount of other expenses for tax purposes and applicability of provision of Income Tax Act 2023 and Finance Act 2024, although return will be submitted for tax based on the Finance Act 2025.

In addition, the recognition of deferred tax assets requires the Bank to estimate the extent to which it is probable that future taxable profits will be available against which the deferred tax assets may be utilized.

iii) **Post-employment benefits-asset/(liability) from gratuity**

The determination of Bank's asset/(liability) from gratuity involves the use of estimates regarding demographic variables (such as employee turnover and mortality) and financial variables (such as future increases in salaries and medical costs) that will influence the cost of the benefit.

iv) **Depreciation**

Depreciation is provided on a straight-line basis over the estimated useful life of each item of fixed asset. The determination of useful life involves the use of estimates regarding expected use of the assets, expected physical wear and tear, technical or commercial obsolescence and legal or similar limits on the use of the assets.

v) **Provisions for expenses**

A provision is recognized in the balance sheet when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation in compliance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

vi) **Lease Liabilities**

The lease liability is initially measured at the present value of the lease payments, discounted at the Bank's incremental borrowing rate. The Bank determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the rental assets leased. The lease liability is remeasured when there is a change in future lease payments or the changes in discount rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets and lease liabilities.

2.5 Consistency

United Commercial Bank PLC ensures consistency in financial reporting as per the IFRS framework, IAS 1 (Presentation of Financial Statements), and IAS 8 (Accounting Policies, Changes in Accounting Estimates, and Errors). Changes in accounting policies are applied retrospectively, while changes in estimates are applied prospectively.

2.6 Foreign Currency Transactions and Translation

Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is the Bank's functional currency. The functional currency of OBU is US Dollar (USD). The financial statements of OBU have been translated to presentation currency (Taka/Tk./BDT) using the exchange rate prevailing at balance sheet date and average exchange rate during the year. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

Foreign currency transactions

Transactions/Day End Balances in foreign currencies are converted into respective functional currencies at the rate of exchange ruling at the date of transactions as per IAS 21: The Effects of Changes in Foreign Exchange Rates. Effects of Exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the bank are recorded in the Profit and Loss Account.

Assets and liabilities of OBU have been presented in Taka (which is functional currency of the Bank) using year end standard mid-rate of exchange of the Bank. On the other hand, incomes and expenses are translated using monthly average of standard mid-rate of exchange. The foreign currency translation difference is a net result of exchange difference of year end standard mid-rate and monthly average of standard mid-rate arising from translation of functional currency to presentation currency.

Foreign currency differences arising on translation are recognized in the profit and loss account except for exchange rate differences on fund deposited with Bangladesh Bank as capital, which is recognized directly in equity.

2.7 Cash Flow Statement

Cash flow statement has been prepared in accordance with International Accounting Standard (IAS)-7: Statement of Cash Flows and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.8 Statement of Changes in Equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of changes from the end of last year to the end of current year.

2.9 Liquidity Statement

The liquidity statement of assets and liabilities as of the reporting date has been prepared based on residual maturity, following the criteria below:

Particulars	Basis of Classification
Cash, balances with other banks and financial institutions, money at call, and short notice	Stated maturity/observed behavioural trend
Investments	Residual maturity term
Loans and advances	Repayment/maturity schedule and behavioural trend (for non-maturity products)
Fixed assets	Useful life
Other assets	Realization/amortization basis
Borrowings from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity and behavioural trend (for non-maturity products)
Other long-term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule

2.10 Significant Accounting Policies

The accounting policies outlined below have been applied consistently to all periods presented in these financial statements. These policies are uniformly followed by all group entities unless otherwise directed by the Central Bank, the primary regulator. Certain comparative figures in the financial statements have been reclassified and rearranged to align with the current year's presentation.

Accounting Policies of Subsidiaries

The financial statements of subsidiaries are prepared using accounting policies consistent with those of the Bank (Parent) for similar transactions and events. These statements follow the calendar year ending on December 31, the same as the Bank.

A. ASSETS AND BASIS OF VALUATION

2.10.1 Cash and Cash Equivalents

Cash and cash equivalents include:

- Notes and coins on hand
- Unrestricted balances held with Bangladesh Bank
- Highly liquid financial assets subject to insignificant risk of fair value changes

These assets are readily available for the Bank's short-term commitments.

2.10.2 Investments

All investment securities are initially recognized at cost, including acquisition-related charges. Premiums are amortized, while discounts are accrued. The accounting treatment for government treasury securities (HFT and HTM) follows:

- DOS Circular Letter No. 5 (May 26, 2008)
- DOS Circular Letter No. 5 (January 28, 2009)
- DOS Circular Letter No. 27 (December 4, 2023)

2.10.3 Held-to-Maturity (HTM) Investments

HTM investments have fixed or determinable payments and are intended to be held until maturity.

- Initially recorded at cost
- Subsequently measured at amortized cost at year-end
- Changes in value are reflected in shareholders' equity or the profit and loss account accordingly

2.10.4 Held-for-Trading (HFT) Investments

HFT investments are acquired for short-term trading or as designated by management.

- Initially recorded at cost
- Revalued weekly using the Mark-to-Market (MTM) approach
- Revaluation gains are recognized under shareholders' equity
- Revaluation losses are charged to the profit and loss account

2.10.5 REPO and Reverse REPO Transactions

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The difference between purchase price and re-sale price is treated as interest received and accrued evenly over the life of Repo agreement.

Since 01 September 2010 transactions of REPO and Reverse REPO are recorded based on DOS Circular no. 06, dated 15 July 2010 of Bangladesh Bank. Securities under repo will be excluded from the investment portfolio and hence will not be eligible for SLR purpose. Securities acquired under reverse repo will be eligible for SLR purpose initially at its clean price (in case of coupon bearing security) or at its market value (in case of non-coupon bearing security).

2.10.6 Investment in Listed/Quoted Securities

- Acquired for capital gains or dividend income
- Reported at cost
- Unrealized gains are not recognized in the profit and loss account
- Provision for any diminution in value is recorded in the profit and loss account

2.10.7 Investment in Unquoted Securities

- Reported at cost under the cost method
- If Net Asset Value (NAV) falls below cost, the shortfall is adjusted in the Profit & Loss Account
- No recognition of unrealized gains

Revaluation of Investments

Investment Type	Revaluation Basis
Government Treasury Bills and Bonds (HFT)	Mark-to-Market (MTM)
Government Treasury Bills and Bonds (HTM)	Amortized cost
Prize Bonds	Cost
Unquoted Shares	Lower of cost or last declared Net Asset value (NAV).

2.10.8 Investment in Subsidiaries

- Accounted for under the cost method per IAS 27: Separate Financial Statements
- Compliance with IFRS 3: Business Combinations and IFRS 10: Consolidated Financial Statements
- Impairment assessments are made per IAS 36: Impairment of Assets

2.10.9 Loans, Advances, and Provisions

a) Loans and advances are stated at gross amount.

b) Loans and advances are broadly classified under the heads of Continuous, Demand, Long Term and Short-Term Agriculture and Micro Credit. Continuous and Demand Loans are accounted under Capitalized method where interest accrues monthly and applied to loan account quarterly. Term loans are accounted under amortized method where repayments consist of no. of EMIs.

c) Interest on unclassified loans & advances and SMA loans are credited to Interest Income. Interest on Sub- standard and Doubtful Loans and advances are not credited to interest income; it is kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for

as income until realized from borrowers. Interest accrual is kept stopped for all Bad & Loss Loans.

d) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

e) General provisions on unclassified loans and off-balance sheet items, specific provisions for classified loans and interest suspense thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter end review by the management and instructions contained As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020 and circulars issued till 2024.

Provisioning Rates

Category	Provision Rate
General Provisions on Unclassified Loans	
General loans and advances	1%
Small & Medium Enterprise (SME)	0.25%
Loans to BHs/MBs/SDs against shares	1%
Consumer Financing – Housing	1%
Consumer Financing – Loans for Professionals	2%
Consumer Financing – Credit Cards	2%
Consumer Financing – Others	2%
Short-term Agriculture & Micro Credit	1%
Special Mention Account (SMA)	0.25% - 2%
Off-balance sheet exposures	0.25% - 5%
Specific Provisions on Classified Loans	
Substandard (except short-term agri/micro credit)	20%
Doubtful (except short-term agri/micro credit)	50%
Bad/Loss loans and advances	100%
Substandard (short-term agri/cottage/micro/small credit)	5%
Doubtful (cottage/micro/small credit)	20%
Bad/Loss (cottage/micro/small credit)	100%

f) Loans and advances are written off based on Bangladesh Bank guidelines (BRPD Circular No. 04, dated February 18, 2024). The criteria include:

- Bad & Loss loans for two consecutive years.
- Deceased borrowers, after assessing the earning capacity of legal successors.
- Cases filed under Artha Rin Adalat Ain-2003 for borrowers with outstanding amounts above BDT 5.00 lakh (excluding deceased accounts).
- Provisioning must be adjusted by deducting interest suspense before executing a write-off.

2.10.10 Property, Plant, and Equipment (PPE) & Depreciation

Recognition & Initial Measurement

An item of **fixed assets** is recognized as an asset if it is probable that future economic benefits will flow to the entity and its cost can be reliably measured.

The initial cost of PPE includes:

- Purchase price (including duties/taxes, net of discounts).
- Direct costs incurred to bring the asset to operational condition.
- Costs related to dismantling/removal/restoration of the asset.

Subsequent Measurement

The Bank may adopt either the cost model or revaluation model for PPE. Fixed assets, except land, are recorded at cost less accumulated depreciation. Land is initially recorded at cost and subsequently revalued by professional valuers. Any revaluation surplus is recorded in Shareholders' Equity.

Subsequent Expenditure

The bank recognizes any subsequent expenditure in the carrying amount of an item of property, plant and equipment as a part of the cost only when it is probable that future economic benefits embodied with the item will flow to the bank due to the subsequent expenditure. However, expenditures incurred after the assets have been put into operation, such as, repairs and maintenance are recognized as revenue expenditure in the period in which it is incurred.

Depreciation

Depreciation is charged using the straight-line method, beginning in the month of acquisition and ceasing in the month of disposal. Land is not depreciated.

Asset Type	Depreciation Rate	Estimated Useful Life
Land	NIL	Not applicable
Building	2.50%	40 years
Furniture & Fixtures	10%	10 years
Office Equipment	20%	5 years
Computers & IT Equipment	20%	5 years
Computer Software	25%	4 years
Vehicles	20%	5 years

Changes in the useful life or depreciation method are accounted for as per IAS 8: Accounting Policies, Changes in Accounting Estimates, and Errors.

Capital Work-in-Progress (CWIP)

Property, plant and equipment under construction is recognized and reported under Fixed Assets as per IAS-16: Property, Plant and Equipment as Capital Work in Progress until the construction work is completed and the asset is ready for the intended use. This asset is stated at cost, and depreciation of the asset will be charged from the date of its intended use.

De-recognition of PPE

Assets are de-recognized upon disposal or when no future economic benefits are expected. Gains or losses from de-recognition are recorded in the Profit & Loss Account.

Revaluation of PPE

An item of Property, Plant and Equipment is revalued when fair value of the asset differs materially from its carrying amount. Such revaluation is normally carried out by professionally qualified valuers. Last revaluation of Bank's land property and Building were carried as at 27 December 2012 by Padma Techno Consult & Survey Ltd. Accordingly, revaluation surplus is included in fixed assets and assets revaluation reserve is recognized under shareholder's equity as per guidelines of IAS-16: Property, Plant and Equipment. Such revaluation reserve will be disposed-off upon retirement/de-recognition of the assets.

2.10.11 Lease Accounting

Assets obtained under Lease Agreements

International Financial Reporting Standard (IFRS)-16: Leases come into force on 1 January 2019, as adopted by Institute of Chartered Accountants of Bangladesh (ICAB). As per IFRS-16 a lease is a contract (or part of a contract) that conveys the right to use an asset for a period of time in exchange for consideration. A contract contains a lease if fulfilment depends on an identified asset and it conveys the right to control the use of that identified asset throughout the period of use. Each lease component should be identified and accounted for separately.

As a lessee

The Bank recognizes a Right-of-Use (ROU) asset and a lease liability from the initial application date i.e. 01 January 2019 or the commencement date of a lease contract. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the initial application date or commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Bank will exercise a purchase option. In that case the right-of-use assets will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date or commencement date, discounted at the Bank's weighted average rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

i) **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Bank determines whether the arrangement is or contains a lease. At inception or reassessment of an arrangement that contains a lease, the Bank separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of

their relative fair value. If the Bank concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Bank's incremental borrowing rate.

ii) **Leased Asset**

Leases of property, plant and equipment that transfer to the Bank substantially all of the risks and the rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to the asset.

Assets held under other leases are classified as operating leases and are not recognized in the Bank's statement of financial position.

iii) **Lease Payment**

Payments made under operating lease are charged to profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expenses, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2.10.12 Intangible Assets

An intangible asset is recognized if it is probable that future economic benefits attributable to the asset will flow to the Bank and the asset's cost can be measured reliably. Recognition and measurement of intangible assets comply with International Accounting Standard (IAS) 38: Intangible Assets.

Intangible assets are derecognized upon disposal or when no future economic benefits are expected. Gains or losses from derecognition are calculated as the difference between net disposal proceeds and the asset's carrying amount, recognized in the profit and loss account. As per BRPD Circular No. 14 (dated June 25, 2003), intangible assets are included under Fixed Assets. However, their details, including amortization rates, are presented in the Fixed Asset schedule.

2.10.13 Impairment of Assets

The Bank periodically reviews asset carrying amounts to determine any impairment indicators. If an asset's carrying amount exceeds its recoverable amount, an impairment loss is recognized in the profit and loss account, following IAS 36: Impairment of Assets. No impairment losses were recognized for the year ending December 31, 2024.

2.10.14 Other Assets

Other assets primarily comprise advance office rent, advance income tax (pending assessment), investments in subsidiaries, receivables from fees and other unrealized income, and advances for operating and capital expenditures. As per BRPD Circular No. 14 (dated June 25, 2003), income-generating and non-income-generating assets are disclosed separately in the financial statement notes.

2.10.15 Receivables

Receivables are recognized when the Bank has a contractual right to receive cash or another financial asset from a counterparty.

2.10.16 Non-Banking Assets

Non-banking assets arise when a borrower defaults on a loan, and the Bank gains legal ownership of the mortgaged property through a court decree. As per BRPD Circular No. 14 (dated June 25, 2003), such assets are recorded separately.

Recognition of Non-Banking Assets

Although IFRS does not explicitly cover non-banking assets, they are recognized when the Bank establishes control over the economic benefits of the asset and its cost/value can be reliably measured. Per BRPD Circular No. 22 (dated September 20, 2021), non-banking assets are recorded when the following conditions are met:

- Certification of ownership u/s 33(7) of the 'Artharin Adalat Act 2003' obtained
- Registration from the Sub Registry Office completed
- DCR & Mutation form the concerned AC Land office completed
- Land rent tax and Municipal tax (if any) paid
- Valuation of the property done
- Physical possession obtained

Measurement of Non-Banking Assets

Non-banking assets are measured at lower of value determined by an internal committee and the value determined by an independent professional valuation firm as per BRPD Circular No. 22, dated 20 September 2021.

B. Liabilities and Provisions

2.10.17 Borrowings from Other Banks, Financial Institutions, and Agents

These borrowings, including interest-bearing loans and bonds, are reported at the principal outstanding balance. Interest payable on these borrowings is recorded under other liabilities.

2.10.18 Debt Securities

After global economic turmoil in 2010, the global financial regulators are more concerned with enhancing risk resilience capacity of the banks and introduced more risk sensitive capital adequacy framework namely Basel III. With the view to strengthening capital base of the bank and subsequently to meet up the capital adequacy ratio as per Bangladesh Bank's instruction in line with BASEL-III Accord, UCB issued the following Subordinated and Perpetual bonds with key features as listed below:

Subordinated Bonds:

United Commercial Bank PLC (UCB) issued a total of five subordinated bonds and two perpetual bonds, all with due consent from the Bangladesh Securities and Exchange Commission (BSEC) and No Objection Certificates (NOC) from Bangladesh Bank.

Among the five subordinated bonds:

- The UCB 1st Subordinated Bond and UCB 2nd Subordinated Bond have been fully redeemed/repaid.
- The UCB 3rd Subordinated Bond and UCB 4th Subordinated Bond have been fully subscribed.
- The UCB 5th Subordinated Bond is yet to be fully subscribed.

Perpetual Bonds:

Among the two perpetual bonds:

- The UCB 1st Perpetual Bond has been fully subscribed.
- The UCB 2nd Perpetual Bond is yet to be fully subscribed, with a listed portion amounting to BDT 30 (Thirty) crore. *

** 10% of the total issue size of the UCB 2nd perpetual bond (BDT 300 million) has been listed in the stock exchanges.*

2.10.19 Deposits and Other Accounts

Deposits include current, short-term, savings, and fixed deposits, initially recognized at the amount received and subsequently accounted for at their outstanding balances as per contractual agreements.

2.10.20 Other Liabilities

Other liabilities comprise items such as provision for loans and advances/ investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRSs).

2.10.21 Dividend Payments

Interim dividends are recognized when disbursed to shareholders, whereas final dividends are acknowledged only upon shareholders' approval at the Annual General Meeting (AGM). As per IAS-10: Events after the Reporting Period, proposed dividend, if any, is disclosed in the "Events after reporting period" note.

Dividend payments to the Bank's shareholders are accounted for as liabilities and deducted from shareholders' equity in the financial statements once shareholders' entitlement to receive the dividend is formally established.

2.10.22 Provision for Loans and Advances

Provision for classified loans and advances is made on the basis of quarter end review by the management and instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 12 dated 20 August 2017, BRPD circular no. 15 dated 27 September 2017, BRPD circular letter no. 3 dated April 21, 2019, BRPD circular no. 16 dated 21 July 2020 and BRPD circular letter no. 52 dated 20 October 2020 and circulars issued till 2023.

Details are stated in Note 13.

2.10.23 Provision for Investment in the Capital Market and Other Than Capital

Provisions for unrealized losses (net of gains) on capital market investments are maintained per DOS Circular No. 01 (dated May 24, 2023), on a portfolio basis.

2.10.24 Provision for Off-Balance Sheet Exposures

In compliance with Bangladesh Bank guidelines, contingent liabilities have been disclosed under off-balance sheet items. As per BRPD Circular No. 06 dated 25 April 2023 the Bank has been maintaining provision as per the Bangladesh Bank guideline/Circulars against off-balance sheet exposures.

2.10.25 Provision for Other Assets

Provision for other assets is maintained in compliance with BRPD Circular No. 04 (dated April 12, 2022).

2.10.26 Provision for Nostro Accounts

No provision was required to make for Nostro Accounts/Nostro un-reconciled entries in the accounting year 2023 as per BRPD Circular no. 04 dated 12 April 2022.

2.10.27 Provision for Liabilities and Accrued Expenses

In compliance with IAS-37: Provision, Contingent Liabilities and Contingent Assets, provisions for other liabilities 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.

2.10.28 Employee Benefits and Retirement Benefit Schemes

The retirement benefits accrued for the employees of the Bank as on reporting date has been accounted for in accordance with the provision of International Accounting Standard (IAS)-19: Employees Benefits. Various types retirement benefit schemes of the bank are as follows:

Provident Fund

The Bank provides Provident Fund benefits to its employees in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Dhaka (North), recognized the fund under section 2(52) of the Income Tax Ordinance, 1984, in conjunction with Part B of the First Schedule. This recognition has been effective since November 30, 1988.

The fund is managed by a Board of Trustees comprising five members from the Bank. All confirmed employees contribute between 10% and 20% of their basic salary to the fund, with the Bank matching the contribution up to a maximum of 10%. Interest earned from investments is credited to members' accounts semi-annually.

Gratuity Fund

Gratuity benefits are provided per the approved Gratuity Fund rules. The National Board of Revenue recognized the fund on December 27, 1995. It is managed by a Board of Trustees consisting of five members from the Bank.

Employees become eligible for gratuity benefits after completing at least five years of service. The gratuity amount is calculated based on the last drawn basic salary at a rate of one month's basic pay for each completed year of service. The Gratuity Fund is classified as a "Defined Benefit Plan," with contributions determined through actuarial valuations.

The Bank's net obligation for gratuity is calculated based on future benefits earned by employees, discounted to present value, and reduced by the fair value of any plan assets. A qualified actuary conducts this calculation annually using the Projected Unit Credit Method.

Expenses related to the Defined Benefit Plan, including net interest expense and service costs, are recognized under salaries and allowances in the profit and loss account. Any changes to the plan, including curtailments, are recognized immediately in profit or loss.

Welfare Fund

The Employees' Welfare Fund was established on June 18, 2009, and operates under the UCB PLC policy on Employees' Welfare Fund, 2009. A Board of Trustees manages the fund, ensuring its administration and investment comply with relevant laws and regulations in Bangladesh.

Workers' Profit Participation Fund (WPPF)

Consistent with widely accepted 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 the letter of Banking and Financial Institution Division, Ministry of Finance, Government of People's Republic of Bangladesh (no.53.00.0000.311.22.002.17-130 dated 14 February 2017), no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

Performance Bonus

The Bank awards performance bonuses annually to eligible employees at management's discretion. The bonus calculation is based on employee performance ratings and management decisions. While the bonus is paid in the following year, the associated cost is recognized in the financial period to which it pertains.

2.10.29 Taxation Policies

Current Tax

Current tax is the amount of income taxes payable (recoverable) in respect to the taxable profit (tax loss) for a period. Provision for current income tax has been made as per the prescribed rate in the Income Tax Act 2023 and Finance Act 2024 on the accounting profit made by the bank after considering some of the add-backs to income and disallowances of expenditure as per Income Tax Act 2023 and other applicable laws and regulations. Tax Assets under the group head of other assets are recognized for payment of advance income tax, tax deducted at source and tax paid at the time of IT Return for the year/years for which assessment has not yet been finalized. On the other hand, the tax provision (as estimated as per IAS-12: Income Taxes, provision of latest Finance Act, related SROs/guidelines etc.) are recognized as tax liability under the group head of other liability for the year/years for which assessment has not yet been finalized.

Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect to taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities,

income and expenditure and their respective tax bases. Deferred tax assets & liabilities are measured using tax rate & tax laws enacted or at the balance sheet date. Tax impact on the account of changes in deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12: Income taxes.

C. CAPITAL/SHAREHOLDERS' EQUITY

2.10.30 Capital

(a) Authorized Capital

Authorized capital represents the maximum share capital the Bank is permitted to issue, as specified in its Memorandum and Articles of Association.

(b) Paid-up Capital

Paid-up capital is the total amount of capital that shareholders have fully paid. Ordinary shareholders are entitled to dividends as declared and have voting rights at shareholders' meetings. In the event of liquidation, they rank after all other shareholders and creditors but receive any remaining proceeds.

2.10.31 Statutory Reserve

The statutory reserve is maintained at 20% of profit before tax, as per Section 24 of the Bank Company Act, 1991, and subsequent amendments.

2.10.32 Asset Revaluation Reserve

When an asset's carrying amount increases due to revaluation, the surplus is credited to the asset revaluation reserve under equity, in accordance with IAS 16 (Property, Plant, and Equipment) and the BSEC guidelines issued on August 18, 2013.

2.10.33 Reserve for Amortization/Revaluation of Securities

For financial assets classified as Held-to-Maturity (HTM) or Held-for-Trading (HFT), any increase in value due to amortization or mark-to-market revaluation is credited to this reserve. The Bank follows Bangladesh Bank regulations, including DOS Circular Letters No. 05 (May 26, 2008), No. 05 (January 28, 2009), and Circular No. 06 (July 15, 2010).

2.10.34 Retained Earnings

The net surplus from the current year's profit after tax, following necessary appropriations, is transferred to retained earnings.

2.10.35 Share Premium

Share premium represents the excess amount received over the nominal/par value of shares. Utilization of share premium is governed by Section 57 of the Companies Act, 1994.

2.10.36 Contingent Assets and Liabilities

A contingent asset arises from past events and is recognized only if future events confirm its existence. Similarly, a contingent liability is a potential obligation that depends on uncertain future events. These items are disclosed but not recognized in financial statements.

The Bank also engages in forward rate agreements, derivatives, and similar financial transactions, adhering to Bangladesh Bank guidelines, with appropriate provisions made against such contingent items.

2.10.37 Accounting for Derivative Financial Instruments

Derivatives

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Derivative is a financial instrument meeting all of the following three features:

1. whose value changes in response to the change in price of an underlying security, commodity, currency, index or other financial instruments;
2. where the initial net investment is zero or is small in relation to the value of underlying security or index;
3. that is settled at a future date.

Derivatives are classified as held for trading (unless they are hedging instruments) and accordingly, measured at fair value. Any changes in fair value is recorded in profit and loss account.

Embedded derivatives

Certain contracts that are not themselves derivatives (and may not be financial instruments) include derivative contracts that are 'embedded' within. An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract. Embedded derivative causes some or all of the cash flows of the host contract to be modified. Besides, embedded derivative cannot be transferred to a third party independently of the instrument. The basic rule for accounting for an embedded derivative is that it should be separated from its host contract and accounted for as a derivative, i.e., measured at fair value and any changes in fair value recognized in profit and loss account. Separation of embedded derivative from the host contract is made only when the following conditions are met:

The economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract.

1. The embedded derivative would meet the definition of a derivative if separated from the host contract.
2. The hybrid (combined) instrument is not measured at fair value with changes in fair value recognized in profit and loss.

D. REVENUE RECOGNITION

2.10.38 Interest Income

Interest on loans and advances is accrued daily and applied periodically based on the product terms.

- Standard & SMA Loans: Interest is recognized on an accrual basis.
- Sub-Standard & Doubtful Loans: Interest is transferred to the Interest Suspense Account and recognized only when received, per BRPD Circular No. 14 (September 23, 2012) and subsequent Bangladesh Bank updates.
- Bad/Loss Loans: Interest is no longer accrued to avoid overstating revenue.

This ensures compliance with prudential regulations and financial transparency.

2.10.39 Fees and Commission Income

The Bank earns fees and commissions from financial services:

- Trade Finance (LCs, Guarantees, Acceptances): Recognized at transaction execution.
- Retail Banking (Credit Cards, Loans, Lockers, etc.): Recognized upon actual receipt (realization basis).

This approach prevents premature revenue recognition.

2.10.40 Interest Income from Investments

Interest earned from investments in government securities, corporate bonds, debentures, and other financial instruments is recognized on an accrual basis. This means the Bank records interest as income over time, rather than only when cash is received.

This method reflects the true financial performance of the Bank, ensuring accurate reporting of investment income.

2.10.41 Income from Foreign Exchange

The Bank engages in foreign currency transactions, leading to income from:

- Day-to-day trading in foreign currencies (e.g., exchanging one currency for another).
- Conversion gains and losses when customers make foreign currency transactions.
- Revaluation of non-monetary foreign currency assets and liabilities, adjusting their value due to exchange rate fluctuations.

Foreign exchange income is recognized as gains or losses when these events occur, ensuring real-time reflection of the Bank's financial position in foreign exchange dealings.

2.10.42 Dividend Income

Dividend income from investments in equities (such as shares of other companies) is recognized when:

1. The dividend is declared by the issuing company.
2. The right to receive payment is established, meaning the Bank is legally entitled to the income.
3. The amount is confirmed, i.e., the exact dividend amount is ascertained.

This method ensures that unrealized gains from anticipated dividends are not prematurely recognized as income.

2.10.43 Interest Paid on Borrowings and Deposits

The Bank incurs interest expenses on funds it borrows and deposits held by customers.

- Interest on deposits (e.g., savings, fixed deposits) is calculated based on the terms of the respective products and credited to customer accounts periodically (monthly, quarterly, or at maturity).
- Interest on borrowings (e.g., interbank loans, bonds issued by the Bank) is accrued and recorded as an expense in the financial statements.
- Other related expenses, such as service charges, are recorded as they accrue, ensuring a transparent reflection of the Bank's obligations.

By recognizing expenses as they are incurred, the Bank adheres to the matching principle, ensuring accurate financial reporting.

2.10.44 Management and Other Expenses

The Bank incurs various operational expenses, including:

- Staff salaries and benefits
- Office rent and utilities
- IT infrastructure and software maintenance
- Marketing and promotional costs
- Legal and professional fees

These expenses are recognized either on an actual basis (when paid) or on an accrual basis (when incurred but not yet paid) to ensure that financial statements accurately reflect the Bank's financial obligations.

E. OTHERS

2.10.45 Materiality and Aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature are also presented separately unless deemed immaterial, in accordance with IAS-1: Presentation of Financial Statements.

2.10.46 Offsetting

The balance sheet presents the net amount of financial assets and liabilities when there is a legally enforceable right to offset the recognized amounts, and the intention is to settle them on a net basis or simultaneously realize the asset and settle the liability.

- The Bank presents advance tax paid and provision for tax on a net basis under liabilities, as the tax liability exceeds the advance tax.
- Similarly, Deferred Tax (DT) assets and liabilities are presented on a net basis under the asset section, where the DT asset amount is greater than the DT liability.
- The net defined benefit obligation is presented under liabilities, as the defined benefit obligation exceeds the fair value of plan assets.
- Finally, card revenues and expenses earned and incurred on a shared basis that are directly attributable are presented on a net-off basis.

2.10.47 Earnings Per Share (EPS)

Earnings Per Share (EPS) is calculated in accordance with IAS-33: Earnings Per Share, and is presented on the face of the Profit and Loss Account. EPS is computed by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year. Additional details are provided in Note 40 of the financial statements.

- **Basic Earnings Per Share:** Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent entity (numerator) by the weighted average number of ordinary shares outstanding (denominator) during the period.
- **Weighted Average Number of Ordinary Shares Outstanding:** This represents the number of ordinary shares outstanding at the beginning of the year, plus the number of shares issued during the year, multiplied by a time-weighted factor. The time-weighting factor corresponds to the number of days each share was outstanding as a proportion of the total days in the year.
- **Diluted Earnings Per Share:** Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.10.48 Related Party Transactions

Related parties are entities or individuals that have the ability, directly or indirectly, to control or significantly influence another entity's financial and operational decisions. Entities under common control or significant common influence are also considered related parties.

Related party transactions involve the transfer of resources, services, or obligations between such parties, regardless of whether a price is charged. These transactions are conducted in compliance with IAS-24: Related Party Disclosures, along with regulatory guidelines from Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC). Detailed disclosures regarding related party transactions are provided in Note 49 of the financial statements.

2.10.49 Reconciliation of Books and Accounts

Books of account for inter-bank transactions (both within Bangladesh and internationally) as well as inter-branches are reconciled at regular intervals to maintain unreconciled balances at non-material levels

2.10.50 Credit Rating

Emerging Credit Rating Limited (ECRL) has assigned the Bank a credit rating as of December 31, 2023, with an "AA" rating for the Long Term (pronounced Double A) and an ST-2 rating for the Short Term. The rating was issued on June 11, 2024.

Valid From	Valid To	Base Financial Year	Long Term Rating	Short Term Rating	Outlook
07 May 2024	06 May 2025	2023	AA	ST-2	Stable
07 May 2023	06 May 2024	2022	AA	ST-2	Stable
07 May 2022	06 May 2023	2021	AA	ST-2	Stable

The outlook of the rating is Stable. This rating reflects the strengths of the Bank, which are supported by its strong management, solid liquidity position, satisfactory capital base, and comprehensive branch coverage across the country.

2.10.51 Compliance Report on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The Financial Reporting Act (FRA) 2015 was enacted to guide financial reporting in Bangladesh. Under this Act, the Financial Reporting Council (FRC) was established in 2017, and the FRC adopted International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as the applicable standards for public interest entities, including banks. Consequently, the consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with IASs and IFRSs, as adopted by the FRC. The Bank has applied all relevant IASs and IFRSs during the preparation of these financial statements. The following is a summary of the standards applied:

IAS No.	Name of IAS	Status
1	Presentation of Financial Statements	Applied*
2	Inventories	N/A
7	Statement of Cash Flows	Applied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
10	Events after the Reporting Period	Applied
12	Income Taxes	Applied
16	Property, Plant, and Equipment	Applied
19	Employee Benefits	Applied
20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
21	The Effects of Changes in Foreign Exchange Rates	Applied
23	Borrowing Costs	N/A
24	Related Party Disclosures	Applied
26	Accounting and Reporting by Retirement Benefit Plans	N/A**
27	Separate Financial Statements	Applied
28	Investments in Associates and Joint Ventures	N/A
33	Earnings Per Share	Applied
34	Interim Financial Reporting	Applied***
36	Impairment of Assets	Applied
37	Provisions, Contingent Liabilities, and Contingent Assets	Applied
38	Intangible Assets	Applied
40	Investment Property	N/A
41	Agriculture	N/A

IFRS No.	Name of IFRS	Status
1	First-time Adoption of Bangladesh Financial Reporting Standards	N/A
2	Share-Based Payment	N/A
3	Business Combinations	N/A
4	Insurance Contracts	N/A
5	Non-current Assets Held for Sale and Discontinued Operations	N/A
6	Exploration for and Evaluation of Mineral Resources	N/A
7	Financial Instruments: Disclosure	Applied*
8	Operating Segments	Applied
9	Financial Instruments	Applied*
10	Consolidated Financial Statements	Applied
11	Joint Arrangements	N/A
12	Disclosure of Interest in Other Entities	N/A
13	Fair Value Measurement	Applied
14	Regulatory Deferral Accounts	N/A
15	Revenue from Contracts with Customers	Applied
16	Leases	Applied
17	Insurance Contracts	N/A
18	Yet to be adopted	

Note:

* In order to comply with certain specific rules and regulations of the local Central Bank (Bangladesh Bank) which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer below for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

** This Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

*** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

N/A= Not Applicable

2.10.52 Operating Segments

The Bank reports on nine distinct business segments, each representing different products and services with unique risks and returns. These segments are the Bank's strategic business units, managed separately based on the Bank's internal reporting structure. The Management Committee periodically reviews these segments. Below is a summary of the Bank's reportable segments:

Segment Name	Description
Corporate Banking	Focuses on large corporate groups, structured/syndicated finance, and a variety of advanced & deposit products.
SME Banking	Provides loans, deposits, and other services to SME customers.
Consumer Banking	Includes loans, deposits, and other services for retail customers.
Treasury	Manages the Bank's funding, SLR maintenance, asset-liability management, foreign exchange dealings, and investments in derivatives.
Investment Banking	Involves trading, investment in equities, and other capital market activities.
Offshore Banking	Offers commercial banking services in freely convertible currencies, with one unit in Dhaka.
Card and Alternate Delivery Channels	Provides various debit and credit card offerings to meet customer needs.
Mobile Financial Services	Facilitates banking through mobile networks, covering cash in/out, bill payments, and POS purchases.
Agent Banking	Aims to provide banking services to remote, financially excluded areas, with a focus on cashless transactions.

2.10.53 Risk Management

Risk in a banking context refers to potential events or actions that may adversely impact a bank's operations, either directly through losses in earnings or capital, or indirectly by hindering the achievement of business objectives. Such risks can arise from factors like economic downturns or fluctuations in interest rates. To absorb potential losses, banks rely on their capital reserves. The types and extent of risks a bank faces depend on several factors, including its size, the complexity of its activities, and the volume of its operations.

To enhance risk management practices, Bangladesh Bank initially issued guidelines covering six core risk areas. These guidelines have been implemented by banks in Bangladesh, including United Commercial Bank PLC (UCB). The Bank's risk management system, aligned with Bangladesh Bank's directives, addresses the following core risk areas:

- Credit Risk
- Foreign Exchange Risk
- Asset-Liability Management (ALM) Risk
- Internal Control & Compliance Risk
- Money Laundering and Terrorist Financing Risk
- Information & Communication Technology Risk

Credit Risk Management

Credit risk is the potential that a borrower or counterparty will fail to meet its obligations as agreed. Managing credit risk aims to maximize the risk-adjusted return by keeping credit exposures within acceptable limits. Banks must manage both individual credit risks and portfolio-level risks. Effective credit risk management is vital for long-term success.

Credit risk can stem from various activities, including loans, guarantees, and off-balance sheet transactions. It arises from dealings with individuals, SMEs, corporations, banks, financial institutions, or sovereign entities. Credit risk assessment involves evaluating the likelihood of default and the financial impact on the bank.

At UCB, credit risk management is independent of business origination to reduce conflicts of interest and establish stronger internal controls. The Chief Risk Officer and the Head of Credit Risk Management oversee credit risk, while the Board of Directors holds final responsibility. The Board also sets credit policies, which are implemented by management.

The Bank's risk management framework is designed to ensure well-calculated risks to safeguard its capital and financial resources, contributing to sustainable profitability. A dedicated risk management committee monitors critical risk areas regularly.

Foreign Exchange Risk Management

Foreign exchange risk arises from changes in currency exchange rates, affecting investments, exports, imports, and international transactions. UCB has developed a Foreign Exchange Risk Management policy, in line with Bangladesh Bank's guidelines, to minimize risks from foreign exchange transactions.

Asset-Liability Management Risk

ALM is an integral part of the financial management process of any bank. It is concerned with strategic balance sheet management involving risks caused by changes in the interest rates, exchange rates and the liquidity position of the bank.

The Asset Liability Management Committee (ALCO) of UCB headed by the Managing Director & CEO of the Bank meets at least once in every month to look after the financial market activities, manage liquidity risk, interest rate risk and FX or currency risk. Asset Liability Management (ALM) desk of the Treasury is primarily responsible for management of liquidity risk on a daily basis by appropriate coordination of funding activities. Asset liability Committee (ALCO) reviews the country's overall economic position, market outlook (local and global) and Bank's liquidity position. A quarterly projection of fund flows is reviewed in ALCO meeting regularly. ALCO also examines key ratios such as Maximum Cumulative Outflow, Advance Deposit Ratio, Capital to Risk Weighted Asset Ratio, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Leverage ratio etc. ALCO also monitors concentration of deposits of large institutional depositors, which is volatile in nature.

In addition to the above ratios, ALCO also analyses the following statements to measure and monitor liquidity risk, interest rate risk and FX or currency risk:

Risks	Statement
Liquidity Risk	• Structural liquidity profile • Dynamic liquidity profile • Key Management Ratios • Cash flow projection
Interest Rate Risk	• Traditional Gap Analysis (up to 1 Year) • Traditional Gap Analysis (Total A-L) • Duration Gap Analysis • Balance Sheet VaR • Stress Testing
Currency Risk	• Currency wise Exposure • Value at Risk (VaR)

Internal Control & Compliance Risk

Internal Control is a process, effected by a bank's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. An organization deploy many layers of defence. In order to ensure, there are enough controls to manage the adverse risk of any major setback. The first layer of defence is the operational management. The second layer of defence is the control function such as internal control, risk management and compliance. The third layer of defence is the internal and external audit function.

Internal Control & Compliance Division (ICCD) under guidance of Board & Senior Management has been working in light of Bangladesh Bank guidelines. Audit function is independent with reporting line of 'Head of Audit' to Audit Committee of the Board along with administrative reporting line to 'Head of ICCD'. Competent authority of the bank has taken various steps to strengthen internal audit as well as compliance activities for ensuring a standard compliance culture within the organization towards mitigating Internal Control & Compliance Risks.

A strong internal control system, including effective internal audit function provides independent assurance to the board of directors and management on the quality and effectiveness of a bank's internal control, risk management and governance systems and processes, thereby helping the board and senior management protect the organization and its reputation. Such a system is designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations,
- Reliability of financial reporting and
- Compliance with applicable laws, regulations, and internal policies.

UCB PLC develops and maintains a robust internal control framework comprising the following internal control features:

- Management oversight and the control culture
- Risk recognition and assessment
- Control activities and segregation of duties
- Information and communication
- Monitoring activities and correcting deficiencies

The key issues that have been established for effective internal control of UCB PLC are:

i. ICCD of UCB is working in light of guideline on Internal Control & Compliance Guideline of UCB.

ii. ICCD, in collaboration with LDC arranges day long training workshop regarding "Internal Control & Compliance in Banks" where participants from both Branch & Head office participates and enrich their knowledge.

iii. The internal Audit department of the Bank checks for compliance with policies and procedures and the effectiveness of internal control systems on an ongoing basis.

iv. Health Report has been prepared and submitted on Annual basis.

v. In assessing the internal control system UCB PLC continued to review of different control tools i.e. QOR, LDCL, DCFCL, Internal audit checklist and Risk Rating.

vi. Self-Assessment of Anti-Fraud Internal Controls is carried out on semi-annual basis as per DOS circular letter #10 dated 9 May 2017 of BB.

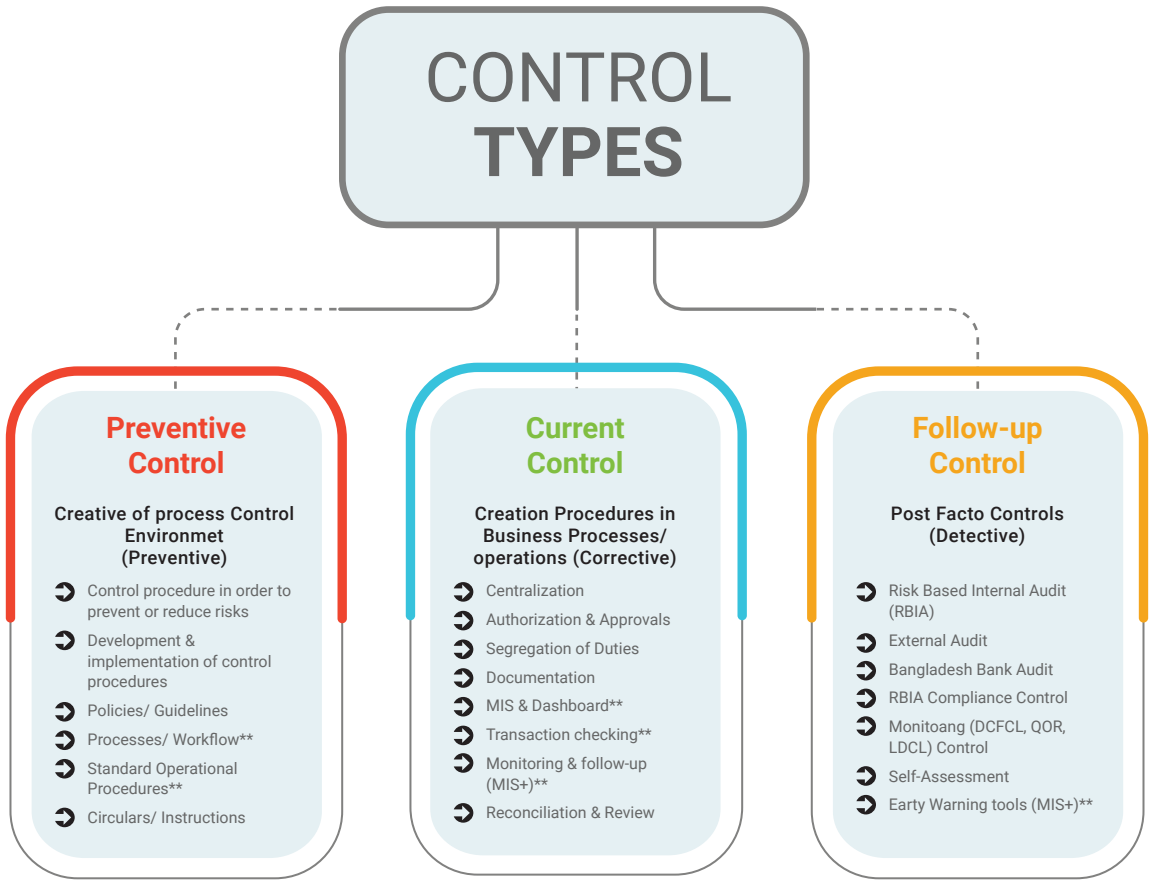
Effective and efficient internal control of UCB PLC secure the interest of depositors and stakeholders through establishing the following internal control functions:

- Compliance
- Information Security
- Internal Audit
- Monitoring

It helps to reinforce the 3 (three) types of control:

Preventive - creation of process control environment,
Corrective - Control Procedures in business processes/operation and
Detective - Post facto controls.

Internal Control- Scope/ Areas



Money Laundering & Terrorist Financing Risk Management

Money Laundering (ML) and Terrorist Financing (TF) are the main factors to erode economic growth. So that Financial Institutions across the globe are working hard to fight against ML&TF related financial crime to protect assets and maintain regulatory compliance. Money laundering is the process of providing legitimate appearance to the illegally gained revenue and terrorist financing process involves collecting the funds intended to use in supporting the terrorist organization from a variety of sources to meet goals of terrorist organizations.

Regulators expect, functions in the Bank to be global standard across business lines. The best ways to satisfy these expectations are to centralize functions of the bank, keep continuous monitoring of the transactions and activities of the customers during banking operations and do meticulous compliance of regulatory requirements.

The years to come will undoubtedly be challenging to manage ML&TF risks considering their plurality. To mitigate such risks, the bank exerts continuous efforts to maintain and fine-tune its current policies and procedures and adopt new ones to meet future challenges.

UCB has already gone a long way in the path of centralization of its functions. In 2018, new Anti-Money Laundering and Anti-Terrorist Financing Division has been formed along with its organogram, which is updated in 2023. As instructed by BFIU, Deputy CAMLCO is heading this Division. The division is initiating new specialized trainings focusing risks such as cryptocurrencies, e-commerce, fin-tech, trade-based and credit-backed money laundering, etc. The division has taken various initiatives to develop better monitoring system throughout the bank to mitigate ML&TF risks. To build a vigorous anti-money laundering and anti-terrorism program, UCB has deployed necessary resource and manpower. In addition, an annual message from the Managing Director & CEO of the bank also acts as a guideline for all the employees in this regard. AML & ATF Division has taken up a yearly action plan for meticulous compliance of regulatory requirement.

AML & ATF Division has arranged a number of training programs on prevention of money laundering and terrorist financing for 1479 Executives/Officers of the Bank through-out the year 2024 to develop their professional skill and ensure better regulatory compliance.

In line with international initiatives and standards, the regulator has issued guidelines for preventing Trade Based Money Laundering (TBML). Based on that policy, UCB has also prepared the policy and reviewed the same in August, 2023.

Fraud and Forgeries Risk

Fraud involves deliberate deception for unlawful or unfair gain. UCB is dedicated to maintaining a robust anti-fraud control mechanism to identify fraud attempts early, escalate them appropriately, and take corrective action. As part of its commitment to regulatory compliance, the Bank reports all instances of fraud or forgery to the central bank in a timely manner.

Information and Communication Technology (ICT) Risk

In order to enhance operational efficiency and strengthen ICT support for both internal users and customers, the Bank has restructured its Information Technology Operations Division. This restructuring, alongside key technological advancements, ensures that UCB remains at the forefront of providing secure and efficient banking services.

ICT Risk Management Approach

ICT risk management at UCB is a structured process for identifying, assessing, and mitigating risks associated with information security. The focus is on ensuring business transformation and technology-driven advancements while mitigating both operational risks and potential losses from missed opportunities.

ICT Policy and Regulatory Compliance

UCB has recently updated its ICT Policy to align with the latest technological trends and Bangladesh Bank's ICT guidelines. The Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) have been revised to ensure preparedness for potential disruptions. Furthermore, UCB adheres to global best practices such as ISO 27001 for information security and ISO 22301 for business continuity. The Bank has maintained PCI DSS certification for the seventh consecutive year and continues to uphold industry-leading standards for risk management and security.

Key ICT Risk Mitigation Initiatives

To strengthen its ICT security and mitigate fraud risks, UCB has implemented the following measures:

- Ongoing CBS Upgradation Project: The bank is actively upgrading its Core Banking System (CBS) from Oracle 12.2 to the latest 14.7 version, ensuring improved performance, security, and regulatory compliance.
- Data centre Expansion Project Completed: The bank successfully enhanced network and server rack space, cooling, power, and humidity control, ensuring improved operational capacity.
- High Availability (HA) Implementation: HA has been implemented at both Data Center (DC) and Near Disaster Recovery Centre (NDC) for Internet Router, Core Router, and Core Switch, improving redundancy and uptime.
- DDOS Attack and WAF Protection: HA implementation at DC and NDC for Distributed Denial-of-Service (DDOS) attack mitigation and Web Application Firewall (WAF) with F5, strengthening cybersecurity measures.
- Perimeter Firewall Deployment at NDC: Enhanced network security with high availability, traffic control, and better risk management.
- Deployment of a Next-Generation Core Firewall with advanced threat prevention for faster threat detection and flexible management.
- Implementation of a Robust Web Protection Solution with comprehensive threat protection, URL filtering, and malware blocking.
- Call Center Upgradation (Phase-1 Completed): Enhancements to improve service quality and response times, ensuring seamless customer support with chatbot and CRM 360-degree integration for improved customer experience and compliance.
- Replacement of TWPG with Cyber Source Payment Gateway: Transitioning to a more secure payment gateway to enhance transaction security and fraud prevention.

- Successful Completion of Regulatory Audit: The bank retained a "Satisfactory" rating, demonstrating compliance and best practices in IT security.
- Completion of Biometric Verification for Loan-related Charge Documents: Strengthening identity verification and fraud prevention in loan processing.
- Enhanced IP Telephony System with modern video conferencing, collaboration tools, and integrated voice recording and reporting.
- Compliance with 3DS Version 2 requirements for secure payment processing with VISA and MasterCard.
- Renewal of SWIFT Customer Security Program (CSP) Certification v2024 for enhanced transaction security.
- Implementation of a Privileged Access Management (PAM) Solution to control and monitor privileged access to critical systems.
- Deployment of Vulnerability Assessment and Penetration Testing (VA/PT) Tools to detect and mitigate security risks across applications, networks, databases, and endpoints.
- Operation of a Security Operations Centre (SOC) using IBM QRadar SIEM and X-Force intelligence for real-time cyber threat detection and analysis.
- Introduction of Two-Factor Authentication (2FA) and OTP Mechanisms for enhanced security in Internet Banking and credit card transactions.
- Integration of National Identity Card (NID) Verification System to prevent duplicate NID use in customer account openings.
- Deployment of Anti-Skimming Devices in ATMs to prevent card counterfeiting and fraudulent transactions.
- Adoption of EMV Standard Chip-Based Cards to reduce fraud risks related to skimming and duplication.
- Implementation of a Dual-Control Mechanism (maker-checker) in financial and non-financial transactions within core banking and card management systems.
- Real-Time Automated Fraud Management Solution capable of monitoring transactions based on predefined risk rules.
- Implementation of a Robust HRMS System for efficient employee management, reducing risks related to screening, recruitment, and benefits.
- Optimization of Core Banking Software and Database for enhanced performance and security.
- Regular ICT Security Awareness Training through simulated phishing campaigns to educate employees on cyber threats and secure practices.

UCB's proactive approach to ICT risk management ensures that the Bank is well-positioned to handle emerging security threats, while enhancing operational efficiency and customer satisfaction.

2.10.54 Internal Audit

The Bank has established an independent internal audit function that conducts risk-based audits across various business and operational areas on a continuous basis. This function ensures that the Bank's internal controls, risk management practices, and operational procedures are regularly assessed and optimized to meet evolving standards.

2.10.55 Interest Rate Risk

Interest rate risk may arise from both the trading and non-trading portfolios of the Bank. The trading portfolio includes government treasury bills and bonds with varying maturities, and interest rate risk is primarily associated with mismatches in the timing of interest rate changes between assets and liabilities.

2.10.56 Interest Rate Risk Management

Interest rate risk arises from discrepancies between the yield of an asset and its associated funding cost. The Asset Liability Committee (ALCO) monitors interest rate movements regularly, while the Bank's Market Treasury team actively manages the balance sheet gap to mitigate risk exposure. This proactive approach ensures that interest rate fluctuations are effectively managed to minimize any adverse impact on the Bank's financial performance.

2.10.57 Operational Risk

Operational risk refers to the potential loss stemming from inadequate or failed internal processes, systems, personnel, or from external events. It is an inherent risk in the Bank's activities, and like other types of risk, it is managed within a comprehensive framework that includes checks and balances. This framework incorporates the "three lines of defence" model, where each business area is responsible for identifying its key operational risks and implementing controls to mitigate those risks. Independent risk management oversight ensures compliance with laws, regulations, and the Bank's policies.

The Bank's operational risk policy outlines the governing principles for managing operational risks and provides a structured framework. The primary objective is to manage operational risk in a manner that balances the need to avoid financial losses and reputational damage, with the aim of maintaining cost-effectiveness and fostering innovation. In all cases, the Bank's policy mandates compliance with applicable legal and regulatory requirements.

2.10.58 Operating Environment

The Bank's operating environment in 2024 has been significantly influenced by a variety of global and local events, including the ongoing Russia-Ukraine conflict, geopolitical tensions in the Middle East, volatility in fuel and commodity prices, and the sustained strength of the USD. These factors have had far-reaching impacts, affecting not only international markets but also the local economic landscape, which, in turn, has influenced the Bank's operations.

In response to these external challenges, the Government of Bangladesh and Bangladesh Bank have implemented a range of regulatory measures and directives aimed at mitigating the repercussions of these global events. The Bank has ensured compliance with these guidelines to maintain operational stability.

The Bangladesh banking sector faced several challenges in 2024, including political instability, economic uncertainty, regulatory shifts, and internal banking sector issues. These challenges were compounded by increased non-performing loans (NPLs), leading to severe liquidity pressures and exposing weaknesses in credit risk management. A revised loan classification policy unveiled hidden debts, raising concerns about reporting systems and asset quality assessments.

Frequent policy changes, including a sharp interest rate hike to 10% to curb inflation, created regulatory uncertainty, which impacted banks' ability to manage liquidity and lending practices effectively. In addition, unrest and supply chain disruptions had a negative impact on businesses, particularly those in sectors such as garments, posing a risk to business continuity. In response, the interim government and Bangladesh Bank introduced oversight reforms and forensic audits to stabilize operations and restore confidence in the banking sector.

2.10.59 Audit Committee

In accordance with BRPD Circular No. 12 (dated 23 December 2002), all banks are required to establish an Audit Committee composed of members from the Board of Directors. This committee plays a crucial role in assisting the Board in fulfilling its oversight responsibilities related to corporate governance and risk management.

The Audit Committee is tasked with ensuring the effective implementation of the Bank's strategic objectives and business plans. Its core responsibilities include overseeing the financial reporting process, evaluating the internal control framework, managing financial risks, and monitoring audit processes. Additionally, the committee ensures the Bank's adherence to applicable laws, regulations, and its code of business conduct, thereby promoting transparency and accountability in all financial and operational activities.

2.10.60 New Standards Issued but Not Yet Effective

The following new and amended standards are effective for annual periods beginning after 1 January 2025. While early adoption is permitted, the Bank has not opted for early adoption. However, none of these standards are expected to have a significant impact on the Bank's financial statements:

- Lack of Exchangeability (Amendments to IAS 21) – effective from 1 January 2025.
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7): - effective from 1 January 2026.
- Annual Improvements to IFRS Accounting Standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) - effective from 1 January 2026.
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7) - effective from 1 January 2026.
- Presentation and Disclosure in Financial Statements (IFRS 18) - effective from 1 January 2027.
- Subsidiaries without Public Accountability: Disclosures (IFRS – 19) - effective from 1 January 2027.

2.10.61 Events After the Reporting Period

All material events that occurred after the reporting period have been considered, and appropriate disclosures have been made in the financial statements, in accordance with IAS 10: Events After the Reporting Period. A common event after the reporting period is the Board of Directors' recommendation regarding dividend payments, which has been disclosed in note 2.10.21.

2.11 General

Functional and Presentation Currency

The financial statements are presented in Bangladeshi Taka (BDT), which is the Bank's functional currency. Financial information is rounded to the nearest Taka.

Comparative Information

Comparative information, including narratives, is disclosed for the previous period where relevant to enhance the understanding of the current period's financial statements. Certain comparative amounts have been reclassified or rearranged to conform to the current year's presentation.

Reporting Period

These financial statements cover the period from 1 January 2024 to 31 December 2024.

Approval of Financial Statements

The financial statements were approved by the Board of Directors of the Bank in its meeting held on 29 May 2025.

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
3	**Cash**	**45,443,634,157**	**36,186,600,376**	**45,443,390,740**	**36,186,305,779**
3.1	**Cash in hand**				
	Local currency				
	In branches	9,957,697,971	6,553,635,258	9,957,544,914	6,553,425,857
	In ATMs & CRMs	2,180,949,500	1,967,571,200	2,180,949,500	1,967,571,200
		12,138,647,471	**8,521,206,458**	**12,138,494,414**	**8,520,997,057**
	Foreign currency				
	In branches	304,465,132	79,244,190	304,374,772	79,158,994
		12,443,112,603	**8,600,450,648**	**12,442,869,186**	**8,600,156,051**
3.2	**Balance with Bangladesh Bank and its agent Bank(s)**				
	Local currency	27,512,458,254	22,280,256,425	27,512,458,254	22,280,256,425
	Foreign currencies	5,488,063,300	5,305,893,303	5,488,063,300	5,305,893,303
		33,000,521,554	**27,586,149,728**	**33,000,521,554**	**27,586,149,728**
	Total Cash in hand including balance with Bangladesh Bank & its agent Bank(s)	**45,443,634,157**	**36,186,600,376**	**45,443,390,740**	**36,186,305,779**
3.2.1	**Balance with Bangladesh Bank**				
	Local currency	27,512,404,703	22,280,213,821	27,512,404,703	22,280,213,821
	Foreign currency	5,488,063,300	5,305,893,303	5,488,063,300	5,305,893,303
		33,000,468,002	**27,586,107,124**	**33,000,468,002**	**27,586,107,124**

* The above balance represents amount as per Bank Book. In case of any difference, the difference is duly reconciled and subsequently adjusted.

3.2.2	**Balance with Sonali Bank (as agent of Bangladesh Bank)**				
	Local currency	53,552	42,604	53,552	42,604
	Foreign currency	-	-	-	-
		53,552	**42,604**	**53,552**	**42,604**

3.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)

All scheduled banks in Bangladesh have to maintain Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) in compliance with the instructions given in clause (1) of Article 36 of Bangladesh Bank Order, 1972 (as amended upto 2003) and clause (1) of section 33 of "Bank Company Act, 1991 (Amendment up to 2023)" respectively and instructions contained in DOS Circular No. 01 & 26 dated 19 January 2014 & 19 August 2019 respectively, MPD circular No. 03 dated 09 April 2020 respectively and BRPD Circular letter No. 31 dated 18 June 2020 issued by Bangladesh Bank.

The Cash Reserve Requirement (CRR) of the Bank calculated by-weekly basis @ 4.00% on average demand and time liabilities (ATDTL) and maintained 3.50% on daily minimum basis with Bangladesh Bank in current account and 13.00% Statutory Liquidity Ratio (SLR) on the same liabilities has also been maintained in the form of Cash in Hand, balance with Sonali Bank (as agent Bank), Treasury Bills, Treasury Bonds, Bangladesh Govt. Sukuk Bond, Prize Bond, FCY clearing account credit balance maintained with Bangladesh Bank & excess of CRR held.

3.3.1	**Cash Reserve Requirement (CRR)**		
	A. Conventional and Off-shore Banking:		
	Average Total Demand and Time Liabilities (ATDTL)		
	DBU (Domestic Banking Unit)	564,966,035,400	500,527,548,750
	OBU (Off-shore Banking Unit)	6,167,147,635	-
	Total ATDTL of Conventional and Off-shore Banking	**571,133,183,035**	**500,527,548,750**
	i) Daily basis:		
	DBU (3.5% of ATDTL)	19,773,811,239	17,518,464,206
	OBU (1.5% of ATDTL)	-	-
	Required reserve	**19,773,811,239**	**17,518,464,206**
	Actual reserve maintained	25,886,250,028	21,740,088,658
	Surplus	**6,112,438,789**	**4,221,624,452**
	ii) Bi-weekly average basis:		
	DBU (4% of ATDTL)	22,598,641,416	20,021,101,950
	OBU (2% of ATDTL)	-	-
	Required reserve	**22,598,641,416**	**20,021,101,950**
	Actual reserve maintained	27,508,550,181	20,780,708,399
	Surplus	**4,909,908,765**	**759,606,449**
	B. Islamic Banking:		
	Average total demand and time liabilities		
	DBU	21,810,807,400	15,982,622,250
	OBU	-	-
	Total ADTL of Islamic Banking	**21,810,807,400**	**15,982,622,250**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
	i) Daily basis:				
	DBU (3.5% of ATDTL)			763,378,259	559,391,779
	OBU (1.5% of ATDTL)			-	-
	Required reserve			**763,378,259**	**559,391,779**
	Actual reserve maintained			1,407,515,901	892,260,265
	Surplus			**644,137,642**	**332,868,486**
	ii) Bi-weekly average basis:				
	DBU (4% of ATDTL)			872,432,296	639,304,890
	OBU (2% of ATDTL)			-	-
	Required reserve			**872,432,296**	**639,304,890**
	Actual reserve maintained			1,397,651,646	890,922,030
	Surplus			**525,219,350**	**251,617,140**
	Excess Reserve of CRR (referred to note 3.3.3)			**5,435,128,116**	**1,011,223,588**
3.3.2	**Statutory Liquidity Ratio (SLR)**				
	A. Conventional and Offshore Banking:				
	DBU (13% of ATDTL)			73,445,584,602	65,068,581,338
	OBU (13% of ATDTL)			801,729,193	-
	Required reserve			**74,247,313,795**	**65,068,581,338**
	Actual reserve maintained			78,003,618,824	78,971,699,988
	Surplus			**3,756,305,029**	**13,903,118,650**
	B. Islamic Banking				
	DBU (5.5% of ATDTL)			1,199,594,407	879,044,224
	OBU (5.5% of ATDTL)			-	-
	Required reserve			**1,199,594,407**	**879,044,224**
	Actual reserve maintained			1,404,245,280	985,009,212
	Surplus			**204,650,873**	**105,964,989**
3.3.3	**Held for Statutory Liquidity Ratio**				
	Cash in hand **(note: 3.1)**			12,442,869,186	8,600,156,051
	Balance with Sonali Bank (agent Bank) **(note: 3.2.2)**			53,552	42,604
	Govt. Securities (Treasury Bills) **(note: 6.a)**			12,536,057,619	16,504,227,798
	Govt. Treasury Bond (HTM) **(note: 6.1)**			49,569,879,765	52,045,125,998
	Govt. Treasury Bond (HFT) **(note: 6.1)**			122,133,066	8,826,966
	Bangladesh Bank - Sukuk Bond			906,653,000	819,160,000
	Stock of Prize Bond **(note: 6.1)**			7,525,700	7,227,700
	Excess Reserve of CRR **(note: 3.3.1)**			5,435,128,116	1,011,223,588
				81,020,300,004	**78,995,990,705**
4	**Balance with other banks & financial institutions**				
	In Bangladesh **(note: 4.1)**	12,853,680,447	5,556,154,273	11,565,022,275	4,278,424,813
	Outside Bangladesh **(Annexure-A)**	6,159,623,190	16,898,956,220	6,159,623,190	16,898,956,220
		19,013,303,637	**22,455,110,493**	**17,724,645,465**	**21,177,381,033**
4.1	**In Bangladesh**				
	A. Current account and others				
	Janata Bank PLC.			94,099,779	76,824,717
	Agrani Bank PLC.			16,288,990	8,847,561
	Rupali Bank PLC.			146,058	14,146,224
	Sonali Bank PLC.			1,274,635,299	1,128,467,874
	Standard Chartered Bank			3,527,478	277,520
				1,388,697,605	**1,228,563,894**
	B. Fixed Deposits				
	B(i) - NBFI:				
	International Leasing			400,000,000	400,000,000
	Peoples Leasing & Finance Services			4,800,000	4,800,000
	Aviva Finance Limited			650,000,000	650,000,000
	Phoenix Finance and Investments Limited			500,000,000	500,000,000
	Uttara Finance and Investments Limited			160,000,000	220,000,000
	Meridian Finance and Investment Limited			220,000,000	225,000,000
				1,934,800,000	**1,999,800,000**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
	B(ii) - Islamic Banking:				
	Premier Bank PLC.			2,000,000,000	1,000,000,000
	NRB Bank PLC.			211,574,670	50,059,857
	Shahjalal Islami Bank PLC.			599,950,000	1,062
	Exim Bank PLC.			430,000,000	-
	City Bank PLC.			5,000,000,000	-
				8,241,524,670	**1,050,060,919**
				10,176,324,670	**3,049,860,919**
	Total (A+B)			**11,565,022,275**	**4,278,424,813**
4.2	**Maturity grouping of balance with other banks & financial institutions**				
	On demand			1,388,690,000	1,228,563,894
	Upto three months			13,971,110,000	18,394,017,139
	More than three months but less than six months			-	-
	More than six months but less than one year			-	-
	More than one year but less than five years			2,364,845,465	1,554,800,000
				17,724,645,465	**21,177,381,033**
5	**Money at call on short notice**				-
	Dutch Bangla Bank PLC.	2,500,000,000	-	2,500,000,000	-
		2,500,000,000	**-**	**2,500,000,000**	**-**
6	**Investments**				
	Government Securities	75,913,616,797	70,067,335,372	75,068,296,150	69,384,568,462
	Other Investments	14,843,147,626	15,543,834,471	12,783,091,077	13,479,158,908
		90,756,764,423	**85,611,169,843**	**87,851,387,227**	**82,863,727,370**
	a) Government Securities				
	Treasury Bills				
	Treasury bills (28 days)			-	-
	Treasury bills (91 days)			-	8,834,589,915
	Treasury bills (182 days)			8,654,285,905	-
	Treasury bills (364 days)			3,881,771,714	7,669,637,883
	Total Treasury Bills			**12,536,057,619**	**16,504,227,798**
	Government Bonds				
	Prize Bonds			7,525,700	7,227,700
	Government Bonds			62,524,712,831	52,873,112,964
	Total Government Bonds			**62,532,238,531**	**52,880,340,664**
	Total Government Securities			**75,068,296,150**	**69,384,568,462**
	b) Other investments				
	Shares in listed companies			5,171,344,097	6,011,537,354
	Shares in non-listed companies			636,746,980	817,621,553
	Sub-ordinated Bonds			3,200,000,000	3,900,000,000
	Perpetual Mudaraba Bond (Islamic)			230,000,000	230,000,000
	Perpetual Bond Investment			2,050,000,000	2,050,000,000
	Private Sukuk Bond under SPV (Special Purpose Vehicle, Islamic Banking)			300,000,000	300,000,000
	Beximco zero coupon Bond			1,000,000,000	-
	Investment in Alternative Investment Fund			195,000,000	170,000,000
	Total other investments			**12,783,091,077**	**13,479,158,908**
	Total Investments (a+b)			**87,851,387,227**	**82,863,727,370**
6.1	**Government Securities are Classified as per Bangladesh Bank Circular**				
	Treasury Bond - HTM			49,569,879,765	52,045,125,998
	Treasury Bond - HFT			122,133,066	8,826,966
	Treasury Bills - HTM			1,923,440,619	9,638,954,798
	Treasury Bills - HFT			10,612,617,000	6,865,273,000
	Bangladesh Bank - Sukuk Bond			906,653,000	819,160,000
	Bangladesh Government Special Purpose Bond			11,926,047,000	-
	Prize Bonds			7,525,700	7,227,700
				75,068,296,150	**69,384,568,462**

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
6.2 Maturity grouping of investments				
On demand			-	1,997,590,000
Up to three months			8,868,819,808	10,753,205,716
More than three months but less than one year			19,246,367,419	13,032,593,870
More than one year but less than five years			14,736,400,000	17,479,493,513
More than five years			44,999,800,000	39,600,844,270
			87,851,387,227	**82,863,727,370**

6.3 Other Investments

A) Shares in listed companies other than BB Scheme

Name of the Company	Market Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Square Pharmaceuticals PLC.	411,977,439	402,247,618	235,660,090
Grameenphone Limited	392,601,072	378,289,784	336,823,490
Brac Bank PLC.	1,031,837,345	708,305,798	556,686,199
Marico	83,173,818	89,992,559	74,661,958
National Housing Finance PLC	149,907,598	44,648,231	44,648,231
Berger Paints Bangladesh Limited	47,453,733	46,598,717	59,816,485
Shasha Denims Limited	-	-	147,310,199
City Bank PLC.	309,463,661	320,897,238	350,553,455
United Power Generation & Distribution Company Limited	-	-	67,031,572
IFAD Autos PLC	10,300	52,318	69,778,759
BATBC	507,543,850	629,157,348	465,345,631
Renata PLC.	179,106,456	307,238,330	307,238,330
Genex Infosys PLC	-	-	1,051,524,317
Runner Automobiles PLC	85,105,236	139,745,732	140,288,089
Delta Life Insurance Company Limited	716,710,294	1,314,688,276	1,314,688,276
Sub Total (A)	**3,914,890,801**	**4,381,861,950**	**5,222,055,079**

B) Shares in listed companies as per BB Scheme (DOS circular No. 01 dated 10 February 2020)

Name of the Company	Market Price On 31.12.2024	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Grameenphone Limited	338,904,760	322,396,500	322,396,500
Brac Bank PLC.	434,375,004	312,895,386	312,895,084
BATBC	15,142,914	24,975,148	24,975,148
Square Pharmaceuticals PLC	135,641,904	129,215,580	129,215,580
Sub Total (B)	**924,064,582**	**789,482,614**	**789,482,312**

C) Shares in non-listed companies

Name of the Company	Cost Price On 31.12.2024	Cost Price On 31.12.2023
Karmasangsthan Bank	10,000,000	10,000,000
Central Depository (BD) Ltd	6,277,770	6,277,770
Prime Finance 1st Unit Fund	15,000,000	15,000,000
Energies Power Corporation	-	19,600,000
Fiber Shine	10,000,000	10,000,000
ICB AMCL Second NRB Unit Fund	-	40,985,125
SWIFT	8,258,622	8,258,622
UCB TAQWA Growth Fund	52,500,000	52,500,000
UCB AML First Mutual Fund	30,000,000	30,000,000
UCB Income Plus Fund	149,999,995	75,000,000
Strategic Equity Management Limited PBSL Fixed Inocme Fund	-	150,000,000
Bongo Building Materials Limited Sukuk Al Ijarah	300,000,000	300,000,000
Fair Electronics Ltd	354,710,588	400,000,000
Sub total (C)	**936,746,975**	**1,117,621,517**
Total (A+B+C)	**6,108,091,539**	**7,129,158,908**

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka

6.3 (a) Cost and market value of investment as on 31 December 2024

Government securities

Particulars	Cost Price On 31.12.2024	Market Value/ Amortized Cost	Market Value/ Amortized Cost
Treasury Bills (Government Securities)	16,136,174,192	12,536,057,619	16,504,227,798
Treasury Bonds (Government Securities)	53,553,173,235	49,692,012,831	52,053,952,964
Others	-	11,926,047,000	-
Sukuk bond issued by Bangladesh Bank	906,653,000	906,653,000	819,160,000
Prize Bond	7,525,700	7,525,700	7,227,700
Total	**70,603,526,127**	**75,068,296,150**	**69,384,568,462**

Investment in Shares, Bond & Debenture:

Particulars	Market Value/ Amortized Cost	Cost Price	Cost Price
Quoted Shares	4,838,955,383	5,171,344,564	6,011,537,391
Un-Quoted Shares	-	936,746,975	1,117,621,517
Total investment in shares	**4,838,955,383**	**6,108,091,539**	**7,129,158,908**

6.4 (a) Disclosure regarding overall transaction of Repo and Reverse Repo

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo			
1) With Bangladesh Bank	978,499,000	33,627,137,000	15,577,736,234
2) With Bank & Financial Institutions	480,266,000	7,291,532,000	2,323,713,120
Securities Purchased under reverse repo			
1) From Bangladesh Bank	-	-	-
2) From Other Bank & Financial Institutions.	499,969,900	2,733,965,625	1,698,473,710

7	**Loans and Advances**	**578,130,846,373**	**510,710,023,606**	**572,828,869,287**	**505,969,487,027**
7.1	**Maturity grouping of Loans & Advances (including bills purchased and discounted)**				
	On demand	8,436,200,000	3,149,449,235	8,436,200,000	3,149,449,234
	Not more than three months	167,775,888,289	140,382,437,491	167,775,888,289	140,382,437,491
	More than three months but less than one year	143,890,529,424	121,911,062,877	138,589,052,239	117,178,492,813
	More than one year but less than five years	181,479,105,791	172,768,779,783	181,479,105,791	172,768,779,783
	More than five years	76,549,122,869	72,498,294,221	76,548,622,968	72,490,327,707
		578,130,846,373	**510,710,023,606**	**572,828,869,287**	**505,969,487,028**
7.2	**Loans & Advances**				
	i) Loans/Investments, Cash credit & overdraft etc.				
	a) Within Bangladesh				
	Loans & Advances/ Investments	474,611,638,459	408,352,348,918	469,309,661,373	403,611,812,340
	Cash credits	24,997,295,418	27,986,948,164	24,997,295,418	27,986,948,164
	Overdrafts	68,538,228,059	64,642,772,015	68,538,228,059	64,642,772,015
		568,147,161,936	**500,982,069,097**	**562,845,184,850**	**496,241,532,519**
	b) Outside Bangladesh	-	-	-	-
		568,147,161,936	**500,982,069,097**	**562,845,184,850**	**496,241,532,519**
	ii) Bills Purchased & Discounted (note : 7.13)				
	a) Payable Inside Bangladesh				
	Bills Purchased & discounted (Inland)	2,882,633,880	2,632,413,769	2,882,633,880	2,632,413,769
	b) Payable outside Bangladesh				
	Bills purchased & discounted (Foreign)	7,101,050,557	7,095,540,740	7,101,050,557	7,095,540,740
		9,983,684,437	**9,727,954,509**	**9,983,684,437**	**9,727,954,509**
		578,130,846,373	**510,710,023,606**	**572,828,869,287**	**505,969,487,027**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
7.3	**Net Loans & Advances**				
	Gross Loans & Advances **(note- 7.2)**			572,828,869,287	505,969,487,027
	Less : Non Performing Loans & Advances **(note- 7.10 b)**			85,343,964,142	27,819,391,979
	Interest suspense **(note- 13.8)**			28,633,083,407	19,090,019,324
	Provision for Loans & Advances **(note- 7.11)**			60,551,260,557	20,151,133,575
				174,528,308,106	**67,060,544,878**
				398,300,561,181	**438,908,942,149**
7.4	**Loans & Advances according to significant concentration**				
	a) Advances to the companies or firms in which the Directors of the Bank are interested			-	-
	b) Advances to Chief Executive and other senior executives			-	-
	c) Advances to customers group				
	Agricultural Loan			8,159,000,308	6,568,180,940
	Commercial Lending			58,795,046,450	56,071,048,857
	Export Finance			3,127,502,168	3,582,154,965
	House Building Loan			28,095,274,695	27,680,729,717
	Import Finance			34,676,973,022	36,741,431,446
	Industrial Loan			340,972,707,898	286,535,410,076
	Personal Loan			26,614,251,710	20,560,392,863
	Staff Loan			7,233,961,387	6,406,298,633
	Transport Loan			4,021,030,882	3,522,602,819
	Others			61,133,120,768	58,301,236,714
	Total Loans & Advances			**572,828,869,287**	**505,969,487,028**
7.5	**Industry wise Loans and Advances**				
	Agriculture			8,159,000,308	6,568,180,940
	Brick Field, Auto Bricks, Tiles			2,766,958,136	2,730,773,581
	Cement Industries			18,132,827,346	13,588,045,741
	Chemical & Chemical Products			25,502,430,975	14,870,720,044
	Commercial Trade Financing			96,599,521,640	96,394,635,268
	Construction (Other than Housing)			49,004,329,105	42,985,316,478
	Diagnostic/Medical/Clinic			4,078,560,476	3,739,662,149
	Educational Institute, Hotel, Restaurant			8,402,113,836	7,261,101,989
	Electronics Media			318,895,514	328,246,157
	Engineering, Basic Metal & Products			25,043,961,247	19,283,136,633
	Food Products & Processing			31,240,165,868	21,786,185,497
	Housing Industry			28,095,274,695	27,680,729,717
	Jute Industries			231,084,968	221,677,511
	Leather & Leather Products			1,627,023,409	1,500,969,515
	Paper & Paper Products Industries			9,753,351,007	6,204,249,171
	Power & Energy			21,199,259,727	15,155,411,460
	RMG & Accessories			71,902,206,479	69,949,004,085
	Ship Manufacturing			1,113,652,758	633,955,157
	Ship Re-cycling			12,832,990,466	13,079,720,630
	Telecommunication			3,005,745,077	2,748,317,595
	Textile Industries			31,508,136,209	28,704,388,106
	Transport & Communication			4,021,030,882	3,522,602,819
	Wood & Wooden Products			2,367,336,814	2,371,121,519
	Others			115,923,012,346	104,661,335,267
				572,828,869,287	**505,969,487,028**
7.6	**Geographical Location wise Loans & Advances**				
	Urban branches:				
	Barisal Division			979,502,863	1,058,013,442
	Chattogram Division			105,607,607,639	97,217,385,440
	Dhaka Division			435,803,915,391	376,533,633,423
	Khulna Division			8,330,555,976	8,535,332,220
	Mymensingh Division			965,255,629	839,897,193
	Rajshahi Division			4,639,812,636	5,423,489,119
	Rangpur Division			1,341,985,455	1,169,115,489
	Sylhet Division			1,887,348,053	2,424,315,061
				559,555,983,643	**493,201,181,387**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
	Rural branches:				
	Barisal Division			103,733,830	79,482,793
	Chattogram Division			2,328,093,507	2,417,185,109
	Dhaka Division			9,005,312,183	8,497,336,591
	Khulna Division			521,647,980	455,863,724
	Mymensingh Division			394,912,025	456,463,066
	Rajshahi Division			350,209,514	363,630,641
	Rangpur Division			288,317,151	229,520,787
	Sylhet Division			280,659,456	268,822,931
				13,272,885,645	**12,768,305,642**
				572,828,869,287	**505,969,487,028**
7.7	**Sector - wise Loans and Advances**				
	Private sector			572,510,679,409	505,655,238,199
	Government & autonomous			88,012,124	98,481,506
	Co-operative sector			230,177,755	215,767,324
				572,828,869,287	**505,969,487,028**

7.8 Details of large Loans and Advances

Number of clients which sanctioned amount of loans exceeding 10% of total capital of the Bank with outstanding and classified amount.

Total Capital of the Bank	**53,859,011,572**	**55,214,433,306**
Outstanding Advances **(note : 7.8.1)**	287,624,011,675	290,870,219,358
Number of customers	32	35

7.8.1 Detail of information on Loans & Advances more than 10% of Bank's total Capital.

Name of the Borrower	Outstanding as on 31 December 2024			31 December 2023
	Funded	Non-Funded	Total	Total Taka
Abul Khair group	1,171,611,540	781,913,990	1,953,525,530	8,527,183,144
APS Group	-	-	-	3,840,253,087
AWR Group	7,496,858,249	69,874,201	7,566,732,449	6,915,628,838
B Trac Group	-	-	-	5,925,244,957
Baishakhi Group	4,455,469,043	5,163,565,722	9,619,034,765	7,722,496,814
Baraka Shikalbaha Group	-	-	-	3,625,026,307
Bashundara Group	9,612,358,242	-	9,612,358,242	8,376,102,346
Bashundara Oil	8,282,160,426	1,006,746,098	9,288,906,524	8,736,271,986
Bashundhara Chemical Group	7,922,519,918	1,006,737,276	8,929,257,194	6,987,458,495
Bashundhara LP Group	7,186,387,727	4,637,596,911	11,823,984,639	10,880,179,084
Bashundhara Multi Trading Group	13,566,388,045	4,224,995,351	17,791,383,396	-
Best Holdings Group	8,049,353,771	-	8,049,353,771	6,725,677,318
BSM Group	11,820,841,429	460,281,640	12,281,123,069	10,639,390,099
B-Trac Group	2,001,352,875	2,537,900,522	4,539,253,398	
BSRM Group	-	-	-	5,538,366,049
City Group	4,295,010,589	8,056,467,845	12,351,478,433	13,169,917,049
DIRD Group	7,775,818,286	815,514,058	8,591,332,344	7,685,273,459
Four H group	6,345,876,461	8,588,770,892	14,934,647,353	13,739,522,114
GPH Group	8,015,430,476	8,296,348,485	16,311,778,961	15,770,403,135
LIZ GROUP	5,853,252,443	3,547,491,765	9,400,744,208	5,971,671,311
Metro (Panam) Group	2,656,975,747	6,161,984,514	8,818,960,262	6,464,433,493
Micro Fibre Group	1,766,993,149	3,595,917,295	5,362,910,444	11,187,435,399
Mondol Group	4,920,290,133	9,034,397,487	13,954,687,619	12,125,129,271
Mostafa-Hakim Group	7,438,112,417	4,137,803,574	11,575,915,991	12,218,646,838
Multi Trading Group	-	-	-	12,548,363,267
N.R. Group	2,942,426,491	6,274,118,788	9,216,545,279	7,588,107,449
Orion Group	6,285,807,448	-	6,285,807,448	8,510,882,281
Paramount	5,399,901,240	6,082,686,989	11,482,588,229	7,525,633,539
Pran Group	1,989,096,975	2,462,166,870	4,451,263,845	5,902,065,648
Rupayan Group	8,914,042,516	-	8,914,042,516	8,008,839,180
Smart Group	-	-	-	3,744,196,633
Spectra Group	-	-	-	3,059,648,969
SS Trading Group	6,139,159,240	944,654,222	7,083,813,462	12,662,203,807
Summit Group	-	-	-	-
Thermax Group	2,395,468,024	2,782,057,724	5,177,525,748	4,506,024,428
Toma Group	4,859,000,000	6,789,540,695	11,648,540,695	10,240,193,016
Universal Denims Group	5,579,076,015	254,447,885	5,833,523,900	4,861,314,030
Walton Group	501,375,331	343,848,154	845,223,484	-
Western Engineering (put) Ltd.	8,055,302,904	589,982,896	8,645,285,800	8,941,036,516
Yusra Group	4,976,619,046	305,863,629	5,282,482,676	
Total	**188,670,336,198**	**98,953,675,478**	**287,624,011,675**	**290,870,219,358**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
7.9	**Disclosure of Particulars of Loans & Advances**				
i)	Loans considered good in respect of which the banking company is fully & partly secured			428,254,380,443	368,689,953,588
ii)	Loans considered good against which the banking company holds no security than the debtors personal guarantee.			76,300,773,116	84,594,301,587
iii)	Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor.			68,273,715,729	52,685,231,852
iv)	Loans adversely classified, provision not maintained there against.			-	-
				572,828,869,287	**505,969,487,028**
v)	Loans due by directors or officers of the banking company or any of them either separately or jointly with any other person			61,133,120,768	58,301,236,714
vi)	Loans due from companies or firms in which the directors of the banking company have interests as directors, partners, or managing agents or in case of private companies, as members			-	-
vii)	Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other person			61,133,120,768	58,301,236,714
viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors of the Bank are interested as directors, partners or managing agents or in the case of private companies as members			-	-
ix)	Due from banking companies			-	-
x)	Amount of classified loans on which interest has not been charged:			60,927,652,221	21,707,835,100
	a) (Decrease)/Increase in provision			40,400,126,982	942,891,366
	b) Amount realized against loan previously written off			369,041,609	409,590,871
	c) Amount of provision kept against loan classified as Bad /Loss on the balance sheet date			46,477,890,873	8,176,458,758
	d) Interest credited to the interest suspense account.			12,305,036,537	8,644,732,800
xi)	Cumulative amount of the written off loan			28,856,490,694	22,097,061,871
xii)	Amount written off during the year	**31 December 2024**	**31 December 2023**	7,128,470,432	4,651,224,986
	Principal Written off	5,319,821,204	3,252,371,300		
	Interest suspense written off	1,808,649,228	1,398,853,687		
		7,128,470,432	**4,651,224,986**		
xiii)	Amount of written-off of loans for which law suit filed			31,845,833,468	24,717,363,036

7.10 Classification of Loans & Advances

a)	**Unclassified**		
	Standard	455,720,861,170	468,817,311,591
	Standard (SMA)	30,721,993,982	7,862,506,898
	SMA-Special RSDL (BRPD-5)	1,042,049,993	1,470,276,561
		487,484,905,145	**478,150,095,050**
b)	**Classified**		
	Sub - Standard	22,167,316,116	5,483,840,521
	Doubtful	2,248,995,806	627,716,359
	Bad & Loss	60,927,652,221	21,707,835,100
		85,343,964,142	**27,819,391,979**
Total		**572,828,869,287**	**505,969,487,028**

*** Business segment-wise concentration of classified loans and advances (Non Performing)**

	Sub Standard	Doubtful	Bad & Loss	31 December 2024	31 December 2023
Corporate	11,050,118,609	1,718,289,460	45,583,912,268	58,352,320,336	14,876,569,405
Retail	1,029,317,047	56,523,517	1,108,873,513	2,194,714,078	685,428,096
SME	10,087,880,460	474,182,829	14,234,866,439	24,796,929,728	12,257,394,478
Total	**22,167,316,116**	**2,248,995,806**	**60,927,652,221**	**85,343,964,142**	**27,819,391,979**

As per to BRPD Circular no. 06 dated 2024, the bank has marked 33 (13 in the 3rd quarter of 2024 and another 20 in the 4th quarter of 2024) parties as wilful defaulter as on 31 December 2024 and initiate all the necessary measures to maintain the provision of the said circular. However, the bank has performed an extensive analysis on those wilfully defaulted parties in its internal audit report.

7.11 Particulars of required provision for Loans & Advances

Particulars	Base for Provision	Rate of Provision	Provision required	
General Provision (A)				
Special Mention Account	30,721,993,982	0.25% - 5%	244,513,712	84,399,489
Small & Medium Enterprise	103,939,606,748	0.25%	259,849,186	303,662,837
Consumer Fin.- Credit Card	5,120,815,310	2%	91,706,842	70,273,870
Consumer Fin-House Finance	9,671,347,535	1%	96,713,489	72,756,061
Consumer Fin - Professional	483,558,866	2%	9,671,178	9,427,825
Consumer Fin-Others	4,681,808,377	5%	94,021,696	103,961,277
Short Term Agri & Micro Credit	6,888,147,334	1%	68,881,534	68,083,576
Loan to BHs/MBs/SDs against share	2,104,067,719	2%	21,040,677	48,964,783
Other loans & advances	315,598,741,177	1%	3,829,059,188	3,852,199,400
Special General Provision- COVID-19	-	1%	-	1,630,000,000
Total	**479,210,087,048**		**4,715,457,502**	**6,243,729,118**
Specific Provision (B)				
Sub - Standard	16,331,942,912	5% - 20%	3,180,753,604	611,172,094
Doubtful	1,742,294,785	5% - 50%	871,147,492	68,669,640
Bad & Loss	34,635,263,430	100%	46,477,890,873	8,176,458,758
SMA-Special RSDL (BRPD-5)	623,041,836		401,533,301	504,066,419
Bangladesh Bank Directives	-		4,904,477,785	4,547,037,546
Total	**53,332,542,964**		**55,835,803,055**	**13,907,404,457**
Tolal provision required for Loans & Advances (A+B)	**532,542,630,012**		**60,551,260,557**	**20,151,133,575**
Total provision held for Loans & Advances			**27,056,204,224**	**20,151,133,575**
Excess/(Shortfall) of Provision			**(33,495,056,333)**	-

As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated 27 April 2025, shortfall in provision for loans and advances is BDT 3,349.51 crore. As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore which also includes shortfall in provisions for loans and advances of BDT 3,349.51 crore.

BDT 40.15 Crore under SMA-Special RSDL (BRPD-5) has been considered specific provision by following BRPD circular letter no. 06 dated 19 May 2019 issued for loans reschedule under onetime exit for booking mandatory provision against SMA under general provision and remaining portion against SMA-Special RSDL (BRPD-5) under classified loans.

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	**31-Dec-2024** Taka	31-Dec-2023 Taka

7.12 Suit filed by different branches against defaulted borrowers during the year

(Branch wise details)		
Agrabad Branch	313,099,602	1,983,690,722
Anderkilla Branch	91,054,457	-
Ati Bazar Branch	8,324,989	-
Banani Branch	388,931,446	-
Baneshwar Branch	1,547,631	-
Bangshal Branch	123,017,183	11,573,206
Bijaynagar Branch	1,141,551,236	-
Bogura Branch	604,214,184	-
Brahmanbaria Branch	32,853,090	-
Card Division	40,903,976	202,524,592
Chandpur Branch	65,218,436	-
Chapainababgonj Branch	16,423,523	10,045,001
Chashara Branch	234,043,470	43,675,732
Chuadanga Branch	66,285,637	-
Comilla Branch	1,059,066,545	2,251,774,267
Corporate Branch	1,133,352,132	-
Cox's Bazar Branch	1,457,239	-
Dakshinkhan Branch	32,961,298	-
Dhanmondi Branch	2,998,839	-
Dhonia Branch	3,346,715	-
Dilkusha Branch	12,699,684	-
Eidgaon Branch	973,148	-
Elephant Road Branch	1,915,206,796	-
Faridpur Branch	204,286,954	232,085,247
Foreign Exchange Branch	1,889,716,393	-
Gazipur Chowrasta Branch	73,508,345	-
Gulshan Branch	4,825,779,847	721,136,739
Halishahar Branch	41,963,656	-

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
Jessore Branch			9,626,258	289,237,609
Jhawtala Branch			9,289,617	-
Jhenaidah Branch			7,238,431	-
Jubilee Road Branch			464,770,979	13,295,520
Kadamtali Branch			239,067,386	209,628,228
Kamarpara Branch			-	3,574,977
Kanchpur Branch			8,347,028	-
Kapasia Branch			1,142,077	-
Kamrangichar Branch			40,483,348	-
Kanaipur Branch			5,825,833	-
Kawran Bazar Branch			170,921,383	1,143,922,760
Khatungonj Branch			42,905,518	171,538,660
Khulna Branch			32,812,059	-
Khulshi Branch			2,159,032	-
Kushtia Branch			16,764,268	-
Lakshmipur Branch			44,080,013	317,672,897
Lohagara Branch			11,158,338	-
Madhabdi Branch			60,031,295	-
Mawna Branch			38,509,834	-
Mirpur Branch			10,738,794	-
Mirpur Road Branch			12,800,205	-
Mohakhali Branch			156,468,831	-
Moulvibazar (Sylhet)			-	1,159,827
Moulvibazar Dhaka			-	601,320
Mymensingh Branch			2,898,785	-
Narsingdi Branch			257,189,227	54,029,534
Nayabazar Branch			187,219,291	40,883,545
Narayangonj Branch			450,174,408	-
Nawabpur Branch			64,435,992	-
New Eskaton Branch			30,152,052	42,792,274
Nabigonj Branch			434,000	-
Naogaon Branch			236,849,014	-
O.R Nizam Road branch			-	31,707,773
Oxygen Branch			968,460	-
Pabna Branch			168,696,018	59,206,454
Paglabazar Branch			-	42,435,368
Pahartali Branch			24,940,353	64,651,902
Patuapara(Natore) Branch			79,752,690	-
Port Branch			406,289,297	89,383,955
Pragati Sarani Branch			-	-
Principal Branch			10,830,514	673,019,290
Raozan SME-Krishi Branch			-	21,187,844
Rajshahi Branch			483,983,596	-
Satarkul Branch			2,555,317	-
Satmasjid Road Branch			1,255,360	-
Sarulia Bazar Branch			56,686,915	9,556,527
Sitakunda Branch			43,577,103	178,682,091
Shanti Nagar Branch			58,369,349	-
Sherpur Branch Sylhet			5,771,901	-
Station Road Branch			109,081,094	-
Sylhet Branch			-	-
Tangail Branch			1,739,030	-
Tejgaon Branch			3,619,191	-
Tongi Branch			211,046,515	27,440,546
Tongi Station Road Branch			84,742,866	-
Uttara Branch			74,731,255	-
Uttarkhan Branch			19,046,239	-
Zinzira Branch			20,730,805	3,536,258
			18,807,693,617	**8,945,650,661**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
7.13	**Bills purchased and discounted**				
	a) Payable in Bangladesh	2,882,633,880	2,632,413,769	2,882,633,880	2,632,413,769
	b) Payable in outside Bangladesh	7,101,050,557	7,095,540,740	7,101,050,557	7,095,540,740
		9,983,684,437	**9,727,954,509**	**9,983,684,437**	**9,727,954,509**
7.13.1	**Maturity grouping of bills purchased and discounted**				
	Payable within one month	2,466,330,078	3,795,954,510	2,466,330,078	3,795,954,510
	More than one month but less than three months	4,155,220,306	2,978,500,000	4,155,220,306	2,978,500,000
	More than three months but less than six months	3,362,134,053	483,441,130	3,362,134,053	483,441,130
	More than six months	-	2,470,058,870	-	2,470,058,870
		9,983,684,437	**9,727,954,510**	**9,983,684,437**	**9,727,954,510**

7.14 Compliance status of BRPD circular no. 04 dated 04 January 2021 and BRPD circular letter no. 35 dated 06 July 2021

As per letter # 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter # 04 dated 04 January 2021 and BRPD Circular Letter # 35 dated 06 July 2021, the status for the year 2024 is as follows:

Particulars	Compliance of BRPD Circular Letter # 04*		Compliance of BRPD Circular Letter # 35**	
	No of Files	% of compliance	No of Files	% of compliance
Complied Files	951	92%	811	85%
Total Files	1037		951	

*** BRPD Circular Letter # 04:** Regarding the collection of audited financial statements and statutory audit report for sanctioned/renewed investments.

**** BRPD Circular Letter # 35:** Regarding the verification of audited financial statements through Document Verification System (DVS) developed by ICAB.

8	**Fixed assets including premises, furniture & fixture.**				
	Land	5,824,042,003	6,282,956,179	4,395,054,283	4,395,054,283
	Building	2,663,726,008	2,663,726,008	2,623,253,671	2,623,253,671
	Furniture and fixtures	2,970,464,107	2,856,307,366	2,861,446,766	2,757,849,217
	Office equipments	3,245,297,630	3,098,745,902	3,182,502,543	3,047,543,911
	Computer & equipments	4,353,017,370	3,079,264,233	3,466,182,402	2,714,907,951
	Vehicles	644,022,032	652,831,737	612,469,172	621,278,877
	Capital Expenditure Work in Progress	4,265,842,706	3,676,537,344	4,265,604,893	3,642,387,048
		23,966,411,856	**22,310,368,768**	**21,406,513,730**	**19,802,274,959**
	Intangible assets				
	Computer software	2,204,305,615	2,140,291,715	1,919,296,024	1,899,974,139
	Lease Asset				
	Right of Use (ROU) assets	5,630,288,950	5,646,657,491	5,590,566,138	5,590,566,138
		31,801,006,421	**30,097,317,974**	**28,916,375,892**	**27,292,815,236**
	Less: Accumulated depreciation & amortization	12,233,935,785	10,514,159,915	11,859,795,359	10,276,395,415
	Written down value at the end of the year	**19,567,070,636**	**19,583,158,058**	**17,056,580,533**	**17,016,419,821**

A schedule of Fixed assets is given in **Annexure - B**

9	**Other assets**				
	Account with Stock Broker	269,431,574	144,889,416	269,431,574	144,889,416
	Advance Deposit	5,691,476	4,535,836	4,587,876	4,535,836
	Advance Income Tax **(note - 9.1)**	617,112,050	-	-	-
	Advance Payment	1,909,433,874	2,687,827,043	1,794,662,820	1,974,507,977
	Deferred Tax Asset **(note - 9.2)**	8,741,975,719	5,965,271,335	8,739,801,100	5,964,414,688
	Head Office General Account **(note - 9.3)**	24,304,104	1,461,867	24,304,104	1,461,867
	Income/Profit Receivable	127,300,909	39,695,639	97,402,475	39,695,639
	Interest Receivable	2,242,089,750	1,893,534,274	2,204,645,186	1,893,534,274
	Investment in share of subsidiary companies.	-	-	9,500,090,230	9,500,085,066
	Receivable from Subsidiary Company	-	-	571,802	570,067
	Stock of Stationery & Stamps	92,398,039	106,250,750	86,580,322	106,250,750
	Suspense Account **(note - 9.4)**	740,665,657	1,484,516,966	740,665,657	1,484,516,979
	UBS Required Settlement Account	1,901,402,221	677,277,285	1,901,402,221	677,277,285
	Others **(note - 9.5)**	96,665,806	7,350,097	7,121,852	7,350,097
		16,768,471,179	**13,012,610,508**	**25,371,267,219**	**21,799,089,941**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
9.1	**Advance income tax**				
	Opening balance			-	1,529,764,179
	Add: Advance Tax paid during the year			2,687,359,301	3,458,466,081
	Less: Advance Tax adjustment with tax Provision			(2,687,359,301)	(4,988,230,260)
	Balance at the end of the year			-	-

9.2 **Deferred Tax Asset**

Deferred tax assets and liabilities have been recognised and measured in accordance with the provisions of IAS 12: Income Taxes. Deferred tax assets and liabilities for financial statements are attributable to the following:

Balance as at 31 December 2023	
Deferred Tax Asset (a)	5,964,414,688
Deferred Tax Liability (b)	-
Net Deferred Tax Asset as at 31 December 2023 (a+b)	**5,964,414,688**
Balance as at 31 December 2024	
Deferred Tax Asset (a)	8,739,801,100
Deferred Tax Liability (b)	-
Net Deferred Tax Asset as at 31 December 2024 (a+b)	**8,739,801,100**

Particulars	Accounting Base	Tax Base	Deductible/ (Taxable) Temporary Difference	Applicable Rate	Deferred Tax Asset/(Liability)
Provision Opening (Specific)	(13,907,404,457)	(2,406,430,030)	11,500,974,427	37.50%	4,312,865,410
Provision During the Year(Specific)	(13,753,163,470)	(2,913,391,175)	10,839,772,296	37.50%	4,064,914,611
Provision Opening (Dilution of Investment)	(673,287,921)	-	673,287,921	10.00%	67,328,792
Provision During the Year (Dilution of Investment)	(862,483,227)	-	862,483,227	10.00%	86,248,323
Property, Plant and Equipment	5,575,948,628	6,131,799,201	555,850,573	37.50%	208,443,965
Deferred tax asset (a)					**8,739,801,100**
Deferred tax liabilities (b)					-

9.3	**Head Office General Account**		
	This is made up as follows:		
	Inter Branch Debit Balance	252,788,527,613	207,317,874,095
	Inter Branch Credit Balance	(252,764,223,509)	(207,316,412,228)
		24,304,104	**1,461,867**
9.4	**Suspense accounts**		
	Advance deposit and prepayments	247,795,157	593,526,445
	Advance against Foreign Remittance Settlement	7,243,845	2,736,698
	Claims on Sanchaypatra	-	17,783,953
	Excise duty	-	-
	Protested bill	95,311,809	97,462,235
	Sundry receivable ATM	297,895,384	614,930,296
	Card settlement account	92,317,962	130,647,064
	Others	101,500	20,260,500
		740,665,657	**1,484,516,979**
9.5	**Others**		
	UCB International School Project	949,554	949,554
	Settlement Account - others	6,172,298	6,400,543
		7,121,852	**7,350,097**
9.6	**Income generating other assets**		
	Investment in share of subsidiary companies:		
	UCB Stock Brokerage Limited	2,499,999,900	2,499,999,900
	UCB Investment Limited	999,999,990	999,999,990
	UCB Asset Management Limited	999,999,990	999,999,990
	UCB Fintech Company Limited	4,999,999,990	4,999,999,990
	UCB Exchange (SG) PTE. Ltd.	90,360	85,196
		9,500,090,230	**9,500,085,066**
9.7	**Non-income generating other assets**		
	Stock of Stationery & Stamps	86,580,322	106,250,750
	Receivable from subsidiary companies	571,802	570,067
	Account with Stock Broker	269,431,574	144,889,416
	Advance Payment	1,794,662,820	1,974,507,977
	Advance Deposit	4,587,876	4,535,836

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
Advance Income Tax			-	-
Suspense Account			740,665,657	1,484,516,979
UBS Required Settlement Account			1,901,402,221	677,277,285
Head Office General Account			24,304,104	1,461,867
Deferred Tax Asset			8,739,801,100	5,964,414,688
Interest receivable			2,204,645,186	1,893,534,274
Income/profit receivable			97,402,475	39,695,639
Others			7,121,852	7,350,097
			15,871,176,989	**12,299,004,874**

10 Non-Banking Assets

As per schedule 01 under section 38 of Bank Company Act, 1991 and BRPD circular 14 dated 25 June 2003, a bank needs to present non-banking asset in its Balance Sheet statement. As per section 33(7) of Artha Rin Adalat Ain, 2003 and BRPD circular no. 22 dated 20 September 2021, after getting the ownership of any security/mortgaged property against bank loans, a bank has to take necessary actions to ensure registration, mutation and physical possession; and report non-banking asset in its financial statements.

The bank has been awarded ownership u/s 33(7) of Artha Rin Adalat Ain 2003, mortgaged properties against 31 accounts as of 31 December 2023 as per the verdicts of learned court. Mutation and physical possession of properties against 2 (two) accounts were obtained during the year, and properties against one account out of these two was sold during the year. Properties against another account were recognized as "Non-Banking Assets" following the BRPD circular no. 22 dated 20 September 2021 and presented below.

However, the Bank was also awarded ownership of properties against two accounts u/s 33(7) of Artha Rin Adalat Ain 2003 during 2024. Therefore, the total number of accounts against which ownership were awarded is 31 as of 31 December 2024. Mutation and physical possession of properties against these 31 accounts have not been completed yet. Therefore, the Bank have not recognized and reported those as non-banking asset in its financial statements as of 31 December 2024. Though the Bank is in process of receiving mutation and physical possession of some of these properties. The Bank will perform the valuation of those properties as per BRPD circular no. 22 dated 20 September 2021; and report in its financial statements upon fulfilment of these criteria of the said circular. A detailed list of those properties has been disclosed under Annexure-C.

Name of the parties	Type of Assets	Location	Booking Date	31 December 2024	31 December 2023
M/s. Tonmoy Traders	8 decimal land	Mouza: Daygram, Thana: Nabigonj, District: Habigonj	29 December 2024	1,056,000	-
M/s. Tonmoy Traders	10 decimal land	Mouza,: Mostafapur, Thana: Nabigonj, District: Habigonj	29 December 2024	480,000	-
M/s. Tonmoy Traders	10 decimal land	Mouza: Modhasomet Thana: Nabigonj, District: Habigonj	29 December 2024	1,800,000	-
Total				**3,336,000**	-

11 Borrowings from other banks, financial institutions and agents

In Bangladesh **(note - 11.1)**	81,142,166,248	61,377,181,142	79,786,237,601	60,058,638,944
Outside Bangladesh **(note - 11.2)**	-	5,213,125,000	-	5,213,125,000
	81,142,166,248	**66,590,306,142**	**79,786,237,601**	**65,271,763,944**

11.1 In Bangladesh

UCBL Subordinated Bond **(note - 11.1.1)**	11,702,800,000	10,480,000,000
UCBL Perpetual Bond **(note - 11.1.2)**	5,700,000,000	5,400,000,000
Borrowings from Bangladesh Bank - IPFF Fund	8,234,542,263	5,972,589,070
Borrowings from Bangladesh Bank - EDF	13,278,717,743	18,326,727,563
Borrowing from Bangladesh Bank Pre-finance/Refinancing scheme	6,604,700,595	8,616,847,311
Borrowing from Bangladesh Bank-Repo	11,926,047,000	-
Borrowings from Off-shore Banking Unit **(note - 11.1.3)**	-	1,327,975,000
Borrowing from Banks **(note - 11.1.4)**	13,359,720,000	5,225,500,000
Money at Call on Short Notice **(note - 11.1.5)**	8,979,710,000	4,709,000,000
	79,786,237,601	**60,058,638,944**

11.1.1 UCBL Subordinated Bond

UCBL 3rd Subordinated Bond	700,000,000	2,100,000,000
UCBL 4th Subordinated Bond	3,280,000,000	4,880,000,000
UCBL 5th Subordinated Bond	7,722,800,000	3,500,000,000
	11,702,800,000	**10,480,000,000**

Note: UCBL 1st and 2nd subordinated bonds were fully repaid.

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
11.1.2	**UCBL Perpetual Bond**				
	UCBL 1st Perpetual Bond			4,000,000,000	4,000,000,000
	UCBL 2nd Perpetual Bond			1,700,000,000	1,400,000,000
				5,700,000,000	**5,400,000,000**
11.1.3	**Borrowings from Off-shore Banking Unit**				
	Al Arafah Islami Bank PLC.			-	1,327,975,000
				-	**1,327,975,000**
11.1.4	**Borrowing from Banks**				
	Agrani Bank PLC.			599,950,000	-
	Bank Asia PLC.			-	2,500,000,000
	Commercial Bank of Ceylon PLC.			-	1,097,500,000
	City Bank PLC.			5,000,000,000	-
	Eastern Bank PLC.			2,000,000,000	-
	Jamuna Bank PLC.			-	878,000,000
	NRB Commercial Bank PLC.			-	250,000,000
	One Bank PLC.			359,970,000	-
	Premier Bank PLC.			2,000,000,000	-
	Shahjalal Bank PLC.			3,399,800,000	-
	State Bank of India, Dhaka Branch			-	500,000,000
				13,359,720,000	**5,225,500,000**
11.1.5	**Money at call on short notice**				
	Banks				
	Agrani Bank PLC.			479,960,000	-
	Bangladesh Development Bank Limited			-	200,000,000
	Bengal Commercial Bank PLC.			300,000,000	-
	Citizens Bank PLC.			500,000,000	-
	Commercial Bank of Ceylon PLC.			-	500,000,000
	Jamuna Bank PLC.			-	439,000,000
	Mercantile Bank PLC.			1,639,930,000	-
	Modhumoti Bank PLC.			400,000,000	-
	Mutual Trust Bank PLC.			300,000,000	-
	NRB Bank PLC.			600,000,000	-
	One Bank PLC.			1,839,930,000	1,300,000,000
	Shahjalal Islami Bank PLC.			1,319,890,000	-
	State Bank of India, Dhaka Branch			-	970,000,000
	The Premier Bank PLC.			-	1,000,000,000
	Uttara Bank PLC.			-	300,000,000
				7,379,710,000	**4,709,000,000**
	NBFIs				
	DBH Finance PLC.			1,500,000,000	-
	Alliance Finance PLC. (Formerly named as Lankan Alliance Finance Limited)			100,000,000	-
				1,600,000,000	**-**
				8,979,710,000	**4,709,000,000**
11.2	**Outside Bangladesh**				
	Caixa Bank, Spain			-	2,304,750,000
	Emirates Islamic Bank, UAE			-	1,262,125,000
	Emirates NBD Bank PJSC, UAE			-	1,646,250,000
				-	**5,213,125,000**
11.3	**Security against borrowings from other banks, financial institutions and agents**				
	Secured			-	-
	Unsecured			79,786,237,601	65,271,763,944
				79,786,237,601	**65,271,763,944**
11.4	**Maturity Grouping of Borrowings from other banks, financial institutions & agent**				
	Payable on demand			1,408,000,000	2,579,673,338
	Payable within one month			21,347,101,528	7,643,368,890
	More than one month but within six months			9,289,433,448	28,936,399,845
	More than six month but within one year			22,157,102,129	1,333,393,879
	More than one year but within five years			9,927,913,822	12,023,188,542
	More than five years*			15,656,686,674	12,755,739,450
				79,786,237,601	**65,271,763,944**

* Includes perpetual bond amounting to BDT 5,700,000,000 which do not have any maturity.

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
12	**Deposits and other accounts**				
	Inter Bank deposits	768,496,883	4,194,040,994	768,496,883	4,194,040,994
	Deposit from customers and others	551,457,209,389	507,198,665,173	553,446,770,372	509,200,642,790
		552,225,706,273	**511,392,706,168**	**554,215,267,256**	**513,394,683,785**
	a. Current accounts & other accounts				
	Current deposits	48,830,157,693	57,353,703,311	50,819,718,676	59,355,680,928
	Foreign currency deposits	7,114,844,547	5,734,188,626	7,114,844,547	5,734,188,626
	Sundry deposits **(note - 12.1)**	48,247,632,827	63,277,953,479	48,247,632,827	63,277,953,479
		104,192,635,067	**126,365,845,416**	**106,182,196,050**	**128,367,823,033**
	b. Bills Payable				
	Pay order	6,621,695,464	8,338,544,188	6,621,695,464	8,338,544,188
	Demand draft payable	5,272,918	6,061,754	5,272,918	6,061,754
	Others Payable	-	-	-	-
		6,626,968,382	**8,344,605,942**	**6,626,968,382**	**8,344,605,942**
	c. Savings Bank deposits				
	Savings Bank deposits	93,476,409,174	94,572,958,191	93,476,409,174	94,572,958,191
		93,476,409,174	**94,572,958,191**	**93,476,409,174**	**94,572,958,191**
	d. Fixed deposits				
	Fixed deposits	223,942,583,654	205,113,968,139	223,942,583,654	205,113,968,139
	Scheme Deposits	83,955,700,534	38,201,352,262	83,955,700,534	38,201,352,262
		307,898,284,188	**243,315,320,401**	**307,898,284,188**	**243,315,320,401**
	e. Special notice deposits	**40,031,409,462**	**38,793,976,218**	**40,031,409,462**	**38,793,976,218**
	Total Deposits and other accounts (a+b+c+d+e)	**552,225,706,273**	**511,392,706,168**	**554,215,267,256**	**513,394,683,785**

* The Bank has BDT 17,600,796 unclaimed deposits of more than 10 years as of 31 December 2024 which will be deposited to Bangladesh Bank following section 35 of the Bank Company Act 1991 (amended uo to 2023).

12.1	**Sundry deposits**		
	Sundry creditors	162,870,865	208,272,702
	Security deposits	16,010,050	13,347,050
	Debit & Credit card	8,297,262	24,043,552
	FC held against deemed export LC	3,963,023,147	3,228,297,525
	FC held against BTB LC	23,279,211,760	24,870,941,803
	Others	160,654,798	96,299,504
	Margin		
	Letter of guarantees	4,899,742,338	3,021,658,843
	Letter of credit	15,665,665,125	31,702,291,565
	SME Loan	25,436,265	11,144,730
	Export Proceed	66,721,217	101,656,205
		48,247,632,827	**63,277,953,479**
12.2	**Maturity analysis of deposits & other accounts**		
	a. Inter- Bank Deposits		
	Payable on demand	47,050,289	349,172,279
	Payable within one month	21,446,594	1,356,672,765
	More than one month but within six months	700,000,000	2,300,000,000
	More than six month but within one year	-	-
	More than one year but within five years	-	-
	More than five years but within ten years	-	-
		768,496,883	**4,005,845,045**
	b. Deposit from customers and others		
	Payable on demand	5,831,449,711.12	5,734,785,015.94
	Payable within one month	71,641,150,180	63,955,142,353
	More than one month but within six months	128,207,541,749	143,772,082,947
	More than six month but within one year	107,321,816,458	47,862,948,873
	More than one year but within five years	221,970,221,350	133,989,484,730
	More than five years but within ten years	18,474,590,924	114,074,394,822
		553,446,770,373	**509,388,838,740**
	Total deposits and other accounts (a+b)	**554,215,267,256**	**513,394,683,785**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
12.3	**Sector-wise deposits**				
	Foreign Currency Deposits			7,114,844,547.00	5,734,188,626.00
	Government			7,184,323,462	7,426,467,140
	Private			502,184,984,741	465,897,088,309
	Public			31,062,428,167	29,011,308,965
	Semi-Government			6,668,686,339	5,325,630,745
				554,215,267,256	**513,394,683,785**
13	**Other Liabilities**				
	Provision for loans & advances	(note - 13.1)	27,431,007,409	18,521,133,575	27,056,204,224	18,521,133,575
	Provision for special general - COVID_19	(note - 13.2)	-	1,630,000,000	-	1,630,000,000
	Provision for diminution of investment	(note - 13.3)	1,547,793,022	673,287,921	1,535,771,148	673,287,921
	Provision for off-balance sheet exposure	(note - 13.4)	2,568,900,000	2,342,179,465	2,568,900,000	2,342,179,465
	Provision for classified fixed assets	(note - 13.5)	3,972,000	3,972,000	3,972,000	3,972,000
	Provision for classified other assets	(note - 13.6)	427,924,588	425,356,588	427,924,588	425,356,588
	Provision for current tax	(note - 13.7)	5,598,603,038	3,888,618,764	4,719,899,343	3,094,286,636
	Provision for Non Banking Assets		3,336,000	-	3,336,000	-
	Interest suspense account	(note - 13.8)	29,982,955,933	19,090,019,324	28,633,083,407	19,090,019,324
	Payable to UCB foundation	(note - 13.9)	75,211,893	57,504,000	75,211,893	57,504,000
	Unclaimed Dividend*		86,295,204	91,126,207	86,295,204	91,126,207
	Interest/profit payable		14,514,374,551	6,603,552,218	14,514,374,551	6,603,552,218
	Lease Liabilities as per IFRS 16		3,627,110,756	3,922,902,223	3,594,491,532	3,922,902,223
	Sundry liabilities	(note - 13.10)	12,746,258,286	10,508,543,861	9,562,991,580	6,807,173,835
	Start-Up Fund	(note - 13.11)	133,512,705	127,434,662	133,512,705	127,434,662
	CSR Fund	(note - 13.12)	71,181,348	111,511,610	71,181,348	111,511,610
			98,818,436,734	**67,997,142,418**	**92,987,149,524**	**63,501,440,259**

* Unclaimed dividend is the residual amount of approved dividend in AGM which has not yet been paid to or claimed by the shareholders.

As per Bangladesh Bank letter no. DBI-4/7007/2025-635 dated 27 April 2025, shortfall in provision is BDT 3,992.30 crore. However, shortfall in provision against investment amounting to BDT 100 crore has been booked in the year 2024 and surplus in provision against off-balance sheet exposure amounting to BDT 3.96 crore has been utilized. Hence, remaining shortfall in provision as of 31 December 2024 is BDT 3,896.26 crore (comprising of BDT 3,349.51 crore against loans and advance; BDT 155.48 crore against deposit in NBFIs; and BDT 391.27 crore against other assets). However, total provision provided in 2024 is BDT 1,293 crore.

As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, Bangladesh Bank allowed the bank to finalise its financial statements for the year ended 31 December 2024 without adjusting the shortfall amount of BDT 3,896.26 crore. However, no specific timneline has been provided by Bangladesh Bank in the said letter to recover the shortfall amount. Rather Bangladesh Bank has instructed to submit Management's action plan regarding recovery of the above mentioned shortfall amount; and management is working on that accordingly.

13.1	**Provision for loans & advances**			
	General provision	(Notes 13.1.1)	4,715,457,502	4,613,729,118
	Specific Provision	(Notes 13.1.2)	22,340,746,722	13,907,404,457
			27,056,204,224	**18,521,133,575**
13.1.1	**General provision**			
	Opening balance		4,613,729,118	4,371,528,522
	Add: Provision made during the year		96,393,654	231,767,659
	Add: Exchange Difference		5,334,730	10,432,937
			4,715,457,502	**4,613,729,118**
13.1.2	**Specific Provision**			
	Opening balance		13,907,404,457	13,206,713,687
	Less: Adjustment due to written off		(5,319,821,205)	(3,252,672,286)
	Add: Provision made during the year		13,384,121,861	3,543,772,185
	Add: Recoveries of amounts previously written off		369,041,609	409,590,871
	Closing balance		**22,340,746,722**	**13,907,404,457**
13.2	**Special General Provision for COVID_19**			
	Opening balance		1,630,000,000	1,630,000,000
	Less: Release of special provision for COVID_19		(1,630,000,000)	-
			-	**1,630,000,000**
	Tolal provision maintained for Loans & Advances **(Note 13.1 & 13.2)**		27,056,204,224	20,151,133,575
	Tolal provision required for Loans & Advances **(Note 7.11)**		60,551,260,557	20,151,133,575
	Excess/(Shortfall) in provision for loans and advances		**(33,495,056,333)**	-

As per BRPD circular no. 14/2022 and BRPD circular letter no. 51/2022, special general provision-Covid-19 was made amounting BDT 163 crore. Subsequently, the maintained provision was released as per BRPD circular letter no. 58/2024 dated 31 December 2024.

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
13.3	**Provision for diminution in value of investment**				
	Opening balance			673,287,921	612,038,691
	Add: Provision made/(reversed) during the year			862,483,227	61,249,230
				1,535,771,148	**673,287,921**
13.4	**Provision for off-balance sheet exposure**				
	Opening balance			2,342,179,465	1,944,055,532
	Add: Provision made during the year			216,937,616	391,186,992
	Add: Exchange Difference			9,782,919	6,936,941
				2,568,900,000	**2,342,179,465**
	Provision against Off-Balance Sheet Exposure made as per BRPD Circular No. 06 dated 25 April 2023.				
13.5	**Provision for classified fixed assets**				
	Opening balance			3,972,000	3,972,000
	Add: Provision made during the year			-	-
				3,972,000	**3,972,000**
13.6	**Provision for classified other assets**				
	Opening balance			425,356,588	105,000,000
	Add: Provision made during the year			2,568,000	320,356,588
	Tolal provision maintained for classified other assets			**427,924,588**	**425,356,588**
	Tolal provision required for for classified other assets			**5,895,424,588**	**425,356,588**
	Excess/(Shortfall) in provision for classified other assets (B)			**(5,467,500,000)**	-
	Total shortfalls in provision for loans & advances and other assets (A+B)			**(38,962,556,333)**	-
13.7	**Provision for current tax**				
	Opening balance			3,094,286,636	5,095,981,421
	Add: Addition during the year			4,312,972,008	2,986,535,476
	Less: Adjustment with previous year			(3,714,931,222)	(5,433,266,576)
	Add: Adjustment with advance Tax			1,027,571,921	445,036,315
	Net current tax liability			**4,719,899,343**	**3,094,286,636**
13.8	**Interest suspense account**				
	Opening balance			19,090,017,013	15,162,207,211
	Add: Amount transferred to interest suspense account during the year			12,305,036,537	8,644,732,800
	Less: Amount recovered from interest suspense account during the year			(439,145,047)	(3,257,615,199)
	Less: Interest waiver/remission allowed			(514,175,869)	(60,451,801)
	Less: Amount written off during the year			(1,808,649,228)	(1,398,853,687)
				28,633,083,407	**19,090,019,324**
13.9	**Payable to UCB foundation**				
	Opening balance			57,504,000	87,000,000
	Add: contribution during the year			90,000,000	75,000,000
	Less: Fund transfer to UCB Foundation			(44,873,532)	(104,496,000)
	Less: Utilization of behalf of UCB Foundation			(27,418,575)	
				75,211,893	**57,504,000**
13.10	**Sundry liabilities**				
	UCB Employees' Funds			-	360,000,000
	Sundry Payable			2,347,551,939	1,166,534,998
	Other Payable to Employee (Welfare Fund)			100,307,400	100,307,400
	Compensation Suspense Account (Islamic Banking)			3,241,289	1,127,097
	Unearned Income (Islamic Banking)			632,866,302	414,621,620
	Payable Tax VAT Excise Duty			2,522,268,840	1,825,664,782
	Payable Debit & Credit Card			407,595,979	341,235,673
	Other Sundry Liabilities			3,128,646,888	2,318,248,246
	ATM Payable			369,772,813	248,514,579
	Compensation Realisable Account (Islamic Banking)			45,103,404	28,004,600
	Settlement Accounts Payable (Cards)			5,636,726	2,914,840
				9,562,991,580	**6,807,173,835**
13.11	**Start Up Fund**				
	Opening balance			127,434,662	100,583,799
	Add: Provision made during the year			6,078,043	26,850,863
				133,512,705	**127,434,662**
	Utilization of proceeds from the start up fund is BDT 43,477,306 as of 31 December 2024.				

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
13.12	**Corporate Social Responsibility (CSR) Fund**				
	Opening balance			111,511,610	245,965,311
	Provision made during the year			-	-
	Less: Expenses incurred from UCB CSR Fund			(40,330,262)	(134,453,701)
				71,181,348	**111,511,610**
14	**Share Capital**				
	Opening balance			14,765,484,750	14,062,366,430
	Add: Bonus shares issued			738,274,230	703,118,320
				15,503,758,980	**14,765,484,750**
14.1	**Authorized Capital**				
	2,500,000,000 ordinary shares of Tk. 10.00 each			**25,000,000,000**	**15,000,000,000**
14.2	**Issued, subscribed and paid up Capital**				
	1,476,548,475 ordinary shares @ Taka 10.00 each			14,765,484,750	14,062,366,430
	70,311,832 ordinary shares @ Taka 10.00 each issued as bonus share in the year 2023			-	703,118,320
	73,827,423 ordinary shares @ Taka 10.00 each issued as bonus share in the year 2024			738,274,230	-
				15,503,758,980	**14,765,484,750**

Shareholding position

Particulars	31.12.2024		31.12.2023	
	No. of Shares	Taka	No. of Shares	Taka
Sponsors/Directors	159,274,626	1,592,746,260	529,748,133	5,297,481,330
Government of People's Republic of Bangladesh	12,574,769	125,747,690	11,975,972	119,759,720
General Public	810,184,595	8,101,845,950	615,085,527	6,150,855,270
Institution (Financial & Others)	568,341,908	5,683,419,080	319,738,843	3,197,388,430
Total	**1,550,375,898**	**15,503,758,980**	**1,476,548,475**	**14,765,484,750**

14.3	**Share Premium**		
	290,995,350 ordinary shares of Taka 5 each per share	**1,454,976,750**	**1,454,976,750**

Rights share (1:1; 1 share for each share held) has been issued in the year 2011 @ Tk. 15 each including share premium of Tk. 5 each.

14.4 Classification of Shareholders by holding as at 31 December 2024

Shareholding Range	Number of Shareholders	Number of Shares	Value of Shares Taka	31 December 2024 Total Holdings %	31 December 2023 Total Holdings%
Upto 500 Shares	16,583	2,374,544	23,745,440	0.15%	0.17%
501 to 5000 Shares	18,345	32,716,733	327,167,330	2.11%	2.33%
5001 to 10,000 Shares	3,084	21,348,469	213,484,690	1.38%	1.42%
10,001 to 20,000 Shares	1,834	25,615,496	256,154,960	1.65%	1.74%
20,001 to 30,000 Shares	642	15,633,511	156,335,110	1.01%	1.07%
30,001 to 40,000 Shares	316	10,915,199	109,151,990	0.70%	0.59%
40,001 to 50,000 Shares	164	7,410,183	74,101,830	0.48%	0.47%
50,001 to 100,000 Shares	347	24,268,181	242,681,810	1.57%	1.42%
100,001 to 10,00,000 Shares	355	96,713,990	967,139,900	6.24%	6.28%
10,00,001 & above	155	1,313,379,592	13,133,795,932	84.71%	84.52%
Total	**41,825**	**1,550,375,898**	**15,503,758,992**	**100.00%**	**100.00%**

14.5 History of Paid Up Capital

Year	Number of Shares Issued	Amount in BDT	Cumulative Paid up Capital
1983	355,000	35,500,000	35,500,000
1984	85,000	8,500,000	44,000,000
1986	360,000	36,000,000	80,000,000
1988	400,000	40,000,000	120,000,000
1991	171,428	17,142,800	137,142,800
1994	397,963	39,796,300	176,939,100
1995	176,939	17,693,900	194,633,000
1996	291,949	29,194,900	223,827,900
1997	63,296	6,329,600	230,157,500
2007	690,473	69,047,300	299,204,800
2010	26,107,487	2,610,748,700	2,909,953,500
2011	436,493,025	4,364,930,250	7,274,883,750
2012	109,123,256	1,091,232,560	8,366,116,310

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka

Year	Number of Shares Issued	Amount in BDT	Cumulative Paid up Capital
2013	-	-	8,366,116,310
2014	-	-	8,366,116,310
2015	167,322,326	1,673,223,260	10,039,339,570
2016	50,196,697	501,966,970	10,541,306,540
2017	-	-	10,541,306,540
2018	-	-	10,541,306,540
2019	105,413,065	1,054,130,650	11,595,437,190
2020	57,977,185	579,771,850	12,175,209,040
2021	60,876,045	608,760,450	12,783,969,490
2022	127,839,694	1,278,396,940	14,062,366,430
2023	70,311,832	703,118,320	14,765,484,750
2024	73,827,423	738,274,230	15,503,758,980

14.6 Capital to Risk Weighted Asset Ratio (CRAR)

The calculation of CRAR has been done as per Guidelines on Risk Based Capital Adequacy - Revised regulatory Capital Framework for Banks in line with BASEL-III vide BRPD circular no.18 dated 21 December 2014. Required Capital with Capital Conservation Buffer of the bank at the close of business on 31 December 2024 was Taka 63,587,780,366 as against available Tier-1 Capital of Taka 36,171,854,070 and Tier-2 Capital of Taka 17,687,157,502 making a Total Regulatory Capital of Taka 53,859,011,572 thereby the shortage of capital of Taka 9,728,768,794 at that date.

Details are shown below:

Tier-I Capital		
Common Equity Tier-1 Capital (CET1)		
Paid up Capital **(note: 14.2)**	15,503,758,980	14,765,484,750
Share Premium **(note: 14.3)**	1,454,976,750	1,454,976,750
Statutory Reserve **(note: 15)**	15,730,183,055	15,730,183,055
General Reserve **(note : 16)**	26,577,961	26,577,961
Retained Earnings **(note : 18)**	6,307,661,613	7,769,983,871
	39,023,158,359	**39,747,206,387**
Less: Regulatory Adjustments		
Goodwill and all other Intangible Assets	248,493,244	332,487,711
Deferred Tax Assets (DTA)	8,302,811,045	5,666,193,954
Reciprocal crossholdings and excess investment above limit	-	-
Others	-	-
	8,551,304,289	**5,998,681,664**
Total Common Equity Tier-1 Capital	**30,471,854,070**	**33,748,524,723**
Additional Tier-1 Capital (AT-1)	**5,700,000,000**	**5,400,000,000**
Less: Others	-	-
Total Tier-1 Capital	**36,171,854,070**	**39,148,524,723**
Tier-II Capital		
General Provision	7,284,357,502	8,585,908,583
Revaluation Reserve	-	-
Subordinated Bond	10,402,800,000	7,480,000,000
	17,687,157,502	**16,065,908,583**
Less: Regulatory Adjustments		
Revaluation Reserve	-	-
Reciprocal crossholdings in the T-2 Capital of NBFIs & Insurance Entities	-	-
Investments exceeding the approved limit under section 26(2) of Bank Company Act, 1991 (50% of Investment)	-	-
Others	-	-
Total Admissible Tier-2 Capital	**17,687,157,502**	**16,065,908,583**
Total Regulatory Capital	**53,859,011,572**	**55,214,433,306**
Risk Weighted Assets (note-14.8)	508,702,242,926	438,856,375,554
Minimum Capital Requirement with Capital Conservation Buffer (12.5% of Risk Weighted Assets)	63,587,780,366	54,857,046,944
Capital (Shortfall)/Surplus	**(9,728,768,794)**	**357,386,362**

	Consolidated		United Commercial Bank PLC	
	31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka

14.7

Composition of Capital	31 December 2024		31 December 2023	
	Required	Held	Required	Held
Common Equity Tier -I	6.00%	5.99%	6.00%	7.69%
Tier-I Capital	6.00%	7.11%	6.00%	8.92%
Tier-II Capital	0.00%	3.48%	0.00%	3.66%
Tier-I Capital with Buffer	8.50%	7.11%	8.50%	8.92%
Total CRAR	**12.50%**	**10.59%**	**12.50%**	**12.58%**

14.8 Computation of Risk weighted assets

On- Balance Sheet			394,840,831,307	328,645,730,693
Off-Balance sheet			44,873,040,115	50,754,703,774
Credit Risk **(A)**			**439,713,871,422**	**379,400,434,467**
Market Risk **(B)**			14,331,950,490	14,422,652,539
Operational risk **(C)**			54,656,421,014	45,033,288,548
Total Risk Weighted assets (A+B+C)			**508,702,242,926**	**438,856,375,554**

15 Statutory Reserve

As per section 24(1) of the Bank company Act, 1991 and amendments thereon, an amount equivalent to 20% of the profit before taxes for the year has been transferred to the statutory reserve fund as under:

Opening Balance	15,802,731,273	15,764,308,439	15,730,183,055	15,730,183,055
Add : Transferred during the year	26,008,000	38,422,834	-	-
	15,828,739,273	**15,802,731,273**	**15,730,183,055**	**15,730,183,055**

As per Section 24 (1) of Bank Company Act 1991 and as amended till date, a bank needs to transfer 20% of profit before any money is transferred to Government or any dividend is declared (i.e. profit before tax) to statutory reserve if the amount in such fund together with the amount in the share premium account is less than its paid-up capital. The Bank has fulfilled the above criteria. Hence, no transfer is required to be transferred in 2023 and 2024.

16 General Reserve

Opening Balance	26,577,961	26,577,961	26,577,961	26,577,961
Add: Transferred during for the year	-	-	-	-
	26,577,961	**26,577,961**	**26,577,961**	**26,577,961**

17 Other Reserve

Asset Revaluation Reserve **(notes: 17.1)**	2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
Foreign currency translation gain/(loss)	153,080,640	145,088,568	153,208,713	145,131,268
Revaluation Reserve on HTM Securities **(notes: 17.2.1)**	79,059,721	410,585,991	79,059,721	410,585,991
Revaluation Reserve on HFT Securities **(notes: 17.2.2)**	1,293,741	7,497,779	1,293,741	7,497,779
	2,767,535,661	**3,097,273,897**	**2,767,663,734**	**3,097,316,597**

17.1 Asset Revaluation Reserve

As per International Accounting Standard (IAS) 16 - 'Property, Plant & Equipment', and BRPD Circular No. 10 dated 25 November 2002 issued by Bangladesh Bank, all the immovable properties of the Bank were revalued as at 27.12.2012 based on market survey by Padma Techno Consult & Survey Ltd., an independent professionally qualified valuation firm of the country. Accordingly, revaluation surplus of BDT 2,534,101,559.00 for land & building was recorded as asset revaluation reserve. Movement of the same at the reporting date is as follows:

Opening Balance	2,534,101,559	2,534,101,559	2,534,101,559	2,534,101,559
Reserve made for the year	-	-	-	-
	2,534,101,559	**2,534,101,559**	**2,534,101,559**	**2,534,101,559**

17.2 Revaluation Reserve

HTM Securities **(notes 17.2.1)**	79,059,721	410,585,991
HFT Securities **(notes 17.2.2)**	1,293,741	7,497,779
	80,353,462	**418,083,770**

As per the DOS Circular Letter # 05 dated 26 May 2008, HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis.

17.2.1 Revaluation Reserve on HTM Securities

Opening Balance	410,585,991	128,060,537
Add: Net Revaluation gain/(adjustment) during the year	(331,526,270)	282,525,454
	79,059,721	**410,585,991**

17.2.2 Revaluation Reserve on HFT Securities

Opening Balance	7,497,779	-
Add: Net Revaluation gain/(adjustment) during the year	(6,204,038)	7,497,779
	1,293,741	**7,497,779**

		Consolidated		United Commercial Bank PLC	
		31-Dec-2024 Taka	31-Dec-2023 Taka	31-Dec-2024 Taka	31-Dec-2023 Taka
18	**Retained Earnings**				
	Opening Balance			7,769,983,871	6,885,485,076
	Add: Retained surplus transferred during for the year			14,226,209	2,290,735,424
	Add: Adjustment for Deferred Tax Asset			-	-
	Less. Issuance of Stock Dividend			(738,274,230)	(703,118,308)
	Less. Issuance of Cash Dividend			(738,274,238)	(703,118,322)
	Less. Coupon Payment Perpetual Bond			-	-
				6,307,661,613	**7,769,983,871**
18(a)	**Consolidated Retained Earnings**				
	United Commercial Bank PLC	6,307,661,613	7,769,983,872		
	UCB Stock Brokerage Limited	1,601,426,541	1,490,864,391		
	UCB Investment Limited	304,251,785	233,434,837		
	UCB Asset Management Limited	98,126,749	73,184,149		
	UCB Fintech Company Limited	(3,894,000,868)	(3,134,906,250)		
	UCB Exchange (SG) PTE. Ltd.	(1,937,295)	(1,087,474)		
		4,415,528,525	**6,431,473,525**		
	Less: Non controlling Interest	190	186		
	Total balance of retained earnings attributable to the ordinary Share holders	**4,415,528,335**	**6,431,473,339**		
	Non controlling interest	**190**	**186**		
19	**Contingent liabilities & other commitment**				
	Acceptances & endorsement **(note- 19.1)**			105,263,752,167	121,717,014,733
	Letters of guarantee **(note- 19.2)**			60,918,919,087	65,230,862,378
	Irrecoverable letters of credit **(note- 19.3)**			59,160,060,971	73,731,069,769
	Bills for collection **(note-19.4)**			24,780,647,517	21,273,365,163
	Other Commitments **(note-19.5)**			10,736,246,402	9,723,925,200
				260,859,626,144	**291,676,237,243**
19.1	**Acceptances & endorsements**				
	Bankers liabilities for accepted against usance LC			62,439,327,819	88,653,907,826
	Bankers liabilities for accepted against BB usance			42,824,424,348	33,063,106,907
				105,263,752,167	**121,717,014,733**
19.2	**Letters of guarantee**				
	Bankers liabilities for letters of guarantee (Inland)			38,709,146,101	40,981,884,381
	Bankers liabilities for letters of guarantee (Foreign)			22,209,772,986	24,248,977,997
				60,918,919,087	**65,230,862,378**
19.3	**Irrecoverable letters of credit**				
	Letters of credit (Inland)			354,382,355	616,078,492
	Letters of credit (Foreign)			29,426,166,877	50,745,308,457
	Back to back LC			27,681,009,935	21,447,284,505
	Letters of credit EDF			1,691,129,438	912,497,339
	Letters of credit EPZ			7,372,366	9,900,976
				59,160,060,971	**73,731,069,769**
19.4	**Bills for collection**				
	Bills for collection			15,381,158,719	13,125,385,296
	Foreign Bills for collection			9,399,488,798	8,147,979,867
				24,780,647,517	**21,273,365,163**
19.5	**Other Commitments**				
	Documentary credit and short term trade related transactions			-	-
	Forward assets purchased and forward deposits placed			10,736,246,402	9,723,925,200
	Undrawn note issuance and revolving underwriting facilities			-	-
	Undrawn formal standby facilities, credit lines and other commitments			-	-
				10,736,246,402	**9,723,925,200**

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
20	**Income Statement**				
	Income				
	Interest, discount and similar income **(note - 20.1)**			64,313,023,776	43,542,471,539
	Dividend income			293,308,737	206,590,018
	Fees, commission and brokerage			6,427,325,649	5,797,038,753
	Gains less losses arising from dealing in securities			-	-
	Gains less losses arising from investment securities			(1,052,800,541)	4,337,111
	Gain less losses arising from dealing in foreign currencies			1,499,598,968	1,588,182,967
	Income from non-banking asset			-	-
	Other operating income			246,492,832	239,814,676
				71,726,949,421	**51,378,435,064**
	Expenses				
	Interest paid on deposits and borrowings etc.			35,257,762,623	22,149,750,317
	Administrative expenses **(note - 20.2)**			14,179,685,400	13,321,945,005
	Other operating expenses			5,418,376,644	4,452,740,091
	Depreciation on banks assets			1,793,230,547	1,728,279,259
				56,649,055,214	**41,652,714,672**
				15,077,894,207	**9,725,720,392**
20.1	**Interest, discount and similar income**				
	Interest Income			56,114,658,916	37,881,518,594
	Interest income from investments			8,198,364,860	5,660,952,945
				64,313,023,776	**43,542,471,539**

UCB PLC has Islamic Banking Unit (Taqwa). Profit (income) and profit (paid) are included in Interest, discount and similar income and Interest paid on deposits and borrowings etc. respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

20.2	**Administrative expenses**				
	Salary and allowances			9,372,438,905	8,539,916,432
	Rent, taxes, insurance, electricity etc.			1,601,796,023	2,039,834,071
	Legal expenses			159,313,658	90,864,365
	Postage, stamps, telecommunications etc.			223,449,513	221,997,247
	Stationery, printing, advertisements etc.			2,074,052,715	1,688,042,867
	Chief Executive's salary and fees			17,695,000	16,435,484
	Directors' fees			5,189,971	3,178,349
	Auditors' fees			1,380,000	1,150,000
	Repair of banks assets			724,369,615	720,526,190
				14,179,685,400	**13,321,945,005**
21	**Interest Income**				
	Interest/profit on loans and advances/investments	55,652,206,990	37,413,938,804	55,436,921,757	36,768,025,151
	Interest on balances with other banks & financial institutions	56,597,710	297,848,512	56,597,710	297,848,512
	Interest on money at call on short notice	86,959,613	342,515,030	86,959,613	342,515,030
	Interest on balance with foreign Bank	534,179,837	473,129,901	534,179,837	473,129,901
		56,329,944,149	**38,527,432,247**	**56,114,658,916**	**37,881,518,594**

UCB PLC has Islamic Banking Unit (Taqwa). Profit (income) from Islamic Banking unit includes in Interest on loans and advances. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

22	**Interests Paid on deposits and borrowings etc.**				
	Interest paid on deposits **(note - 22.1)**	30,385,766,610	18,930,537,162	30,385,766,610	18,930,537,162
	Interest/profit paid on borrowings **(note - 22.2)**	4,788,415,148	3,308,459,867	4,871,996,013	3,219,213,155
		35,174,181,758	**22,238,997,029**	**35,257,762,623**	**22,149,750,317**

UCB PLC has Islamic Banking Unit (Taqwa). Profit paid on deposits, borrowings, etc. related to Islamic Banking unit includes in Interest paid on deposits and Interest paid on borrowings respectively. Please see the relevant notes in the Financial Statements of UCB Islamic Banking.

22.1	**Interest paid on deposits**				
	Savings Deposits			2,202,324,661	2,433,605,303
	Special Notice Deposits			1,645,207,644	1,506,041,363
	Fixed Term Deposits			19,507,632,655	11,891,187,434
	Scheme Term Deposits			7,030,601,650	3,099,703,062
				30,385,766,610	**18,930,537,162**

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
22.2	**Interest/profit paid on borrowings**				
	Borrowing from Bangladesh Bank			1,422,032,055	522,425,378
	Borrowing from other Bank & financial institution			488,978,886	519,594,454
	Borrowings from Bangladesh Bank - EDF			561,753,158	755,250,913
	Subordinated Bond			1,070,538,393	908,617,842
	Foreign currency borrowings			604,150,213	405,559,130
	Other bank repo			30,515,963	3,504,667
	Money at call on short notice			694,027,345	104,260,771
				4,871,996,013	**3,219,213,155**
23	**Investment income**				
	Interest income from investments **(note - 23.1)**	8,350,987,264	5,793,863,329	8,198,364,860	5,660,952,945
	Non interest income from investments **(note - 23.2)**	(759,411,804)	210,977,129	(759,411,804)	210,977,129
		7,591,575,460	**6,004,840,458**	**7,438,953,056**	**5,871,930,074**
23.1	**Interest income from investments**				
	Government treasury bills/bonds			6,026,304,669	4,817,208,560
	Bangladesh Bank Bill			-	-
	Sub-ordinated bonds			337,768,835	250,517,630
	Term Placement (Islamic Banking Unit)			196,275,833	90,377,639
	Short Notice Deposit Accounts (Islamic Banking Unit)			11,872,122	971,656
	Perpetual Mudaraba Bond (Islamic Banking Unit)			14,229,332	19,659,795
	Bangladesh Government Investment in SUKUK			-	-
	Perpetual bonds			204,999,999	206,874,999
	Bangladesh Government Special Purpose Bond			568,510,263	-
	Zero Coupon Bond			50,000,000	-
	Reverse Repo with Other Bank			5,490,740	5,128,088
	SUKUK Bond **(note - 23.1.1)**			64,043,465	51,705,093
	Gain/(Loss) on revaluation on government securities **(note - 23.1.2)**			718,869,602	218,509,485
				8,198,364,860	**5,660,952,945**
23.1.1	**SUKUK Bond**				
	Bangladesh Government Investment in SUKUK			4,843,200	4,855,807
	Bangladesh Government Investment in SUKUK (Islamic Banking Unit)			38,748,787	33,679,943
	Private Sukuk Bond Under SPV (Islamic Banking Unit)			20,451,478	13,169,342
				64,043,465	**51,705,093**
23.1.2	**Gain/(Loss) on revaluation on government securities**				
	Gain on revaluation on government securities			718,869,602	221,975,431
	Less : Loss on revaluation on government securities			-	(3,465,946)
				718,869,602	**218,509,485**
23.2	**Non interest income from investments**				
	Dividend on shares			293,308,737	206,590,018
	Gain/(Loss) on sale of share **(note - 23.2.1)**			(1,052,800,541)	4,337,111
	Prize money on prize bond			80,000	50,000
				(759,411,804)	**210,977,129**
23.2.1	**Gain/(Loss) on sale of shares**				
	Gain on sale of shares			600,000	4,599,382
	Less : Loss on sale of shares			(1,053,400,541)	(262,271)
				(1,052,800,541)	**4,337,111**
24	**Commission, Fees, Exchange & Brokerage**				
	Commission **(note - 24.1)**	4,351,348,410	4,159,194,471	3,272,634,515	3,167,537,641
	Fees **(note - 24.2)**	3,154,691,134	2,629,501,112	3,154,691,134	2,629,501,112
	Exchange earning **(note - 24.3)**	1,499,598,968	1,588,182,967	1,499,598,968	1,588,182,967
		9,005,638,512	**8,376,878,550**	**7,926,924,617**	**7,385,221,720**
24.1	**Commission**				
	Remittance Inland			9,512,873	8,426,066
	Remittance Foreign			8,683,637	7,991,393
	Letters of guarantee			523,297,863	582,291,330
	Letters of credit			807,386,304	928,926,542
	Letters of credit (back to back)			366,119,539	284,240,592
	Irrevocable Reimbursement Undertaking			-	-
	Commission on sale of shares			-	-

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
	Bangladesh Sanchaypatra/Paribarik Sanchaypatra			33,848	10,362,758
	Acceptance			1,206,959,157	1,068,465,233
	Exchange commission & rebate			273,033,544	209,737,173
	Outward clearance			1,972,532	1,906,091
	Merchant commission (Cards)			31,778,981	24,681,653
	MFS Commission			-	-
	Others			43,856,237	40,508,810
				3,272,634,515	**3,167,537,641**
24.2	**Fees**				
	Bills for collection			54,509,785	49,205,737
	Account maintenance			214,364,756	189,266,529
	Appraisal or processing			178,695,711	211,686,269
	Online transaction			74,417,599	74,980,894
	BACH/BEFTN			-	-
	Cash incentive			21,894,450	24,736,000
	Standing instruction charges			-	-
	FC endorsement			1,208,100	1,087,500
	LC, BC & BG (others)			960,068,640	811,815,926
	Debit card			532,822,816	425,108,816
	Credit card			911,519,172	646,143,029
	Arrangement			16,933,251	13,930,415
	Agent Banking Systems			2,962,902	2,383,190
	SMS banking			150,926,423	147,922,575
	Miscellaneous			34,367,529	31,234,232
				3,154,691,134	**2,629,501,112**
24.3	**Exchange Earning**				
	Exchange earning (general)			2,054,756,898	1,760,195,275
	Revaluation gain/(Loss) on foreign currency			(235,322,507)	(70,593,598)
	FX Deal Discount Income			(319,835,423)	(101,418,710)
				1,499,598,968	**1,588,182,967**
25	**Other Operating Income**				
	Income from locker rent	24,535,529	17,460,300	24,535,529	17,460,300
	Premises rent	328,854	526,168	328,854	526,168
	Swift charges	52,922,718	61,286,854	52,922,718	61,286,854
	Cheque Book Issuance	88,887,980	81,323,532	88,887,980	81,323,532
	Gain on Sale of Fixed Assets	24,401,777	7,091,502	24,401,777	7,091,502
	Corporate Income from Others	18,197	2,432,983	18,197	2,432,983
	SME Income from Others	916,511	31,754,920	916,511	31,754,920
	Retail Income from Others	53,940,174	37,061,933	53,940,174	37,061,933
	Income from subsidiaries	127,385,867	110,333,776	-	-
	Miscellaneous earning	461,093	826,484	461,093	826,484
		373,798,700	**350,098,451**	**246,412,832**	**239,764,676**
26	**Salaries and allowances**				
	Basic salary	4,746,578,869	4,489,673,356	3,988,056,123	3,749,566,057
	Allowances	1,850,002,691	1,785,658,376	1,850,002,691	1,785,658,376
	Bonus	1,877,028,663	1,614,082,303	1,877,028,663	1,614,082,303
	Provident fund and Welfare fund	457,351,428	430,609,696	457,351,428	430,609,696
	Gratuity fund	1,200,000,000	960,000,000	1,200,000,000	960,000,000
		10,130,961,651	**9,280,023,731**	**9,372,438,905**	**8,539,916,432**
26(a)	**Consolidated Salary and allowances**				
	United Commercial Bank PLC			9,372,438,905	8,539,916,432
	UCB Stock Brokerage Limited			357,009,435	364,523,885
	UCB Investment Limited			38,274,612	30,311,427
	UCB Asset Management Limited			31,283,223	26,190,457
	UCB Fintech Company Limited			331,955,476	319,081,530
				10,130,961,651	**9,280,023,731**
27	**Rent, taxes, insurance, electricity etc.**				
	Rent premises	547,832,702	401,305,320	523,210,155	358,308,783
	Rates & taxes	124,640,602	209,159,942	124,640,602	209,159,942
	Rental charges	184,380,647	181,427,610	184,380,647	181,427,610
	Insurance premium	400,843,315	344,317,026	400,843,315	344,317,026
	Electricity, Water & Gas	368,721,304	318,530,042	368,721,304	318,530,042
		1,626,418,570	**1,454,739,940**	**1,601,796,023**	**1,411,743,403**

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
28	**Legal expenses**				
	Legal expenses	30,176,665	21,398,399	18,887,709	12,776,132
	Professional expenses	140,425,949	78,088,233	140,425,949	78,088,233
		170,602,614	**99,486,632**	**159,313,658**	**90,864,365**
29	**Postage, stamps, telecommunications etc.**				
	Postage	44,749,185	45,602,081	44,749,185	45,602,081
	Telecommunication expenses	44,815,520	43,632,274	44,815,520	43,632,274
	Router	6,317,391	4,426,978	6,317,391	4,426,978
	Internet	4,257,200	3,394,737	4,257,200	3,394,737
	Online connectivity expenses	141,671,793	141,723,167	123,310,217	124,941,177
		241,811,089	**238,779,237**	**223,449,513**	**221,997,247**
30	**Stationery, printing & advertisements etc.**				
	Stationery and printing	291,358,631	306,477,753	291,358,631	306,477,753
	Advertisement	1,846,582,000	2,022,074,628	1,782,694,084	1,936,401,773
		2,137,940,631	**2,328,552,381**	**2,074,052,715**	**2,242,879,526**
30.1	**Stationery and printing**				
	Office Stationery	139,173,057	180,764,369	139,173,057	180,764,369
	IT Stationery	113,740,475	88,173,904	113,740,475	88,173,904
	Security Stationery	38,445,099	37,539,480	38,445,099	37,539,480
		291,358,631	**306,477,753**	**291,358,631**	**306,477,753**
30.2	**Advertisement**				
	Print Media **(note - 30.2.1)**	28,415,525	22,325,927	28,415,525	22,325,927
	Electronic Media **(note - 30.2.2)**	72,520,219	171,601,544	72,520,219	171,601,544
	Sponsorship	40,423,521	141,381,004	40,423,521	141,381,004
	Branding expenses	713,745,502	787,098,165	649,857,586	701,425,310
	UCB Imperial Lounges expense	833,200,109	757,954,599	833,200,109	757,954,599
	Promotional Material	112,059,924	127,922,450	112,059,924	127,922,450
	Miscellaneous advertisement	46,217,200	13,790,940	46,217,200	13,790,940
		1,846,582,000	**2,022,074,628**	**1,782,694,084**	**1,936,401,773**
30.2.1	**Print Media**				
	News paper	27,249,725	21,189,130	27,249,725	21,189,130
	Magazine	1,165,800	1,136,797	1,165,800	1,136,797
		28,415,525	**22,325,927**	**28,415,525**	**22,325,927**
30.2.2	**Electronic Media**				
	Television	68,520,644	36,780,881	68,520,644	36,780,881
	Bill board & neon sign	3,999,575	134,820,663	3,999,575	134,820,663
		72,520,219	**171,601,544**	**72,520,219**	**171,601,544**
31	**Chief Executive's salary and fees**				
	Basic salary	13,016,667	13,235,484	13,016,667	13,235,484
	House Rent Allowances	758,333	-	758,333	-
	Festival Bonus	2,420,000	2,200,000	2,420,000	2,200,000
	Incentive Bonus	1,500,000	1,000,000	1,500,000	1,000,000
		17,695,000	**16,435,484**	**17,695,000**	**16,435,484**
32	**Directors fees**				
	Meeting fees	5,476,529	3,264,446	4,652,929	2,384,800
	Other meetings' fees (travelling expenses)	537,042	793,549	537,042	793,549
		6,013,571	**4,057,995**	**5,189,971**	**3,178,349**

Each director of the Bank is paid for BDT 10,000 as per BRPD circular letter no. 11 dated 4 October 2015 for each board or board committee meeting attended in 2024.

33	**Auditors fees**	**1,778,833**	**1,612,500**	**1,380,000**	**1,150,000**
34	**Depreciation and repair of bank's assets**	**2,690,805,309**	**2,556,626,841**	**2,517,600,162**	**2,448,805,449**

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
34.1	**Depreciation**				
	Furniture/fixtures	209,859,954	223,267,448	199,808,714	213,924,698
	Vehicles	41,047,579	51,119,858	36,394,216	45,420,010
	Office equipments	378,213,269	385,762,767	368,786,775	376,194,478
	Computer equipments	506,976,052	380,089,875	424,588,640	308,614,922
	Computer software	247,374,041	242,168,331	218,251,169	238,724,118
	Immovable property (Building)	66,593,150	66,593,150	65,581,342	65,581,342
	Right of Use(ROU) assets	499,997,057	479,819,691	479,819,691	479,819,691
		1,950,061,102	**1,828,821,120**	**1,793,230,547**	**1,728,279,259**
34.2	**Repair & maintenance**				
	Furniture /fixtures **(note - 34.2.1)**	22,297,052	6,159,970	6,894,126	6,159,970
	Vehicles	15,958,419	18,744,142	15,958,419	18,744,142
	Office equipments	114,359,176	168,330,156	114,359,176	162,868,721
	Computer equipments	8,926,367	9,215,238	7,954,700	7,397,143
	Computer Software	515,839,837	484,336,567	515,839,837	484,336,567
	Building & Premises	63,363,357	41,019,647	63,363,357	41,019,647
		740,744,207	**727,805,721**	**724,369,615**	**720,526,190**
34.2.1	**Furniture /fixtures**				
	Furniture/Fixture	20,679,550	5,412,813	5,276,624	5,412,813
	Interior	1,617,502	747,157	1,617,502	747,157
		22,297,052	**6,159,970**	**6,894,126**	**6,159,970**
35	**Other expenses**				
	Entertainment	101,165,328	91,608,612	91,545,631	81,717,663
	Petrol, oil & lubricant	312,014,598	293,432,719	297,360,182	275,143,494
	Subscription	39,683,192	27,431,967	38,451,444	26,544,318
	Donation	220,024,192	352,923,319	219,991,942	352,893,319
	Traveling	282,648,036	268,801,460	259,919,705	245,909,639
	Business Development	213,883,625	73,254,009	213,883,625	73,254,009
	Cartage and freight	23,869,259	22,333,607	22,664,522	20,442,132
	Hon. general	17,002,150	7,472,000	17,002,150	7,472,000
	Fees commission & charges	759,779,189	742,217,199	238,700,638	176,355,037
	Meeting Seminar and staff training	28,699,179	47,434,970	27,901,006	41,698,621
	Fees Commission and Charges Debit Card	292,738,868	95,477,136	292,738,868	95,477,136
	Fees Commission and Charges Credit Card Local	470,205,750	397,974,040	470,205,750	397,974,040
	Liveries & uniforms	3,629,117	4,146,347	245,831	1,351,374
	Medical expenses	259,747,199	250,378,491	258,904,625	247,081,778
	Car expenses	258,094,929	191,201,786	234,552,929	174,650,524
	Loss on sale of assets	30,179	10,836	-	-
	BATCH/BEFTN Charges	549,359	533,474	549,359	533,474
	UCB Foundation	90,000,000	75,000,000	90,000,000	75,000,000
	Interest expense for lease liabilities	212,593,028	228,965,220	209,628,759	228,965,220
	Outsource Staff Expenses	2,386,848,524	1,974,997,445	2,378,790,732	1,968,016,574
	Other Expenses	341,317,916	300,379,445	55,338,946	35,513,748
		6,314,523,617	**5,445,974,082**	**5,418,376,644**	**4,525,994,100**
36	**Provision for Loans & Advances**				
	Unclassified Loans & advances	98,739,713	231,767,659	96,393,654	231,767,659
	Classified loans & advances	13,753,168,469	3,970,511,608	13,753,163,470	3,953,363,056
	Release of special provision for COVID_19	(1,630,000,000)	-	(1,630,000,000)	-
	Recoveries from previously written off loan	(369,041,609)	(409,590,871)	(369,041,609)	(409,590,871)
		11,852,866,574	**3,792,688,396**	**11,850,515,516**	**3,775,539,844**
37	**Provision for diminution in value of investments**				
	Provision required during the year	841,677,725	52,461,975	862,483,227	61,249,230
		841,677,725	**52,461,975**	**862,483,227**	**61,249,230**
38	**Other Provision**				
	Provision for other assets	2,568,000	320,356,588	2,568,000	320,356,588
	Provision for off-balance sheet exposures	216,937,616	391,186,992	216,937,616	391,186,992
		219,505,616	**711,543,580**	**219,505,616**	**711,543,580**

Provision for Off-Balance Sheet Exposure

Provision against Off-Balance Sheet Exposure made as per BRPD Circular No. 06 dated 25 April 2023.

		Consolidated		United Commercial Bank PLC	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
39	**Provision for Taxation**				
	Provision for current tax has been calculated based on the profit before provision considering admissible & inadmissible expenses as per provision of the Income Tax Act 2023 and Finance Act 2024.				
	Current Tax	4,570,211,087	3,339,864,344	4,312,972,008	2,986,535,476
	Deferred tax expense/(income)	(2,776,098,269)	(500,262,728)	(2,775,386,412)	(494,234,025)
		1,794,112,818	**2,839,601,616**	**1,537,585,596**	**2,492,301,451**
40	**Earnings per Share (EPS)**				
	Earnings per share has been calculated in accordance with IAS-33: "Earnings Per Share (EPS)".				
	Net Profit after Tax (Numerator)	80,061,445	2,197,668,287	607,804,252	2,685,086,287
	Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
	Earning Per Share (EPS)	**0.05**	**1.45**	**0.40**	**1.77**
	EPS decreased due to increased provision requirements on loans and advances.				
41	**Receipt from other operating activities**				
	Exchange earning & brokerage	1,499,598,968	1,588,182,967	1,499,598,968	1,588,182,967
	Other operating income	(774,520,100)	255,557,185	(806,907,709)	244,151,788
		725,078,868	**1,843,740,152**	**692,691,259**	**1,832,334,755**
42	**Payment for other operating activities**				
	Legal expenses	159,313,658	90,864,365	159,313,658	90,864,365
	Directors' fees & other expenses	5,189,971	3,178,349	5,189,971	3,178,349
	Auditors' fees	1,380,000	1,150,000	1,380,000	1,150,000
	Repair of fixed assets	724,369,615	720,526,191	724,369,615	720,526,191
	Other expenditures	5,096,697,652	4,315,815,572	4,994,864,259	4,223,774,871
		5,986,950,896	**5,131,534,477**	**5,885,117,503**	**5,039,493,776**
43	**Increase/(decrease) of other assets**				
	Investment in share of subsidiary companies.			-	(2,000,000,000)
	Receivable from Subsidiary Company			(1,735)	(569,957)
	Stock of Stationery & Stamps			19,670,428	(33,601,702)
	Account with Stock Broker			(124,542,158)	137,605,186
	Advance Payment			207,147,780	143,224,487
	Advance Deposit			(52,040)	118,570
	Suspense Account			(480,043,830)	(464,344,601)
	Head Office General Account			(22,842,237)	(1,321,396)
	Others			(3,171,513,487)	116,156,963
	Increase/Decrease for the year			**(3,572,177,279)**	**(2,102,732,449)**
44	**Increase/Decrease of other liabilities**				
	Write-off of loans			(7,128,470,432)	(4,651,224,986)
	Interest suspense account			3,928,939,210	3,928,939,210
	Dividend payable			(4,831,003)	28,471,943
	Sundry liabilities			1,383,257,668	1,383,257,668
	Increase /Decrease for the year			**(1,821,104,556)**	**689,443,836**
45	**Net Operating Cash Flows Per Share (NOCFPS)**				
	Net Cash from operating activities	(2,927,433,146)	48,833,110,611	(4,885,953,998)	50,903,661,111
	Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
	Net Operating Cash Flows Per Share (NOCFPS)	**(1.93)**	**32.26**	**(3.23)**	**33.62**
	NOCFPS decreased mainly due to higher loan disbursement in comparison with lower deposit growth. However, the bank has been maintaining all the liquidity measures required by regulators.				
46	**Net Asset Value Per Share (NAVPS)**				
	Net Asset Value	39,997,117,150	41,578,518,156	41,790,822,093	42,844,522,984
	Number of Ordinary shares outstanding (Denominator)	1,513,967,854	1,513,967,854	1,513,967,854	1,513,967,854
	Net Asset Value Per Share (NAVPS)	**26.42**	**27.46**	**27.60**	**28.30**
	NAV decreased mainly due to increased provision requirements on loans and advances which led to lower retained profit.				

	United Commercial Bank PLC	
	2024 Taka	2023 Taka

47 a. Reconciliation of Net Profit after Taxes and Operating profit before changes in operating assets and liabilities of the bank

Cash flows from operating activities		
Net profit after taxes	607,804,252	2,685,086,287
Provision for taxation	1,537,585,596	2,492,301,451
Provision for investment, shares & contingent liabilities	12,932,504,359	4,548,332,654
(Increase)/decrease interest receivable	(311,110,912)	80,171,787
Increase/(decrease) interest payable on deposits	8,415,097,229	796,598,694
Depreciation & amortization of fixed assets	1,793,230,546	1,728,279,258
Recoveries on loans & advances previously written-off	369,041,609	409,590,871
Income tax paid	(2,687,359,301)	(3,458,466,081)
Effect of exchange rate changes on cash and cash equivalents	(1,499,598,967)	(1,588,182,967)
Operating profit before changes in operating assets and liabilities- as per calculation	**21,157,194,411**	**7,693,711,954**
Operating profit before changes in operating assets and liabilities- as per cash flow statement	**21,157,194,411**	**7,693,711,954**

b. Reconciliation of effective tax rate

Particulars	Effective Rate	31 December 2024	Effective Rate	31 December 2023
Profit before income taxes as per profit & loss account		2,145,389,848		5,177,387,738
Income taxes as per applicable tax rate	37.5%	804,521,193	37.5%	1,941,520,402
Factors affecting the tax charge in current year				
Inadmissible expenses	212%	4,544,090,238	38.10%	1,972,634,692
Admissible expenses in the current year	-50.6%	(1,084,725,206)	-18.71%	(968,861,441)
Tax from reduced tax rates for dividend	2.73%	58,661,747	0.80%	41,318,004
Tax from reduced tax rates for capital gain	-0.45%	(9,591,964)	0.00%	(86,181)
Tax from reduced tax rates for prize bond	0.00	16,000	0.00%	10,000
Effect of deferred tax income	-129%	(2,775,386,412)	-9.55%	(494,234,025)
Total income tax expenses	**71.67%**	**1,537,585,596**	**48.14%**	**2,492,301,451**

48 A. Audit Committee Meeting

The 1st Audit Committee of the Board was constituted by the Board of Directors of the Bank in its emergent meeting held on 03 April 2004. Subsequently the Committee was reconstituted in its Board meeting from time to time. The Audit Committee of the Board of Director consisted of the following 2 (Two) members of the Board as on 31 December 2024.

Existing Committee

Name	Status with the Bank	Status in the Committee	Educational Qualification
Mr. Obaidur Rahman, FCA	Independent Director	Chairman	MBA in Accounting & FCA
Mr. Md. Yusuf Ali	Director	Member	B. Com (Hons) in Accounting, FCMA

Former Committee (Before reconstitution of the Board)

Name	Status with the Bank	Status in the Committee	Educational Qualification
Mr. Touhid Shipar Rafiquzzaman	Independent Director	Chairman	Master of Arts
Mr. Syed Kamruzzaman	Former Director	Member	B. Com (Hons) in Accounting, FCMA
Mr. Muhammed Shah Alam	Former Director	Member	M. Com in Accounting, FCMA
Dr. Aparup Chowdhury	Independent Director	Member	M.Sc. (Zoology), MBA (Human Resources Management), PHD (USA)
Mr. Kanak Kanti Sen	Director	Member	M. Com in Management, FCMA

During the year 2024, the Audit Committee has conducted 09 (Nine) meetings.

Details of the meeting are shown below by date-wise.

Sl. No	Meeting No.	Held on
1	134th	19.03.2024
2	135th	29.04.2024
3	136th	10.06.2024
4	137th	30.07.2024
5	138th	01.09.2024
6	139th	09.09.2024
7	140th	09.10.2024
8	141st	29.10.2024
9	142nd	28.11.2024

The Audit Committee discussed the following issues during the year 2024

1. Updated Compliance Status of Previous RBIA Objections (2022–2023);
2. Approval of Audit Findings on Interest Waivers for 14 Customers;
3. Approval of Audit Findings/Observations on Interest Waiver of 14 nos. (Fourteen) Customers of Different Branches;
4. Summary of RBIA Findings (High-Risk Issues) – Three Branches;
5. Annual Health Report (as of December 31, 2023);
6. Statutory Audit Plan for Year Ending December 31, 2024
7. Review Un-Audited Financial Statements of the Bank for the 3rd Quarter (Q3) ended September 30, 2024;
8. Discussion on Compliance Status of 2023-2024;
9. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Munshigonj Branch, Munshigonj as on 24.11.2022;
10. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Bangshal Branch, Dhaka as on 14.06.2023;
11. Discussion on report of Bangladesh Bank Officials visit for inspection - August & September 2024;
12. Approval of Audit Findings/Observations on Interest Waiver of 11 nos. (Eleven) Customer of Different Branches;
13. Post Facto Approval of Audit Findings/Observations on Interest Waiver of 10 nos. (Ten) Customer of Different Branches;
14. Investigation Report On Investment in Beximco 1st Unsecured Zero Coupon Bond for an Amount of BDT 100.00 Crore;
15. Discussion on Internal Audit Report on Genex Infosys;
16. Discussion on 'Forensic Audit' of the Bank;
17. Discussion on 'Whistle Blowing Policy' of the Bank;
18. Discussion on 'Organogram of Audit Division and ICCD' of the Bank;
19. Any other Business; A) The self-assessment of the anti-fraud internal controls report B) Investment decision in Genex Infosys"
20. Discussion on Compliance of Surprise Inspection Report of Bangladesh Bank on Shyamoli Ring Road Branch, Dhaka as on 21.05.2024;
21. Discussion on "Annual Health Report-2023" as on 31 December 2023;
22. Discussion on 'Self-Assessment of Anti-Fraud Internal Controls' report for the period of Jan-June 2024;
23. Discussion on 'Whistle Blowing Policy' of the Bank;
14. Confirmation of the minutes of the 135th & 136th(Special) Meeting of the Audit Committee held on April 29, 2024 & June 10, 2024 respectively;
25. Review Un-Audited Financial Statements of the Bank for the 2nd Quarter (Q2) ended 30 June, 2024;
26. Special Discussion with Bangladesh Bank on Financial Statements -2023.
27. Review of Auditor's Report and Audited Financial Statements of the Year Ended 31 December, 2023;
28. Review Un-Audited Financial Statements of the Bank for the 1st Quarter (Q1) ended 31 March, 2024;
29. Appointment of External Auditors and Fixation of their Remuneration;
30. Approval of the Report of the Audit Committee for the Annual Report 2023;
31. Review the Management Discussion and Analysis for the Annual Report 2023.
32. Discussion on Approval of Internal Audit Strategic Plan (RBIA) for the year 2024;
33. Discussion on Approval of Information System Security Audit (IT Audit) strategic plan for the year 2024;
34. Discussion on Summary of Risk Based Internal Audit Findings (High Risk issues) of 05 (five) branches;
35. Discussion on Details of pending legal cases of Risk Based Internal Audit Findings (High Risk Issues) of 5 (Five) branches as per the Recommendation of the Audit Committee of the Board (ACB) in its 130th meeting held on 30.05.2023;
36. Discussion on Up-to-date status of the problematic borrowers accounts of Risk Based Internal Audit Findings (High Risk Issues) of 7 (Seven) branches as per Memo No. 019/2023 dated 27.09.2023 submitted by ICCD;
37. Discussion on Self-Assessment of Anti-Fraud Internal Controls for the period from July-December' 2023;

B. Board of Directors Meetings

During the year 2024, the Board of Directors has conducted 16 (Sixteen) meetings. Details of the meeting are shown below by date wise.

Name of the Members	Status with the Bank
Mr. Sharif Zahir	Chairman
Mr. Md. Shazzad Hossoin	Independent Director & Vice Chairman
Mr. Md. Tanvir Khan	Chairman, Executive Committee
Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee
Mr. Obaidur Rahman, FCA	Independent Director & Chairman, Audit Committee
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO

Name of the Former Members	Status with the Bank
Mrs. Rukhmila Zaman	Former Director
Mr. Bashir Ahmed	Former Director
Mr. Anisuzzaman Chowdhury	Former Director
Mr. Touhid Shipar Rafiquzzaman	Former Independent Director
Mr. M. A. Sabur	Former Director
Mr. Md. Nasim Kalam	Former Director
Mr. Bazal Ahmed	Former Director
Mr. Nurul Islam Chowdhury	Former Director
Mr. Syed Kamruzzaman	Former Director
Mrs. Roxana Zaman Chaudhury	Former Director
Mr. Asifuzzaman Chowdhury	Former Director
Ms. Afroza Zaman	Former Director
Mrs. Masuma Parvin	Former Director
Mr. Muhammed Shah Alam	Former Director
Mr. Kanak Kanti Sen	Former Director
Mr. Md. Aksed Ali Sarker	Former Director
Dr. Aparup Chowdhury	Former Independent Director
Professor Dr. Iftekhar Uddin Chowdhury	Former Independent Director
Mr. Md. Abdul Hannan	Former Independent Director

Details of the Board meeting in the year 2024

Sl. No	Meeting No.	Held on
1	489	31-Jan-2024
2	490	13-Mar-2024
3	491	29-Apr-2024
4	492	27-May-2024
5	493 (Special)	10-Jun-2024
6	494	30-Jul-2024
7	495 (Emergent)	27-Aug-2024
8	496 (Emergent)	29-Aug-2024
9	497	4-Sep-2024
10	498	11-Sep-2024
11	499	29-Sep-2024
12	500	14-Oct-2024
13	501	29-Oct-2024
14	502	21-Nov-2024
15	503	11-Dec-2024
16	504	26-Dec-2024

C. Executive Committee Meeting

During the year 2024, the Executive Committee has conducted 09 (Nine) meetings. Details of the meeting are shown below by date wise.

Existing Committee

Name of the Members	Status in the Committee
Mr. Md. Tanvir Khan	Chairman
Mr. Sharif Zahir	Member
Mr. Md. Shazzad Hossoin	Member

Former Committee (Before reconstitution of the Board)

Name of the Members	Status in the Committee
Mr. Anisuzzaman Chowdhury	Former Member
Mr. Bashir Ahmed	Former Member
Mr. M. A. Sabur	Former Member
Mr. Bazal Ahmed	Former Member
Mr. Nurul Islam Chowdhury	Former Member
Mrs. Roxana Zaman Chaudhury	Former Member
Mr. Asifuzzaman Chowdhury	Former Member

Details of the Executive Committee Meeting in the year 2024

Sl. No	Meeting No.	Held on
1	467	30-Jan-2024
2	468	1-Apr-2024
3	469	10-Jun-2024
4	470	4-Sep-2024
5	471	29-Sep-2024
6	472	30-Oct-2024
7	473	21-Nov-2024
8	474	11-Dec-2024
9	475	30-Dec-2024

D. Risk Management Committee Meeting

During the year 2024, the Risk Management Committee has conducted 04 (Four) meetings. Details of the meeting are shown below by date wise.

Existing Committee

Name of the Members	Status in the Committee
Mr. Md. Yusuf Ali	Chairman
Mr. Sharif Zahir	Member
Mr. Md. Shazzad Hossoin	Member
Mr. Obaidur Rahman, FCA	Member

Former Committee (Before reconstitution of the Board)

Name	Status in the Committee
Mr. M. A. Sabur	Former Member
Mr. Anisuzzaman Chowdhury	Former Member
Mr. Nurul Islam Chowdhury	Former Member
Ms. Afroza Zaman	Former Member
Professor Dr. Iftekhar Uddin Chowdhury	Former Member

Details of the Risk Management Committee Meeting in the year 2024

Sl. No	Meeting No.	Held on
1	42	1-Apr-2024
2	43	29-Apr-2024
3	44	18-Sep-2024
4	45	10-Dec-2024

E. Shariah Supervisory Committee Meeting

During the year 2024, the Shariah Supervisory Committee has conducted 03 (Three) meetings. Details of the meeting are shown below by date wise.

Existing Committee

Name	Status in the Committee
Professor Dr. Shamsul Alam	Chairman
Dr. Ebrahim Khalil	Member
Professor Dr. K M Saiful Islam Khan	Member
Professor Dr. Mohammed Nasir Uddin (Azhary)	Member
Associate Professor Dr. Mohammad Manjurur Rahman	Member

Former Committee (Before reconstitution of the Board)

Name	Status in the Committee
Professor Dr. Muhammad Abdur Rashid	Member
Professor Dr. K M Saiful Islam Khan	Member

Details of the Shariah Supervisory Committee Meeting in the year 2024

Sl. No	Meeting No.	Held on
1	12	5-Mar-2024
2	13	25-Jun-2024
3	14	24-Dec-2024

49 Related Party Disclosers

49.1 (a): Name of the Directors and their shareholding in the Bank.

Name of the Directors	Status in the Board	Opening Share holding position as on 01 January 2024	Closing Share holding position as on 31 December 2024
Mr. Sharif Zahir	Chairman	-	31,217,326
Mr. Md. Tanvir Khan	Director	28,445,320	31,100,000
Mr. Md. Shazzad Hossoin	Vice-Chairman & Independent Director	-	-
Mr. Md. Yusuf Ali	Independent Director	-	-
Mr. Obaidur Rahman, FCA	Independent Director	-	-
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	-	-

49.1 (b): Name of the Directors and the entities in which they had interest as at 31 December 2024

Name of Directors	Status	Entities of interest
Mr. Sharif Zahir	Chairman	1. Ananta Apparels Limited 2. Ananta Knitwear Limited 3. Ananta Hotel & Resorts Limited 4. Ananta Real Estate Limited 5. Ananta Group Limited 6. Ananta Development Limted 7. Ananta Properties Limited 8. Ananta Energy Resources Limited
Mr. Md. Shazzad Hossoin	Independent Director & Vice Chairman	Nil
Mr. Md. Tanvir Khan	Director & Chairman, Executive Committee	1. J.K. Fabrics Ltd. 2. J.K. Knit Composite Ltd. 3. Tanima Knit Comp. Ltd. 4. J.K. Spinning Mills Ltd. 5. J.K. Cotton Mills Ltd. 6. J.K. Synthetic Mills Ltd. 7. Ocean Tiger BD. Ltd. 8. MM Fishing Ltd. 9. MR Fishing Ltd. 10. Pacific Eagle Ltd.
Mr. Md. Yusuf Ali	Independent Director & Chairman, Risk Management Committee	Nil
Mr. Obaidur Rahman, FCA	Independent Director & Chairman, Audit Committee	MA Fazal & CO.
Mr. Mohammad Mamdudur Rashid	Managing Director & CEO	Nil

49.2 Significant Contracts where Bank is a party and wherein Directors have interest: **Nil**

49.3 Shares issued to Directors & Executives without consideration or exercisable at a discount: **Nil**

49-4 Related Party Transactions **Nil**

The related party transactions have been disclosed as per International Accounting Standard (IAS) 24: Related Party Disclosure as follows.

a) For Subsidiaries

Name of the Related Party	Nature of transactions	Opening Balance as at 01.01.2024	Addition/ (Adjustment) during the year	Closing Balance as at 31.12.2024
UCB Stock Brokerage Limited	Receivable against Beneficiary Owners (BO)	144,889,416	123,783,264	268,672,680
	Overdraft loan	1,930,395,461	332,823,932	1,597,571,529
	Bank account	114,243,794	607,230,558	721,474,352
UCB Asset Management Limited	Current Account	80	-	80
	SND Account	1,508,474	12,467,993	13,976,467
UCB Fintech Company Limited	Interest Payable	36,041,667	(4,791,667)	31,250,000
	Cash at banks	412,092,201	(281,481,132)	130,611,069
	Investment in FDR	1,000,000,000	(500,000,000)	500,000,000
	Trust cum settlement accounts (TCSA)	385,258,330	202,766,353	588,024,682

b) Directors related transactions

Name of the related parties	Nature of the transactions	Global Limit	BDT Dues	USD Dues
Sharif Zahir	Credit Card	1,000,000	46,123	48
Tahsin Mahbub	Credit Card	1,000,000	205852	675
Md Jahangir Alam Khan	Credit Card	1,000,000	Nil	Nil
Md Tanvir Khan	Credit Card	900,000	20,312	Nil
Monowara Begum	Credit Card	1,000,000	Nil	Nil
Md Tysir Khan	Credit Card	900,000	37,528	Nil
Sumaiya Mehjabin	Credit Card	900,000	Nil	Nil
Tahsina Khanam	Credit Card	500,000	Nil	Nil
Tahamina Khanam	Credit Card	600,000	Nil	3
Fariha Mahzebin	Credit Card	1,000,000	8,264	Nil

49.5 Lending policies to related parties: Lending to related parties is affected as per requirement of section 27 (1) of the Bank company Act 1991. **Nil**

49.6 Loans and advances to concern related to directors: **Nil**

49.7 Business, other than banking business, with any related concern of the Directors as per section 18(2) of the Bank company Act 1991: **Nil**

49.8 Investment in securities of Directors and their related concern: **Nil**

50 Events after Balance Sheet date

As per DOS letter no. DOS(CAMS)1157/41(Dividend)/2025-3111 dated 21 May 2025, as there is no distributable profit at the end of the year and bank's minimum capital will fall under 10% if the shortfall in provision is adjusted fully. Therefore, no dividend can be declared for the year ended 31 December 2024. This is also in line with the DOS circular no. 01 dated 13 March 2025.

General

50.1 Banks share capital has not been utilized for acquiring any other direct or indirect business.

50.2 No amount was spent by the bank for compensating any members of the board for special services rendered during the period.

50.3 During the period under report, United Commercial Bank PLC did not place any of its assets under pledge as security to obtain any liabilities.

United Commercial Bank PLC

Highlights on Overall Activities

Particulars	Amount in BDT	
	2024	2023
Paid-up Capital	15,503,758,980	14,765,484,750
Total Capital	53,859,011,572	55,214,433,306
Capital Surplus/(Shortfall)	(9,728,768,794)	357,386,362
Total Assets	768,779,476,471	685,012,410,972
Total Deposits	554,215,267,256	513,394,683,785
Total Loans & Advances	572,828,869,287	505,969,487,028
Total Contingent Liabilities & Commitments	260,859,626,144	291,676,237,243
Credit Deposit Ratio (%)	91.31	86.57
Percentage of Classified Loans against Total Loans and Advances	14.90	5.50
Operating Profit	15,077,894,207	9,725,720,392
Profit after Tax & Provision	607,804,252	2,685,086,287
Amount of Classified Loans during the year	57,524,572,163	(258,293,517)
Classified Loans and advance at the end of the year	85,343,964,142	27,819,391,979
Provision kept against Classified Loans	22,340,746,722	13,907,404,457
Provision Surplus/(Deficit)	(38,962,556,333)	-
Cost of Fund (%)	8.52	7.06
Interest Earning Assets	677,658,650,898	606,721,538,234
Non-interest earning Assets	91,120,825,573	78,290,872,738
Return on Investment (ROI) (%)	8.72	7.37
Return on Assets (ROA) (%)	0.08	0.41
Net Asset value per share	27.60	28.30
Income from Investments	7,438,953,056	5,871,930,074
Earning per share (Taka) - Restated 2023	0.40	1.77
Net Income per share (Taka) - Restated 2023	0.40	1.77
Price earning ratio (Times)	22.92	6.99

United Commercial Bank PLC

Balance with Nostro Accounts (Balance with Foreign Bank)

As on 31 December 2024

(Annexure-A)

Nostro Bank	Name of the Country	Currency	2024			2023		
			Amount in FC	Rate	Amount in BDT	Amount in FC	Rate	Amount in BDT
AB Bank PLC	India	ACU	318,487	119.99	38,215,244	556,794.08	109.75	61,108,150
Axis Bank Limited	India	ACU	310,712	119.99	37,282,294	217,360.84	109.75	23,855,352
Bank AL Bilad	Saudi Arabia	SAR	12,491	31.98028	399,467	17,366.04	29.27	508,246
Bank of Bhutan	Bhutan	ACU	31,497	119.99	3,779,296	129,184.14	109.75	14,177,959
Bank of Tokyo Mitsubishi	Japan	JPY	10,864,785	0.760393	8,261,505	1,805,941.56	0.78	1,402,208
Citi Bank N.A. New York, USA	USA	USD	(435,632)	119.99	(52,271,515)	15,567,999.62	109.75	1,708,587,958
Commerz Bank AG	Germany	USD	2,655,362	119.99	318,616,930	827,583.62	109.75	90,827,302
Commerz Bank AG	Germany	EUR	146,769	125.0776	18,357,557	177,942.79	122.03	21,714,541
Emirates NBD Bank (P.J.S.C)	India	ACU	1,084,580	119.99	130,138,783	430,441.87	109.75	47,240,995
Habib American Bank	USA	USD	3,629,982	119.99	435,561,509	18,225,695.47	109.75	2,000,270,078
Habib American Bank, NY, (OBU)	USA	USD	2,293,970	119.99	275,253,477	9,674,840.89	109.75	1,061,813,788
Habib Metropolitan Bank Limited	Pakistan	ACU	211,337	119.99	25,358,283	138,295.22	109.75	15,177,900
HDFC Bank Limited	India	ACU	227,818	119.99	27,335,831	587,813.19	109.75	64,512,498
ICICI Bank Limited	India	ACU	480,836	119.99	57,695,536	285,339.26	109.75	31,315,984
ICICI Bank Limited	India	USD	25,209	119.99	3,024,782	409,444.33	109.75	44,936,515
ICICI Bank Limited, Hong Kong (USD)	Hong Kong	USD	109,660	119.99	13,158,073	93,299.14	109.75	10,239,581
ICICI Bank Ltd, Hong Kong (CNY)	Bhutan	CNY	406,116	16.79638	6,821,280	116,093.70	15.42	1,790,135
Indusind Bank Limited, India (ACU)	India	ACU	20,585	119.99	2,469,994	20,585.00	109.75	2,259,204
JP Morgan NY	USA	USD	(3,191,946)	119.99	(383,001,560)	28,881,816.06	109.75	3,169,779,313
KOOKMIN Bank	Korea	USD	114,563	119.99	13,746,470	8,967.41	109.75	984,173
Mashreq Bank Psc	India	ACU	58,595	119.99	7,030,783	488,610.48	109.75	53,625,000
Mashreq Bank Psc	USA	USD	5,059,888	119.99	607,135,946	26,791,101.92	109.75	2,940,323,436
Mashreq Bank PSC	UAE	AED	164,832	32.67346	5,385,620	20,635,945.60	29.89	616,723,860
Mashreq Bank Psc NY (OBU)	USA	USD	43,161	119.99	5,178,935	222,956.40	109.75	24,469,465
Meezan Bank Limited	Pakistan	ACU	271,208	119.99	32,542,264	131,743.87	109.75	14,458,890
Nabil Bank Limited, Nepal	Nepal	ACU	747	119.99	89,609	746.80	109.75	81,961
Peoples Bank Colombo	Sri Lanka	ACU	90	119.99	10,799	90.00	109.75	9,878
Punjab National Bank Limited	Pakistan	ACU	(81,245)	119.99	(9,748,541)	146,961.93	109.75	16,129,072
Sonali Bank PLC	India	ACU	191,739	119.99	23,006,752	152,451.51	109.75	16,731,553
Standard Chartered Bank Germany (EUR)	Germany	EUR	31,527	125.0776	3,943,258	269,807.80	122.03	32,924,923
Standard Chartered Bank Limited	India	ACU	311,444	119.99	37,370,212	613,761.35	109.75	67,360,308
Standard Chartered Bank Limited	USA	USD	36,976,759	119.99	4,436,841,255	34,554,388.73	109.75	3,792,344,163
Standard Chartered Bank, United Kingdom (GBP)	United Kingdom	GBP	33,630	150.9354	5,076,014	52,916.39	140.66	7,442,987
State Bank of India	India	ACU	180,090	119.99	21,609,017	180,090.15	109.75	19,764,894
Wells Fargo Bank N.A	USA	USD	(97,120)	119.99	(11,653,395)	8,248,972.98	109.75	905,324,785
Zhejiang Chouzhou Commercial Bank	China	USD	129,742	119.99	15,567,780	169,093.63	109.75	18,558,026
Zhejiang Chouzhou Commercial Bank	China	CNY	2,003	16.79638	33,645	11,747.30	15.42	181,140
	Total				**6,159,623,190**			**16,898,956,220**

United Commercial Bank PLC

Schedule of Fixed Assets

As on 31 December 2024

(Annexure-B)

Particulars	COST				Rate	DEPRECIATION				Written down value as on 31 December 2024
	Balance as on 01 January 2024	Addition during the period	Adjustment during the period	Total Balance as on 31 December2024		Balance as on 01 January 2024	Adjustment during the period	Charged during the period	Total Balance as on 31 December 2024	
Land	4,395,054,283	-	-	4,395,054,283	-	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	2.5%	631,307,435	-	65,581,342	696,888,776	1,926,364,895
Furniture & Fixtures	2,757,849,217	147,212,021	43,614,472	2,861,446,766	10.0%	1,650,001,578	37,372,917	199,808,714	1,812,437,374	1,049,009,391
Office Equipment	3,047,543,911	189,667,172	54,708,540	3,182,502,543	20.0%	2,185,177,231	54,707,020	368,786,775	2,499,256,986	683,245,557
Computer Equipment	2,714,907,951	817,818,962	66,544,511	3,466,182,402	20.0%	1,567,486,428	66,534,646	424,588,640	1,925,540,422	1,540,641,980
Vehicles	621,278,877	42,406,326	51,216,031	612,469,172	20.0%	499,097,415	51,216,019	36,394,216	484,275,612	128,193,560
Computer Software	1,899,974,139	19,321,885	-	1,919,296,024	25.0%	1,452,551,611	-	218,251,169	1,670,802,780	248,493,244
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	-	2,290,773,718	-	479,819,691	2,770,593,409	2,819,972,729
Capital Expenditure Work In Progress	3,642,387,048	1,839,644,211	1,216,426,366	4,265,604,893	-	-	-	-	-	4,265,604,893
Total as on 31 December 2024	**27,292,815,236**	**3,056,070,577**	**1,432,509,921**	**28,916,375,892**		**10,276,395,415**	**209,830,602**	**1,793,230,546**	**11,859,795,359**	**17,056,580,533**

As on 31 December 2023

Particulars	COST				Rate	DEPRECIATION				Written down value as on 31 December 2023
	Balance as on 01 January 2023	Addition during the period	Adjustment during the period	Total Balance as on 31 December2023		Balance as on 01 January 2023	Adjustment during the period	Charged during the period	Total Balance as on 31 December 2023	
Land	4,395,054,283	-	-	4,395,054,283	-	-	-	-	-	4,395,054,283
Building	2,623,253,671	-	-	2,623,253,671	2.5%	565,726,093	-	65,581,342	631,307,435	1,991,946,237
Furniture & Fixtures	2,693,736,543	108,263,953	44,151,279	2,757,849,217	10.0%	1,477,400,718	41,323,837	213,924,697	1,650,001,578	1,107,847,639
Office Equipment	2,713,986,040	374,254,248	40,696,377	3,047,543,911	20.0%	1,849,611,257	40,628,504	376,194,478	2,185,177,231	862,366,680
Computer Equipment	2,190,846,756	542,699,957	18,638,762	2,714,907,951	20.0%	1,277,492,966	18,621,460	308,614,922	1,567,486,428	1,147,421,524
Vehicles	610,872,113	29,895,000	19,488,236	621,278,877	20.0%	473,165,626	19,488,221	45,420,010	499,097,415	122,181,462
Computer Software	1,848,510,667	51,463,472	-	1,899,974,139	25.0%	1,213,827,493	-	238,724,118	1,452,551,611	447,422,528
Right of use assets (ROU)	5,590,566,138	-	-	5,590,566,138	-	1,810,954,027		479,819,691	2,290,773,718	3,299,792,420
Capital Expenditure Work In Progress	580,762,044	4,168,201,634	1,106,576,630	3,642,387,048	-	-	-	-	-	3,642,387,048
Total as on 31 December 2023	**23,247,588,255**	**5,274,778,264**	**1,229,551,283**	**27,292,815,236**		**8,668,178,180**	**120,062,023**	**1,728,279,258**	**10,276,395,415**	**17,016,419,821**

UCB

United Commercial Bank PLC
List of Non-Banking Assets

(Annexure-C)

SL No.	Branch Name	Name of the account & Key Person	Categories	Land Area	Mutation	Possession
1	Banani Branch	M/s Anacon Overseas	33(7)	Land Aera:31.4 Decimals, Mouza: Sreekhandia, Savar, Dhaka	No	Yes
2	Banani Branch	M/s Nadira Rahman and Nahinur Rahman	33(7)	1700 sft flat being no. A/7 at , Nekation, Gulshan-1	Yes	No
3	Elephant Road Branch	M/s. Maruf Sharee Fashion	33(7)	19.75 decimal Land at Diabari, PS-Mirpur, Dist.- Dhaka.	No	No
4	Elephant Road Branch	M/s. Dolly Resort	33(7)	R.M of 438.50 dec land. Acquisition by RHD-220.81 dec land=rest 217.61 dec land value Tk.870.47 lac	No	No
5	Goalabazar Branch Sylhet	M/S Ratul Enterprise	33(7)	Land Area:2 Decimals, Mouza: Bramogram, Osmananigar, Sylhet	Yes	No
6	Islampur Branch	M/s. Faridpur Medicine Store	33(7)	Land Aera:6 Decimals, Mouza; Badda, Gulshan, Dhaka	No	No
7	Islampur Branch	M/s. A. N. Enterprise	33(7)	Land Area: 4.12 Decimals Mouza; Ramna, Dhaka.	No	No
8	Khatungonj	M/s. Albia Trading,	33(7)	Equitable Mortgage of 7.50 decimal land Mouza-Bakalia, Ctg	No	No
9	Nayabazar Br.	M/s. Haque Steel Complex Ltd.	33(7)	104.25 decimal land situated within Dist.-Narayangonj, Mouza- Dpa Idrakpur, PS & Sub-registry office: Fatullah	No	No
10	Principal Branch	M/s. Himalaya Marble,	33(7)	Quantum of Land: 1) 1.60 Katha land, Hatirpool, Dhaka. 2) 6.32 khata land 3) 6.06 katha land 4) 7.67 Katha land 5) 5 katha land Situated at Zoarshahara, Dhaka. 6) 13.63 Katha Paritra, Dhaka.	No	No
11	Principal Branch	M/s. Jenesis Fashions	33(7)	Land Aera:25.68 , 44 , 50.00, decimals, Mouza; Faridpur Teghoria Teghoria, Faridpur Dhaka	No	No
12	Uttara Branch	Md.Farhad Hossain	33(7)	Land Aera:910Stf & 0495 Ajutangsha, Mouza:Bailjuri, Dhaka Rajuk.	No	No
13	Elephant Road Branch	M/s. Vision Corporation.	33(7)	41.00 decimals Land at Nandi Para, Sabujbagh, Dhaka.	No	No
14	Elephant Road Branch	M/s. Bengal Jutex Ltd.	33(7)	18.864 bigha Land at Mouza-Bawnia, PS-Pollabi, Dist.-Dhaka	No	No
15	Elephant Road Branch	M/s. Samiya Enterprise	33(7)	20.21 decimal & 46.00 Dec. 02. at Mouza-Ibrahim Pur, PS-Kafrul & Mouza-Ulon, PS-Gulshan, Dist.- Dhaka.	No	No
16	Elephant Road Branch	M/s. Shipu Enterprise.	33(7)	4.50 katha Land at Mouza-Choto sayek, PS-Mirpur, Dist.- Dhaka.	No	No
17	New Eskaton	M/s Catena Computers.	33(7)	1550 sft. Flat (along with undivided and un-demarcated 0.44 decimal land)	No	Yes
18	Principal Branch	M/s. Business Mart. Prop:Ayub Hassain.	33(7)	29.50 dec land, at Nandi Para, Shobujbagh, Dhaka.	No	No
19	Principal Branch	M/s. Crystal Trading	33(7)	i) 12 Dec. of Land at Bakalia, Chittagong ii) 98 Dec. of Land at Kachkura, Uttara, Dhaka	No	No
20	Gulshan Branch	M/s Shah Alam & Nasrin Alam	33(7)	0087.50 Ajutangsha of land along with Flat no.6/C on the 6th floor of the 10th storied building constructed thereon measuring 1,025 sft, Dhaka city corporation Holding No. 33/6/C , Chamelibagh, 1st lane,	No	No
21	Noapara (Jessore) Branch	M/s. Mayur Enterprise.	33(7)	16.60 decimal land with building	No	No
22	Khatungonj	Solaiman & Brothers. Prop: Md. Solaima	33(7)	8.00 dec and 10.00 dec at Mouza-West Solasahar, PS-Panchlaish, Dist.-Chittagong	No	No
23	Faridpur Branch	M/s National Electric	33(7)	16.04 Dec at North Alipur, PO-Ambikapur, Faridpur	Yes	No
24	O.R. Nizam Road	M/s Monowara Corporation	33(7)	0.10 acre of Land and 0.53 acre of Land at East Nasirabad, Panchlaish, Chittagong and Fultoli, Anowara, Chittagong.	Yes	No

SL No.	Branch Name	Name of the account & Key Person	Categories	Land Area	Mutation	Possession
25	O.R. Nizam Road	M/s. R.S.N. Fabric House	33(7)	I) RM of 8.75 Dec land at Nasirabad Housing Society owned by Rubaiyet-E-Hasnath II) RM of 8 decimal land at Jalalabad	Yes	No
26	Dinajpur	M/s D.D Auto Rice Mill	33(7)	Land Area: 155 Decimal, Mouza: Vhuipara Dinaj pur	Yes	No
27	Elephant Road Branch	Awake Sons	33(7)	Land Area 28 decimals	Yes	No
28	Principal Branch	M/s Rahima Composite,	33(7)	District- Dhaka , Mouza- Turag 8.25	No	No
29	Kanaipur	Tapan Store	33(7)	6.60+15.75+81.31+123.72	Yes	No
30	New Eskaton	Mrs Rokeya Begun & Kamal Hossain	33(7)	1669 sft Flat , Mouza- Boro Moghbazar Dhaka 0089 Land	No	No
31	Nawabpur Br.	Mithu Electromcs	33(7)	33 56 Gazipur , Sadar and Kaliakair Thana, Mouza- Barenda and Bhannara	No	No

UCB

United Commercial Bank PLC

Off-shore Banking Unit

Balance Sheet
As at 31 December 2024

	Notes	31-Dec-2024 USD	31-Dec-2024 BDT	31-Dec-2023 BDT
PROPERTY AND ASSETS				
Cash		-	-	-
In hand (including foreign currencies)		-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-
Balance with other banks and financial institutions	3	7,362,339	883,407,100	1,131,219,768
In Bangladesh		5,000,000	599,950,000	-
Outside Bangladesh		2,362,339	283,457,100	1,131,219,768
Loans and advances	4	50,479,684	6,057,057,306	6,177,316,486
Loans, cash credits, overdrafts, etc.		6,789,503	814,672,488	1,408,089,994
Bills purchased and discounted		43,690,181	5,242,384,818	4,769,226,492
Fixed assets including premises, furniture and fixtures	5	3	234	234
Other asstes	6	6,042	724,940	-
Non - banking assets		-	-	-
Total Properties and Assets		57,848,068	6,941,189,580	7,308,536,488
LIABILITIES AND CAPITAL				
Liabilities				
Borrowings from other banks, financial institutions and agents	7	53,601,227	6,431,611,253	6,541,100,000
Deposits and other accounts		625,766	75,085,649	-
Current accounts & other accounts		625,766	75,085,649	-
Bills Payable		-	-	-
Other Deposits		-	-	-
Other liabilities	8	1,833,548	220,007,411	239,235,778
Total liabilities		56,060,541	6,726,704,313	6,780,335,778
Capital / Shareholders' equity		1,787,527	214,485,267	528,200,710
Paid up capital		-	-	-
Statutory reserve		-	-	-
Foreign currency gain		-	-	-
Other reserve		-	8,077,351	10,178,461
Retained earnings	9	1,787,527	206,407,916	518,022,249
Total Liabilities and Shareholders' Equity		57,848,068	6,941,189,580	7,308,536,488

	Notes	31-Dec-2024 USD	31-Dec-2024 BDT	31-Dec-2023 BDT
Off Balance Sheet Items		-	-	-
Contingent liabilities		**84,493,452**	**10,138,369,305**	**11,013,864,787**
Acceptances and endorsements		-	-	-
Letters of guarantee		84,493,452	10,138,369,305	11,013,864,787
Irrevocable letters of credit		-	-	-
Bills for collection		-	-	-
Other contingent liabilities		-	-	-
Other commitments		-	-	-
Documentary credits and short term trade -related transactions		-	-	-
Forward assets purchased and forward deposits placed		-	-	-
Undrawn note issuance and revolving underwriting facilities		-	-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-	-
Liabilities against forward purchase and sale		-	-	-
Other commitments		-	-	-
Total Off-Balance Sheet Exposures Including Contingent Liabilities		**84,493,452**	**10,138,369,305**	**11,013,864,787**

The annexed notes from 01 to 14 form integral part of these financial statements.

UCB

United Commercial Bank PLC

Off-shore Banking Unit

Profit and Loss Account
For the Year ended 31 December 2024

	Notes	2024		2023
		USD	BDT	BDT
Interest income	10	7,509,512	867,132,392	974,336,542
Interest paid on deposits, borrowings, etc.	11	6,196,106	715,471,785	652,397,290
Net interest Income		**1,313,406**	**151,660,607**	**321,939,252**
Investment Income	13	-	-	-
Commission, exchange, brokerage, etc.	12	272,907	31,512,833	18,967,826
Total operating income (A)		**1,586,313**	**183,173,440**	**340,907,078**
Salaries and allowances	13	13,983	1,614,661	1,567,903
Rent, taxes, insurance, electricity, etc.		-	-	-
Legal expenses		-	-	-
Postage, stamp, telecommunication, etc.		-	-	-
Stationery, printing, advertisements, etc.		-	-	-
Auditors' fees		-	-	-
Depreciation and repair of Bank's assets		-	-	1,151
Other expenditure	14	1,968	227,270	230,667
Total operating expenses (B)		**15,951**	**1,841,931**	**1,799,721**
Profit before provision (C=A-B)		**1,570,361**	**181,331,509**	**339,107,357**
Provision for loans and advances / investments				
Specific provision		-	-	-
General provision		(58,000)	(6,697,330)	(167,372,425)
Provision for Off Balance Sheet Exposure		(159,166)	(18,379,077)	(11,542,467)
Total provision (D)		**(217,166)**	**(25,076,407)**	**(178,914,892)**
Total profit before Taxes (C-D)		**1,787,527**	**206,407,916**	**518,022,249**
Provision for taxation		-	-	-
Current tax		-	-	-
Deferred tax		-	-	-
Net profit after taxation		**1,787,527**	**206,407,916**	**518,022,249**

The annexed notes from 01 to 14 form integral part of these financial statements.

United Commercial Bank PLC

Off-shore Banking Unit

Cash Flow Statement
For the year ended 31 December 2024

		2024		2023
		USD	BDT	BDT
A)	**Cash flows from operating activities**			
	Interest receipts in cash	7,509,512	867,132,392	974,336,542
	Interest payments	(6,196,106)	(715,471,785)	(652,397,290)
	Fees and commission receipts in cash	272,907	31,512,833	18,967,826
	Cash payments to employees	(13,983)	(1,614,661)	(1,567,903)
	Cash payments to suppliers	-	-	-
	Receipts from other operating activities	-	-	-
	Payments for other operating activities	(1,968)	(227,270)	(230,667)
	Cash generated from operating activities before changes in operating assets and liabilities	**1,570,361**	**181,331,509**	**339,108,508**
	Increase / (decrease) in operating assets and liabilities			
	Loans and advances to other banks	-	-	-
	Loans and advances to customers	5,805,660	696,621,101	16,921,802,696
	Other assets	6,042	724,940	-
	Deposits from other banks / borrowings	(5,998,773)	(719,792,747)	(17,164,500,833)
	Deposits from customers	625,766	75,085,649	-
	Other liabilities	(129,111)	(15,492,036)	(126,897,712)
		309,583	**37,146,907**	**(369,595,849)**
	Net cash flow from / (used in) operating activities	**1,879,944**	**218,478,416**	**(30,487,341)**
B)	**Cash flows from investing activities**			
	Purchase/sale of property, plant and equipment	-	-	-
	Proceeds/Loss from sale of property, plant and equipment	-	-	-
	Net cash flow from investing activities	**-**	**-**	**-**
C)	**Cash flows from financing activities**			
	Retained earnings sent to Central Operation	(4,824,847)	(474,368,435)	(1,027,536,124)
	Net Cash from financing activities	**(4,824,847)**	**(474,368,435)**	**(1,027,536,124)**
D)	Net increase/(decrease) in cash and cash equivalents **(A+B+C)**	(2,944,903)	(255,890,019)	(1,058,023,465)
E)	Effects of exchange rate changes on cash and cash equivalents	-	8,077,351	10,178,461
F)	**Cash and cash equivalents at beginning of the year**	10,307,242	1,131,219,768	2,179,064,772
G)	**Cash and cash equivalents at end of the year (D+E+F)**	**7,362,339**	**883,407,100**	**1,131,219,768**
	Cash and cash equivalents at end of the year			
	Cash in hand (including foreign currencies)	-	-	-
	Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	-	-	-
	Balance with other banks and financial institutions	7,362,339	883,407,100	1,131,219,768
		7,362,339	**883,407,100**	**1,131,219,768**

The annexed notes from 01 to 14 form integral part of these financial statements.

United Commercial Bank PLC

Off-shore Banking Unit

Notes to the Financial Statements
For the year ended 31 December 2024

1 Status of the units

Off-shore Banking Units of United Commercial Bank PLC, governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for 2 (two) units of Off-shore Banking Unit (OBU) vide letter no. BRPD (P-3) 744 (117)/2010-2577 dated 9th June 2010. The Bank commenced the operation of its Off-shore Banking Unit from November 10, 2010. Presently the Bank has 1 (one) unit in Dhaka.

1.1 Principal activities

The principal activities of the unit is to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act 1991 (amendment 2023), Bangladesh Accounting Standards and other applicable directives issued by Bangladesh Bank.

1.2.2 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. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

1.2.3 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21" The Effects of Changes in Foreign Exchange Rates". Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into Taka equivalent.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements 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.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 " Cash Flow Statement" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.5 Reporting period

These financial statements cover from January 01 to December 31, 2024.

2 General

a) These financial statements are presented in Taka, which is the Bank's functional currency and figures appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & income and expenses have been converted into Taka currency @ US$1 = Taka 119.9900 (closing rate as at 31st December 2024) and Tk. 115.4712 (average rate which represents the year end).

		31-Dec-2024		31-Dec-2023
		USD	BDT	BDT
3	**Balance with other banks and financial institutions**			
	In Bangladesh	5,000,000	599,950,000	-
	Outside Bangladesh	2,362,339	283,457,100	1,131,219,768
		7,362,339	**883,407,100**	**1,131,219,768**
4	**Loans and advances**			
	i) Loans, cash credits, overdrafts, etc.			
	Loan (General)	-	-	-
	Hire purchase	-	-	-
	Lease finance	-	-	-
	Term Loan	6,789,503	814,672,488	1,408,089,994
		6,789,503	**814,672,488**	**1,408,089,994**
	ii) Bills purchased and discounted (note-5)			
	Payable Inside Bangladesh			
	Inland bills purchased	-	-	-
	Payable Outside Bangladesh			
	Foreign bills purchased and discounted	43,690,181	5,242,384,818	4,769,226,492
		43,690,181	**5,242,384,818**	**4,769,226,492**
		50,479,684	**6,057,057,306**	**6,177,316,486**
5	**Fixed assets**			
	Cost			
	Furniture & Fixtures	18,986	1,479,935	1,479,935
	Computer and equipments	809	63,027	63,027
		19,795	**1,542,962**	**1,542,962**
	Less: Accumulated Depreciation			
	Furniture & Fixtures	18,984	1,479,779	1,479,779
	Computer and equipments	808	62,949	62,949
		19,792	**1,542,728**	**1,542,728**
	Written down value (WDV)	**3**	**234**	**234**
6	**Other assets**			
	Advance deposits and advance rent	-	-	-
	Interest Receivable	6,042	724,940	-
	Foreign currency translation reserve	-	-	-
		6,042	**724,940**	**-**
7	**Borrowings from other banks, financial institutions and agents**			
	Borrowings from Head office	53,601,227	6,431,611,253	-
	Al Arafah Islami Bank PLC	-	-	1,327,975,000
	CAIXA Bank Spain	-	-	2,304,750,000
	Emirates Islamic Bank	-	-	1,262,125,000
	Emirates NBD Bank PJSC (UAE)	-	-	1,646,250,000
		53,601,227	**6,431,611,253**	**6,541,100,000**
8	**Other liabilities**			
	Interest payable	478,548	57,420,961	66,690,570
	Provision for Loans & Advances	510,000	61,194,900	62,557,500
	Provision for Off Balance Sheet Exposure	845,000	101,391,550	109,987,708
		1,833,548	**220,007,411**	**239,235,778**
9	**Retained earnings**			
	Opening Balance	-	-	-
	Current year profit	1,787,527	206,407,916	518,022,249
	Retained earnings transferred to central operation	(1,787,527)	(206,407,928)	(518,021,811)
	Effect of changes in exchange rate	-	8,077,351	10,178,461
		-	**8,077,339**	**10,178,899**

		2024		2023
		USD	BDT	BDT
10	**Interest income**			
	Term Loan	850,577	98,217,128	144,457,250
	Bills purchased & Discount	6,181,280	713,759,849	761,098,914
	Others	-	-	-
	Interest on loans and advances	**7,031,857**	**811,976,977**	**905,556,164**
	Interest on balance with other banks and financial institutions	13,081	1,510,510	36,174,329
	Interest received from foreign banks	464,574	53,644,905	32,606,049
	Total Interest income	**7,509,512**	**867,132,392**	**974,336,542**
11	**Interest on deposits, borrowings, etc.**			
	Interest paid on deposits	-	-	-
	Interest paid on local bank accounts	-	-	-
	Interest paid on Borrowings	6,196,106	715,471,785	652,397,290
		6,196,106	**715,471,785**	**652,397,290**
12	**Commission, exchange and brokerage**			
	LC,BC & BG (Others) Fees and Charges	253,381	29,258,167	15,339,786
	Exchange Gain/(Loss)	13,041	1,505,835	3,397,163
	Income from Nostro	6,485	748,831	230,877
	Revaluation Gain/(Loss) on foreign currency	-	-	-
		272,907	**31,512,833**	**18,967,826**
13	**Salaries and allowances**			
	Basic pay	7,092	818,870	762,485
	Allowances	3,645	420,914	427,207
	Bonus	2,537	292,991	301,961
	Contribution to fund	709	81,886	76,250
		13,983	**1,614,661**	**1,567,903**
14	**Other expenditure**			
	Foreign bank correspondence charges	-	-	-
	Miscellaneous Expenses	1,968	227,270	230,667
	Revaluation loss on foreign currency	-	-	-
		1,968	**227,270**	**230,667**

United Commercial Bank PLC

Islamic Banking Unit

Balance Sheet

As at 31 December 2024

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
PROPERTY AND ASSETS			
Cash	3	1,473,564,576	918,812,281
In hand (including foreign currencies)		66,048,675	16,433,837
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		1,407,515,901	902,378,444
Balance with other Banks and Financial Institutions	4	7,641,574,670	1,050,060,919
In Bangladesh		7,641,574,670	1,050,060,919
Outside Bangladesh		-	-
Placement with other banks and financial institutions		-	-
Investments in shares and securities	5	1,385,613,000	1,298,120,000
Government		803,113,000	715,620,000
Others		582,500,000	582,500,000
Investments	6	14,325,866,708	13,185,442,170
General Investment		13,949,586,810	12,890,561,304
Bills purchased and discounted		376,279,898	294,880,866
Fixed assets including premises, furniture and fixtures	7	17,951,494	22,711,109
Other assets	8	1,718,548,392	2,367,723,377
Non - banking assets		-	-
Total Properties and Assests		26,563,118,840	18,842,869,856
LIABILITIES AND CAPITAL			
Liabilities			
Placement from other banks, financial institutions and agents	9	3,379,815,998	322,536,839
Deposits and other accounts	10	21,267,884,440	17,226,699,084
Al-wadeeah current and other deposits accounts, etc.		3,555,259,852	2,249,773,362
Bills Payable		21,820,212	22,027,021
Mudaraba Savings Deposits		5,550,782,061	4,943,935,234
Mudaraba term Deposits		12,140,022,315	10,010,963,467
Other liabilities	11	1,915,418,402	1,293,633,933
Total liabilities		26,563,118,840	18,842,869,856
Capital / Shareholders' equity			
Paid up capital		-	-
Statutory reserve		-	-
Foreign currency gain		-	-
Other reserve		-	-
Deficit in profit and loss account / Retained earnings	12	-	-
Total Shareholders' equity		-	-
Total Liabilities and Shareholders' Equity		26,563,118,840	18,842,869,856

	Notes	31-Dec-2024 Taka	31-Dec-2023 Taka
Off Balance Sheet Items			
Contingent liabilities		**13,780,069,222**	**9,295,750,089**
Acceptances and endorsements		6,352,291,164	4,707,264,615
Letters of guarantee		465,651,794	209,122,107
Irrevocable letters of credit		5,003,748,125	3,074,843,896
Bills for collection		1,958,378,139	1,304,519,471
Other contingent liabilities		-	-
Other commitments			
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Liabilities against forward purchase and sale		-	-
Other commitments		-	-
Total Off-Balance Sheet exposures including contingent liabilities		**13,780,069,222**	**9,295,750,089**

The annexed notes from 01 to 21 form integral part of these financial statements.

United Commercial Bank PLC

Islamic Banking Unit

Profit and Loss Account
For the Year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
Investment income	13	1,278,115,223	888,359,123
Profit paid on deposits, borrowings, etc	14	869,340,845	481,295,192
Net Investment Income		**408,774,378**	**407,063,931**
Profit on Investment with bank and financial institutions		281,577,553	157,858,376
Commission, exchange, brokerage	15	313,207,511	196,994,878
Other operating income	16	13,369,614	10,609,857
Total operating income (A)		**1,016,929,056**	**772,527,042**
Salaries and allowances	17	46,097,878	41,945,173
Rent, taxes, insurance, electricity, etc.		12,661,954	8,906,852
Legal expenses		-	-
Postage, stamp, telecommunication, etc.		518,072	270,217
Stationery, printing, advertisements, etc.		4,059,467	33,969,191
Depreciation and repair of Bank's assets	18	14,993,182	18,788,049
Other expenditure	19	19,816,408	15,822,129
Total operating expenses (B)		**98,146,961**	**119,701,611**
Profit before provision (C=A-B)		**918,782,095**	**652,825,431**
Provision for Investments	20	112,709,503	89,440,941
Provision for Deminution in Value of Investment in Shares		-	-
Other Provision	21	90,868,610	92,957,501
Total provision (D)		**203,578,113**	**182,398,442**
Total profit after taxes (C-D)		**715,203,982**	**470,426,989**

The annexed notes from 01 to 21 form integral part of these financial statements.

United Commercial Bank PLC

Islamic Banking Unit

Cash Flow Statement
For the year ended 31 December 2024

		Notes	2024 Taka	2023 Taka
A)	**Cash flows from operating activities**			
	Profit receipts		1,504,394,814	1,024,648,402
	Profit payments		(869,330,018)	(481,295,192)
	Dividend receipt		-	-
	Fees & Commision receipt		238,730,726	171,218,719
	Recoveries from previously written off advances		-	-
	Payments to employees		(46,097,878)	(41,945,173)
	Payments to suppliers		(17,239,493)	(43,146,260)
	Payment for Advance Income Tax		195,149	976,266
	Receipt from other operating activities		13,369,614	10,609,857
	Payment for other operating activities		(20,380,974)	(16,263,807)
	Operating profit before changes in operating assets and liabilities		**803,641,940**	**624,802,812**
	Increase /Decrease in operating assets and liabilities			
	Statutory Deposit		-	16,000
	Purchase/Sale of trading securities		(87,493,000)	(767,870,000)
	Loans and advances to customers		(1,140,424,536)	(5,836,517,835)
	Other Assets		(215,681,194)	3,885,551
	Deposit from Banks		(344,901,351)	295,574,781
	Deposit from customers		4,386,086,707	6,394,609,005
	Other liabilities		621,784,467	545,805,262
			3,219,371,093	**635,502,764**
	Net cash flow from operating activities (A)		**4,023,013,033**	**1,260,305,576**
B)	**Cash flows from investing activities**			
	Purchase/Sale of Securities		-	-
	Purchase of Property,Plant & Equipments		(8,502,931)	(2,333,469)
	Cash used in investing activities (B)		**(8,502,931)**	**(2,333,469)**
C)	**Cash flows from financing activities**			
	Receipt from borrowing		3,057,279,159	265,585,545
	Sub-Ordinated Bond		-	-
	Cash received from issuing of Right shares		-	-
	Cash dividend payment		-	-
	Net cash flows from financing activities (C)		**3,057,279,159**	**265,585,545**
D)	**Net increase in cash and cash equivalents (A+B+C)**		**7,071,789,261**	**1,523,557,652**
E)	Effects of the changes of exchange rate on cash and cash equivalents		74,476,785	25,776,159
F)	**Cash and cash equivalent at the beginning of the year**		1,968,873,200	419,539,389
G)	**Closing cash and cash equivalents at the end of the period**		**9,115,139,246**	**1,968,873,200**

The annexed notes from 01 to 21 form integral part of these finacial statements.

1 Status of the Islamic Banking units

Islamic Banking refers to a system of Banking or Banking activity that is consistent with the principles of the Sharia's (Islamic rulings) and its practical application through the development of Islamic economics. Sharia's prohibits the payment or acceptance of interest or excess (Riba) for the Lending and Borrowing of money. It carries out trade and other real economic activities to generate income rather than earning through trade of money (Interest). It also avoids Gharar (ambiguity) in any dealings or contracts and also avoids Maisir (gambling) in all activities. The principle also emphasises moral and ethical values in all dealings.

The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. Accoounting system is vital for ensuring Shariah compliance in such banking operation. Our Islamic Banking operation is committed to follow the accounting principles that refrain from intetest. In a nutshell, we follow under noted principles for accounting under its Islamic Banking umbrella, run through a separate Islamic Banking software namely i-FLEXCUBE.

1.1 Governance and Shari'ah Compliance

UCB has established a robust Shari'ah governance framework to ensure compliance with Islamic financial principles. The key components include

- Shari'ah Supervisory Board (SSB): Oversees the Islamic banking operations and ensures compliance with Islamic laws.
- Internal Shari'ah Audit: Conducts periodic audits to assess compliance with Shari'ah principles.
- Shari'ah Review and Advisory Unit: Provides ongoing guidance and approvals for product development and implementation.

1.2 Principal Activities and Nature of Business

The Islamic Banking units of UCB offers all kinds of Islamic Shari'ah based commercial Banking services to its customers through its windows following the provisions of the Bank Companies Act 1991 (as amended up to 2023), Bangladesh Bank's Directives and directives of other regulatory authorities and the principles of the Islamic Shari'ah.

1.3 Deposits Principles

1.3.1 Shariah principles for receiving deposits

Islamic banks receive deposits under two principles:

i) Al-Wadeeah principle.

ii) Mudaraba principle.

1.3.1.1 Al-Wadeeah:

Fund which is deposited with Banks by the depositors with clear permission to utilize /invest the same is called Al-Wadeeah. Islamic banks receive deposits in Current Accounts on the basis of this Al-Wadeeah Principle. Islamic banks obtain permission from the AlWadeeah depositors to utilise the Funds at its own responsibility and the depositors would not share any profit or loss earned/incurred out of using of this funds by the bank. The banks have to pay back the deposits received on the principle of Al-Wadeeah on demand of the holders. The depositors have to pay goverment taxes and other charges, if any.

1.3.1.2 Mudaraba:

Mudaraba is a partnership of labour and capital, where one partner provides full capital and the other one manages the business. The capital provider is called Sahib-Al-Maal and the user of the capital is called Mudarib. As per Shariah principles, the Mudarib will conduct the business independently following Shariah principles. The Sahib-Al-Maal may provide advices, if he deems fit but he can not impose any decision over the Mudarib. Profit, if any, is divisible between the Sahib-Al-Maal and the Mudarib at a predetermined ratio, while loss, if any, is borne by the Sahib-Al-Maal. The deposits, received by Islamic banks under this principle are called Mudaraba Deposits. Here, the depositors invest as Sahib-Al-Maal and the bank manages the business as Mudarib.

The Mudaraba deposits include:

i) Mudaraba Savings Deposits (MSD)

ii) Mudaraba Short Notice Deposits (MSND)

iii) Mudaraba Term Deposits (MTD).

1.3.1.3 Income Sharing Ratio (ISR)

UCB Taqwa - Islamic banking declares Income Sharing Ratio (ISR) between Bank and Customer, which is applicable on its Bangladeshi Taka UCB Taqwa Mudaraba Savings Account, UCB Taqwa Mudaraba SND Account, UCB Taqwa Mudaraba Term Deposit Account, UCB Taqwa Monthly Income Term Deposit, UCB Taqwa Monthly Deposit Scheme.

UCB Taqwa profit bearing accounts are operated under Shariah Mode " Mudaraba" where, it is a partnership business contract between Bank & Customer. Customer provides capital (Shaheb Al Maal) and bank manages the business (Mudarib). Income generated is distributed between partners as per agreed Income Sharing Ratio (ISR).

- UCB Taqwa does not offer any provisional rate for any types of Mudaraba Accounts.
- Profit rate will be determined every month according to the Income Sharing Ratio (ISR) between Bank and Customer and Income from investment.

1.4 Investment Principles & Investment Products

Islamic banks do not directly deal in money. They run business with money. The funds of Islamic banking are mainly invested in the following modes:

1) Musharaka;
2) Bai-Murabaha (Murabaha to the purchase orders);
3) Salam and agency;
4) Ijarah Muntahia Bittamleek (Hire Purchase);
5) Hire Purchase Shirkat al Melk (HPSM);

1.5 Significant Accounting Policies

1.5.1 Basis of preparation of the Financial Statements

Islamic Banking unite of the Bank is being operated in strict compliance with the rules of Islamic Shari'ah. The financial statements of the unit have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs) and as per provisions of the "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09 November 2009 with reference to the provisions of the Bank Companies Act, 1991 (as amended) and other circulars/ instructions of Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as a member of that organiza

In case any requirement of the Bank Companies Act 1991 (as amended) and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs as adopted, the requirements of the Bank Companies Act 1991 (as amended) and provisions and circulars issued by Bangladesh Bank shall prevail.

1.6 Income/Revenue Recognition Principle

The bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sorts of income, Islamic Banking units of UCB follows Shariah principle strictly. Recognition of income from investment follows principles as under:

- Income from Islamic financing: Recognized based on the contractual terms of Islamic financing instruments, following profit realization principles.
- Profit distribution: Earnings from investment accounts are distributed among depositors and shareholders as per agreed profit-sharing ratios.
- Zakat obligations: If applicable, the bank facilitates Zakat calculations for depositors.
- Prohibition of interest: No income is earned or recognized from interest-based transactions.

1.7 Cost Recognition Principle

Cost in respect of profit paid on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Income Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

1.8 Risk Management Framework

Islamic banking operations are exposed to unique risks, including Shari'ah non-compliance risk, liquidity risk, and credit risk. UCB implements a comprehensive risk management framework to mitigate these risks by:

- Ensuring thorough Shari'ah compliance checks for all products and transactions.
- Conducting regular internal and external audits.
- Maintaining adequate liquidity buffers as per regulatory requirements.
- Strengthening credit assessment procedures for Islamic financing contracts.

1.9 Islamic Banking Products and Services

UCB offers a range of Shari'ah-compliant products, including:

- Deposit Products: Mudarabah Savings Account, Mudarabah Term Deposits, and Wadiah Current Accounts.
- Financing Products: Murabaha, Ijarah, Musharakah, and Mudarabah-based financing solutions.
- Trade Finance: Shari'ah-compliant letters of credit, export financing, and working capital solutions.
- Investment Banking: Islamic Sukuk, equity-based financing, and other halal investment opportunities.

1.10 Corporate Social Responsibility (CSR) and Islamic Philanthropy

UCB's Islamic banking division actively participates in social welfare activities, including:

- Disbursement of Zakat and charity funds to eligible beneficiaries.
- Financing social projects through Qard Hasan (benevolent loans).
- Promoting financial inclusion and ethical banking practices.

1.11 Reporting period

These financial statements cover from January 01 to December 31, 2024.

2 General

These financial statements are presented in Taka, which is the Bank's functional currency and figures appearing in these financial statements have been rounded off to the nearest Taka.

		31-Dec-2024 Taka	31-Dec-2023 Taka
3	**Cash**	**1,473,564,576**	**918,812,281**
	Cash in hand		
	Local currency	57,260,607	15,408,772
	Cash in ATM	-	-
	Foreign currency	8,788,068	1,025,065
		66,048,675	**16,433,837**
	Balance with Bangladesh Bank and its agent Bank(s)		
	Local currency	1,407,515,901	902,378,444
	Foreign currency	-	-
		1,407,515,901	**902,378,444**
4	**Balance with other banks and financial institutions**		
	In Bangladesh	7,641,574,670	1,050,060,919
	Outside Bangladesh	-	-
		7,641,574,670	**1,050,060,919**
5	**Investments in Shares and Securities**		
	Perpetual Mudaraba Bond Investment	230,000,000	230,000,000
	Investment in Un-Quoted Securities	52,500,000	52,500,000
	Bangladesh Government Investment Sukuk	803,113,000	715,620,000
	Private Sukuk Bond	300,000,000	300,000,000
	Prize Bond	-	-
		1,385,613,000	**1,298,120,000**
6	**Investments**		
	i) General Investments		
	General Investment	13,949,586,810	12,890,561,304
		13,949,586,810	**12,890,561,304**
	ii) Bills purchased and discounted		
	Payable Inside Bangladesh		
	Inland bills purchased	13,441,617	14,990,928
	Payable Outside Bangladesh		
	Foreign bills purchased and discounted	362,838,281	279,889,938
		376,279,898	**294,880,866**
		14,325,866,708	**13,185,442,170**
7	**Fixed assets**		
	Cost		
	Furniture and Fixture	15,652,712	6,272,107
	Office equipments	2,375,450	2,227,420
	Computer and equipments	2,461,133	2,345,983
	Computer software	67,944,879	67,944,879
		88,434,174	**78,790,389**
	Less: Accumulated Depreciation		
	Furniture and Fixture	2,099,013	1,110,080
	Office equipments	1,096,222	635,894
	Computer and equipments	1,403,141	950,617
	Computer software	65,884,304	53,382,689
		70,482,680	**56,079,280**
	Written down value (WDV)	**17,951,494**	**22,711,109**
8	**Other assets**		
	Advance deposits and advance rent	-	-
	Advance Income Tax Paid	195,149	532,536
	Income & Compensation Receivable	97,402,475	39,695,639
	Stock of Stationery & Stamps	264,900	325,070
	Head Office General Account	1,620,685,868	2,327,170,132
		1,718,548,392	**2,367,723,377**

		31-Dec-2024 Taka	31-Dec-2023 Taka
9	**Placement from other banks, financial institutions and agents**		
	Borrowings from Head office	-	-
	EDF Borrowing from Bangladesh Bank	294,515,998	282,803,506
	Bangladesh Bank Pre-Financing Scheme	85,300,000	39,733,333
	Borrowing from Bank and NBFI	3,000,000,000	-
		3,379,815,998	**322,536,839**
10	**Deposits and other accounts**		
	Inter Bank deposits	874,937	345,776,288
	Other deposits	21,267,009,503	16,880,922,796
		21,267,884,440	**17,226,699,084**
	a. Al-Wadeeah Current and Other Deposits		
	Current deposits	1,553,998,285	788,330,303
	Foreign currency deposits	152,114,769	125,069,632
	Sundry deposits	1,849,146,798	1,336,373,427
		3,555,259,852	**2,249,773,362**
	b. Bills Payable		
	Pay order	21,820,212	22,027,021
	Demand draft payable	-	-
	Others Payable	-	-
		21,820,212	**22,027,021**
	c. Mudaraba Savings Deposits		
	Savings Bank deposits	5,550,782,061	4,943,935,234
		5,550,782,061	**4,943,935,234**
	d. Mudaraba Term Deposits		
	Fixed deposits	9,945,606,766	7,879,410,949
	Special notice deposits	1,933,547,877	2,037,962,514
	Scheme Deposits	260,867,672	93,590,004
		12,140,022,315	**10,010,963,467**
	Total Deposits and other accounts (a+b+c+d)	**21,267,884,440**	**17,226,699,084**
11	**Other liabilities**		
	Provision for Investment (Notes-11.1)	112,709,503	89,440,941
	Provision for off-balance sheet exposure	90,868,610	92,957,501
	Profit payable	943,339,026	619,206,263
	Payable Tax, VAT and Excise Duty	54,530,230	46,870,767
	Unearned Income	632,866,302	414,621,620
	Compensation Realisable Account	45,103,404	28,004,600
	Profit Suspense Account	3,807,419	1,104,345
	Compensation Suspense Account	3,241,289	1,127,097
	Other Sundry Liabilities	28,952,619	300,799
	Head Office General Account	-	-
		1,915,418,402	**1,293,633,933**
11.1	**Provision for Investments**		
	General Provision	112,709,503	89,440,941
	Specific Provision	-	-
		112,709,503	**89,440,941**
12	**Retained Earnings**		
	Opening Balance	-	-
	Add: Transferred during for the year	-	-
	Retained earnings transferred to central operation	-	-
	Effect of changes in exchange rate	-	-
		-	-

		2024 Taka	2023 Taka
13	**Investment Income**		
	Term Investment	1,278,115,223	887,046,623
	Bills purchased & Discount	-	-
	Others	-	-
	Interest on Investment	**1,278,115,223**	**887,046,623**
	Income on balance with other banks and financial institutions	-	1,312,500
	Islamic Bond _Islami Banking	-	-
	Income received from foreign banks	-	-
	Total Interest income	**1,278,115,223**	**888,359,123**
14	**Profit paid on deposits, borrowings, etc.**		
	Profit paid on deposits	839,841,658	474,749,528
	Profit paid on local bank accounts	-	-
	Profit paid on Borrowings	29,499,187	6,545,664
		869,340,845	**481,295,192**
15	**Commission, exchange and brokerage**		
	Exchange Gain/(Loss)	74,476,785	25,776,159
	Income from Commission	152,203,191	113,548,401
	Income from Fees	86,527,535	57,670,318
	Income from Brokarage	-	-
		313,207,511	**196,994,878**
16	**Other operating income**		
	Income from Others	13,369,614	10,609,857
		13,369,614	**10,609,857**
17	**Salaries and allowances**		
	Basic pay	28,841,551	26,265,073
	Allowances	10,681,269	10,059,369
	Bonus	3,272,465	2,975,554
	Provident Fund and Welfare Fund	3,302,593	2,645,177
		46,097,878	**41,945,173**
18	**Depreciation and repair of Bank's assets**		
	Depreciation		
	Computer Equipment	477,740	410,128
	Computer Software	12,501,615	16,986,219
	Furniture and Fixture	988,933	627,199
	Office Equipment	460,328	322,825
		14,428,616	**18,346,371**
	Repair and Renovation		
	Premises	34,605	1,200
	Repair and Renovation Expense Supply Items	297,879	199,136
	Vehicles	81,412	138,482
	Repair Office Equipment	136,670	98,860
	Software Maintenance Charge	14,000	4,000
		564,566	**441,678**
		14,993,182	**18,788,049**
19	**Other Expenditure**		
	Fees, Commission and Charges	88,490	67,778
	Car Expense	2,930,053	2,003,890
	Medical Expense	1,422,989	1,289,991
	Other expense	15,374,876	12,460,470
		19,816,408	**15,822,129**
20	**Provision for Investments**		
	Provision for Classified Investments	-	-
	Provision for Unclassified Investments	112,709,503	89,440,941
		112,709,503	**89,440,941**
21	**Other Provision**		
	Provision for Off Balance Sheet Exposure	90,868,610	92,957,501
		90,868,610	**92,957,501**



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UCB STOCK Brokerage Limited



Company Profile

UCB Stock Brokerage Ltd., a fully-owned subsidiary of United Commercial Bank PLC, is the largest stock broker in Bangladesh with the most extensive branch network with 26 outlets nationwide. Since its inception in June 2013, the company has been actively providing comprehensive brokerage, research, and financial advisory services. UCB Stock Brokerage Ltd. currently holds the largest market share in terms of Dhaka Stock Exchange (DSE) turnover, underscoring its leadership and strong presence in the capital market.

UCB Stock Brokerage Ltd. has demonstrated remarkable growth and market leadership since its inception. In its first year of operation, the company debuted at rank #102 on the Dhaka Stock Exchange (DSE), with a modest market share of 0.4%. By 2015, it had climbed to rank #63, with its market share increasing to 0.6%. This upward trajectory continued steadily, and by 2020, the company had reached second position with a 4.4% market share. In 2021 and 2022, UCB Stock Brokerage Ltd. achieved the top rank, recording market share of 4.5% and 5.9%, respectively. Since 2022, the company has consistently maintained its #1 position—a testament to its unwavering commitment to excellence, innovation, and delivering value to investors. As of 2024, the company commands a 7.1% share of the DSE market turnover, further cementing its leadership in the industry. The company's success can be attributed to the following few factors –

- From the outset, UCB Stock Brokerage Limited envisioned becoming one of the leading brokerage firms in Bangladesh. To realize this vision, the company established both short-term and long-term strategies, continuously adapting them in response to the evolving market landscape.
- A key driver of this success has been the company's focus on placing the right people in the right roles. This strategic alignment of talent enabled effective execution of business plans and the achievement of organizational goals. Strong leadership further ensured a motivated and unified workforce working toward a common vision.
- Throughout its growth journey, UCB Stock Brokerage Limited has remained fully compliant with regulatory frameworks, reinforcing its reputation for integrity and reliability.
- The company has consistently demonstrated agility and resilience by proactively identifying and capitalizing on growth opportunities, even in challenging market conditions—allowing it to exceed expectations and reach new milestones year after year.
- Over the years, the company has earned a reputation as one of the most trusted service providers by exceeding investors' expectations.

UCB Stock Brokerage Limited has a six-member Research team including three CFA charterholders. The team serves US-based investors under a chaperone agreement. The team is also serving Europe based investors as per MiFID II. With its strong compliance and top-notch research, corporate access and execution services, UCB Stock Brokerage Limited is playing a key role in bringing large foreign portfolio investment in Bangladesh from the United States, Europe, and Asia.

UCB Stock Brokerage Limited has a forward-looking approach in information technology arena. The company is in the process of implementing Order Management System (OMS) and complete operational automation through ERP. The company has already implemented cloud-based data management system. The company has unveiled a bespoke research portal on its website, elevating the dissemination of research reports and extending its reach to a diverse array of customers.

In response to the talent gap in the capital market, UCB Stock Brokerage Limited enhanced its efforts in workforce development throughout 2024. This included hiring 35 skilled professionals and conducting 23 local and 2 international training programs aimed at building



and nurturing employee competencies. These initiatives reflect the strategic focus on building a dynamic, innovation-driven team capable of advancing organizational growth.

Moreover, the company developed Human Resource Information System (HRIS) to increase the overall efficiency of the workforce by creating an organized structure for managing human resources. The company also developed and made enhancements to the employee app portal this year. Looking ahead, the company plans to implement a performance management module by mid-2025 to strengthen employee evaluation and development practices.

In 2024, UCB Stock Brokerage Ltd. significantly strengthened its digital marketing efforts to broaden its client base and boost brand visibility. These initiatives delivered impressive results, marked by a sharp increase in social media engagement and solidified its leading position in digital presence within the brokerage industry. Beyond digital engagement, the company continued to prioritize community involvement, particularly in the areas of education and youth development.

The company also earned several prestigious accolades in 2024, including the Quality Choice Prize from the European Society for Quality Research (ESQR), the Global CEO Excellence Award, and recognition from CIO World as one of the "Most Remarkable Leaders Transforming Capital Markets." Additionally, the company achieved ISO 9001:2015 certification for Quality Management System Excellence.

UCB Stock Brokerage Limited is cataloged as TREC Holder with both the stock exchanges in Bangladesh - Dhaka Stock Exchange Limited (TREC No.: 181) and Chittagong Stock Exchange Limited (TREC No.:015). It is also a Depository Participant of Central Depository of Bangladesh Limited and provides allied services under the Rules & Regulations of Bangladesh Securities and Exchange Commission. The registered office of the company is located at Bulus Center, Level-17, Plot CWS (A) 1, Road-34 Gulshan, Dhaka-1212. The company was incorporated in Bangladesh as a private limited company under the Companies Act 1994.

Our Mission, Vision & Core Values

Core Values

- **Trust:** We build trust through our every action
- **Accountability:** Ensuring responsibility and conformity
- **Respect:** Treat everyone with respect and courtesy
- **Integrity:** We are honest, open, ethical and fair
- **Quality:** What we do, we ensure quality

Mission

- Exceed investors' expectations
- Be the leading source of Capital Market Research
- Operate state of the art technologies for efficient operations and superior customer service
- Be the most ethical and compliant Capital Market player
- Develop human capital for organized growth and constructive customer relationship
- Promote gender diversity, environmental consciousness and care for the community

Vision

To be the preferred Brand for Stock Broking in Bangladesh Capital Market.

Board of Directors



Mohammad Mamdudur Rashid
Chairman



Dr. Toufic Ahmad Choudhury
Independent Director



Faruk Ahammad FCA
Director



Mohammad Fazlul Qader
Director



Mohammed Rahmat Pasha
MD & CEO

Profile of the Board of Directors



Mohammad Mamdudur Rashid
Chairman

With a remarkable career spanning more than three decades in the banking industry, Mr. Mohammad Mamdudur Rashid has joined United Commercial Bank PLC as Managing Director & CEO. During his tenure at NCC Bank PLC, where he most recently assumed the role of Managing Director and Chief Executive Officer, Mr. Rashid played a pivotal role in expanding the bank's international trade portfolio and enhancing its standing in the banking market, thereby contributing to its growth. Notable achievements under his leadership include NCC Bank's recognition as Bangladesh Bank's Best Primary Dealer and Global Brand Magazine's recognition as the fastest-growing brand in 2023. With his guidance, NCC Bank was able to successfully implement Islamic banking.

Mr. Rashid entered the banking industry in 1995 with Citibank-Bangladesh and has held various leadership positions in Bangladesh, India, and Australia since then. His extensive knowledge spans several departments, including HR, General Services, Risk, Operations, Compliance, Business and Credit.

Prior to this, Mr. Rashid was a prominent figure in the Banking industry, having held roles such as Chief Financial Officer, Strategic Head for the SME business, and Additional Managing Director at United Commercial Bank PLC (UCB) and BRAC Bank, respectively. During his fifteen years at Citibank, Bangladesh, Mr. Rashid held several roles, including COO of Citibank-Bangladesh and Head of Strategic Planning for Citibank's institutional banking in New Zealand and Australia. At BRAC and BRAC International, he was also the group chief financial officer.

Mr. Rashid received the Vice Chancellor's Gold Medal while earning his Master of Business Administration (MBA) from the University of Dhaka's Institute of Business Administration (IBA). While a Fulbright Scholar at Brandeis University in the United States, he received a Master of Arts degree in international finance and economics. He is also a Fellow of CPA Australia (FCPA). He has a plenty of domestic and international leadership and technical training under his belt.

In addition to his banking career, Mr. Rashid has earned the President's Gold Medal at the Marine Academy in 1985 and served as a Merchant Mariner, while also teaching Finance at IBA.



Dr. Toufic Ahmad Choudhury
Independent Director

Mr. Dr. Toufic Ahmad Choudhury is currently serving as the Director General of the Bangladesh Academy for Securities Markets (BASM), academic wing of Bangladesh Securities and Exchange Commission (BSEC). He is also an Independent Director at UCB Stock Brokerage Limited.

He is a former independent director of Eastern Bank PLC, a former member of the Board of Directors of Microcredit Regulatory Authority (MRA) and Institute of Public Finance (IPF) of MOF, GOB.

Earlier, he served as the Director General of the Bangladesh Institute of Bank Management (BIBM) for eight years, having joined BIBM as a Lecturer in 1981 and rising to the position of Professor in 1997. He also served as the General Secretary of the Bangladesh Economic Association during the 2010–2014 term.

Dr. Choudhury achieved his Ph.D. in Financial Economics from Himachal Pradesh University, Shimla, India, under the Indian Commonwealth Scholarship. He completed his M.Sc. in Economics in 1979 from Jahangirnagar University, after which he began his career as a Junior Research Analyst in a research project at the Bangladesh Institute of Development Studies (BIDS).

He has attended numerous professional training programs conducted by international institutions such as the IMF Training Institute, Toronto Centre (Canada), Citibank N.A. (USA), College of Agricultural Banking of RBI (India), and Standard Chartered Bank (Thailand). He has authored and published more than 50 research articles in various national and international journals.



Faruk Ahammad FCA
Director

Mr. Faruk Ahammad, FCA, a prominent banker, has recently been promoted to the position of Deputy Managing Director at United Commercial Bank PLC. Prior to this promotion, he served as Senior Executive Vice President and CFO of the bank.

With over 25 years of versatile experience in various industries such as financial services, manufacturing, capital market, and telecommunications. He began his professional journey at IPDC and went on to hold senior management strategic roles in different organizations.

Mr. Ahammad's professional history includes serving as the Chief Internal Auditor (CIA) of Prime Bank Limited, Chief Financial Officer of the City Bank Limited and BRAC Bank Limited, Company Secretary of BRAC Bank Limited, Director of Finance of Edocto Bangladesh Company Limited (a subsidiary of Axiata Group Malaysia), Managing Director and CEO of Apex Investments Limited, and Group Chief Operating Officer of Saad Musa Group of Industries.



Mohammad Fazlul Qader
Director

A seasoned treasury and correspondent banking professional with over 21 years of experience across leading local and international banks including Eastern Bank PLC, Habib Bank Limited (HBL) and United Commercial Bank PLC. Currently serving as the Head of Treasury at UCB, he has a strong track record in end-to-end treasury management, liquidity and market risk management, offshore banking, and international trade finance.

He possesses extensive, hands-on expertise in Money Market, Foreign Exchange, Asset Liability Management, price arbitrage, Fixed Income Securities, and Derivative instruments including IRS, SWAPs and Forwards, and delivering tailored treasury solutions to corporate clients. Adept at corporate sales of treasury & trade products including strategic leadership in offshore baking, he used to tactically manage EBL's only foreign subsidiary from Dhaka. In the financial institutions domain, he has collaborated closely with key Development Financial Institutions such as IFC, ADB, DEG, FMO, PROPARCO, OeEB, and IsDB.

Being a respected industry resource, he has played important role in talent sourcing & development—serving as a regular interviewer and trainer in the banks he served, a resource person for the Bangladesh Association of Banks, and a guest trainer at the Bangladesh Institute of Bank Management (BIBM). A business graduate of the University of Dhaka, he has travelled to Italy, Switzerland, Germany, the UAE, Saudi Arabia, Japan, Malaysia, Thailand, the UK, Indonesia, and India for both professional and personal engagements."



Mohammed Rahmat Pasha
MD & CEO

Mr. Mohammed Rahmat Pasha is a highly experienced professional with an impressive career spanning over 35 years. With 23 years expertise in the banking industry, he brings a wealth of knowledge and insights to his role. Since joining UCB Stock Brokerage Limited as the Chief Executive Officer (CEO) in March 2016, he has been instrumental in leading the organization to new heights of success. Prior to his tenure at UCB Stock, Mr. Pasha served as the CEO of BRAC EPL Stock Brokerage Ltd for five years. With a strong foundation in banking, Mr. Pasha's career began at The City Bank Ltd, where he spent eight years gaining valuable experience and knowledge. He then joined BRAC Bank Limited as the Head of Treasury and Financial Institutions, a position he held for a decade. During this time, Mr. Pasha displayed his expertise in treasury and financial institutions, playing a pivotal role in shaping the bank's strategies and driving its success. Mr. Pasha's commitment to professional growth and development is evident through his participation in numerous training programs and workshops, both domestically and internationally. By actively staying informed about industry trends and best practices, he remains at the forefront of the rapidly evolving financial landscape. Mr. Pasha holds a Post-Graduation degree in Management from the University of Dhaka and an MBA from NIBM, Chennai, India. This strong educational foundation, combined with his extensive practical experience, has equipped him with a comprehensive skill set and a deep understanding of the complexities of the financial sector.

Directors' Report

Dear Shareholders:

The Directors of UCB Stock Brokerage Limited take the pleasure in presenting the annual report together with the audited financial Statements for the year ended December 31, 2024.

Striding with Economic Recovery

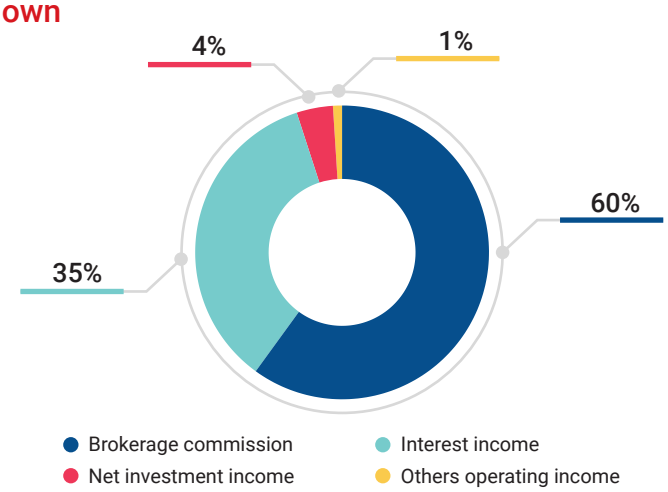
The year 2024 marked a significant turning point in Bangladesh's economic and political landscape. Following the departure of the previous government, an interim administration assumed office on August 5th, 2024, with a clear goal to implement reforms. The transition, however, brought a period of heightened uncertainty, as political tensions from the previous government compounded macroeconomic challenges. Despite these headwinds, the interim government's prudent policies and reform-driven agenda played a pivotal role in steering the economy back onto a path of recovery. Amidst this evolving environment, UCB Stock Brokerage Limited stood out as a beacon of resilience. Demonstrating remarkable strength and adaptability, the company seized growth opportunities and once again secured its prestigious 1st position in total DSE turnover for 2024—a testament to its unwavering leadership in the market.

Throughout 2024, Bangladesh's capital market faced major correction driven by the removal of floor prices, the proposed capital gains tax, and heightened political tensions. Following the regime change, the newly appointed BSEC board has initiated proactive reforms to revive the capital market and reinforce good governance practices. Aligned with the BSEC's reform-oriented vision, we remained steadfast in our commitment to delivering exceptional service to our clients. Our specialized departments, tailored to specific customer segments such as retail, high net worth individuals, and local and foreign institutions, empowered us to provide bespoke services that catered to diverse needs. Despite the economic and market slowdown, our efforts bore fruit, with 3,555 new Beneficiary Owners (BO) accounts opened, bringing the total number of active BO accounts to 18,566. Furthermore, our proactive customer portfolio expansion strategy yielded positive results, with our market share standing at 7.1% in 2024.

Expanding beyond our domestic operations, we have focused on tapping into the foreign client segment, a strategic move to broaden our market reach. Hosting analyst roadshow meetings with US investors keen on frontier markets reflects our proactive approach in attracting international interest. We believe that these interactions will pave the way for establishing fruitful relationships with foreign clients, especially as market conditions stabilize.

Despite encountering macroeconomic headwinds and sector-specific challenges, our company remained steadfast and resilient in its operations. We remained agile in responding to sector-specific challenges by providing immersive customer services, new customer acquisition and exploring new opportunities for growth. Our ability to weather these challenges speaks to the strength of our business model and the dedication of our team.

Revenue Breakdown



Key Financials

Particulars	2020	2021	2022	2023	2024
Shareholders' Equity	2,604,299,552	3,355,555,814	3,764,909,779	4,063,412,608	4,199,982,759
Total Assets	9,355,783,150	10,308,204,546	9,972,452,795	10,583,012,077	11,573,631,596
Total Liabilities	6,751,483,598	6,952,648,732	6,207,543,016	6,519,599,469	7,373,648,837
Net Revenue from Brokerage	275,731,395	644,240,676	699,035,845	507,612,217	510,944,719
Net Interest Income	285,776,209	408,878,704	539,680,311	556,666,941	298,363,745
Net Profit After Tax	89,997,578	251,256,262	409,353,965	298,502,829	136,570,151
Return on Assets	0.96%	2.44%	4.10%	2.82%	1.18%
Return on Equity	3.46%	7.49%	10.87%	7.35%	3.25%
No. of Shares	20,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Adjusted EPS* (BDT)	3.60	10.05	16.37	11.94	5.46

**During 2021, number of shares increased to 25,000,000 from 20,000,000 and adjusted EPS is calculated based on current number of shares.*

Transaction Status with Related party (United Commercial Bank PLC (Parent Co.) as of 31 December, 2024

Nature	Amount (BDT)
Overdraft Loan– General	1,204,109,500
Overdraft Loan– BB Scheme	393,462,029
Cash at Bank	721,474,352

Shareholding Structure of UCB Stock Brokerage Limited

Name of the Owner	Amount (BDT)
United Commercial Bank PLC	2,499,999,900
Mr. ATM Tahmiduzzaman, FCS	100

World Economy

Global GDP (Gross Domestic Product) growth, the primary indicator used to assess the overall economic activity of nations, stabilized in 2024 at an estimated 3.2%. This marked a modest improvement from the subdued growth experienced in the previous year and reflected the gradual normalization of global economic conditions.

Inflationary pressures remained persistent in 2024, with global headline inflation easing from 6.7% in 2023 to 5.8%, according to the IMF (International Monetary Fund). While this marked a step toward stability, inflation continued to exceed central banks' targets in many regions. Core inflation also proved sticky, and both households and businesses felt the strain of elevated prices, which weighed on real incomes, profit margins, and overall economic sentiment. However, due to the recent start of trade war, along with the risks of economic turmoil associated with it, commodity prices may decline in 2025 with IMF predicting an inflation rate of 4.2% which could be revised further downwards as commodity prices are expected to decline more than previously expected.

The global economic landscape in 2024 unfolded unevenly across regions. Advanced economies experienced an estimated growth rate of 1.7%, while emerging markets grew by 4.2%. In advanced economies, the United States outperformed expectations, with strong economic activity prompting an upward revision in its growth forecast. In contrast, several major European countries recorded weaker-than-anticipated performances, resulting in downward adjustments to their outlooks. Among emerging markets and developing economies, outcomes were mixed. The Middle East and Central Asia, along with sub-Saharan Africa, faced setbacks due to disruptions in commodity production and

shipping—particularly oil, combined with conflicts, civil unrest, and extreme weather events. Meanwhile, emerging Asia experienced an acceleration in growth, driven by surging demand for semiconductors and electronics, bolstered by substantial investments in artificial intelligence.

As we enter 2025, the global economic outlook is uncertain, with trade wars and ongoing conflicts contributing to instability. The IMF has predicted 3.3% growth globally for the year, though this forecast is likely to be downgraded.

GDP Growth Projection	2022	2023	2024E*	2025F**	2026F**
World	3.6%	3.3%	3.2%	3.3%	3.3%
Advanced Economies	2.9%	1.7%	1.7%	1.8%	1.8%
EMDE	4.0%	4.4%	4.2%	4.2%	4.2%

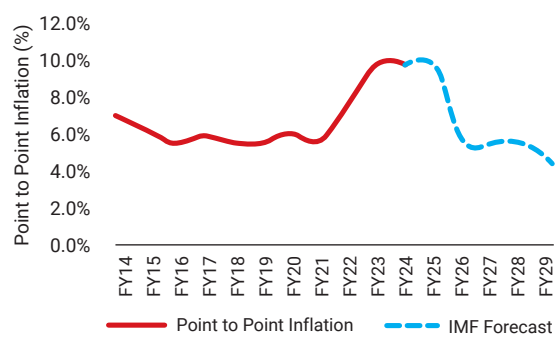
**Estimated*
***Forecasted*
Source: International Monetary Fund

Bangladesh Economy

Bangladesh's economic performance in 2024 reflected a mixed outlook, shaped by both political instability and early signs of recovery. In 2022 and 2023, the country grappled with a depreciating currency, dwindling foreign exchange reserves, and stringent import restrictions. However, following a change in leadership, the new government began implementing reforms across key sectors, establishing reform commissions to address structural challenges. These efforts helped stabilize the foreign exchange reserve and led to the easing of import restrictions. Despite these positive developments, ongoing transition period continued to weigh on the economy, with GDP growth reaching only 4.5% in the second quarter of FY25.

To address liquidity challenges and stabilize the financial sector, Bangladesh Bank restructured the boards of several banks, provided liquidity support to cash-strapped institutions, and launched a forensic audit of 12 banks. These actions halted the deterioration of the affected banks' financial health and helped restore public confidence in the banking system.

Inflation remained a significant challenge in Bangladesh in 2024, with the average rate reaching 10.3% for the year. To combat this inflation, Bangladesh Bank (BB) implemented a contractionary monetary policy to address these challenges. BB raised the policy rate by a significant 225 basis points (bps) from 7.75% to 10.0% during 2024. Moreover, the interim government took steps to control inflation by withdrawing tariffs on key imports and cutting non-essential public expenditures. These measures helped bring down inflation to 9.3% in February 2025.



Exchange rate volatility—a key driver of rising inflation—has also declined, with the taka stabilizing at BDT 122 per USD. As of February 2025, the current REER of BDT stands at 101.86, indicating that the currency is fairly valued, dissipating any further risks of major currency depreciation.

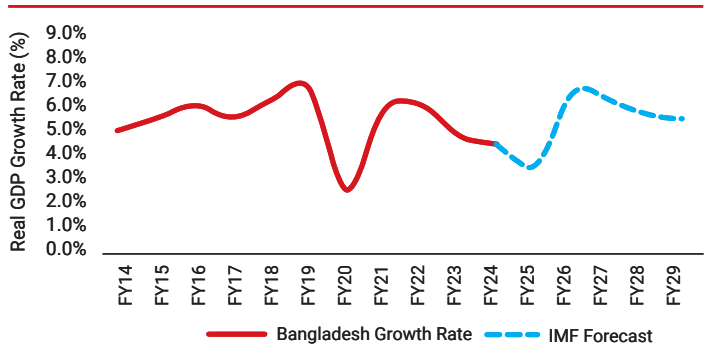
These events, along with the recent downward momentum in global commodity prices, mean that inflation is expected to decline to 8.2% by June 2025, according to the latest projection from Bangladesh Bank. The central bank has indicated to the IMF that they will begin reducing the policy rate once inflation falls below 8.0%. Inflation for 2026 is expected to be around 5.0%, according to the IMF.

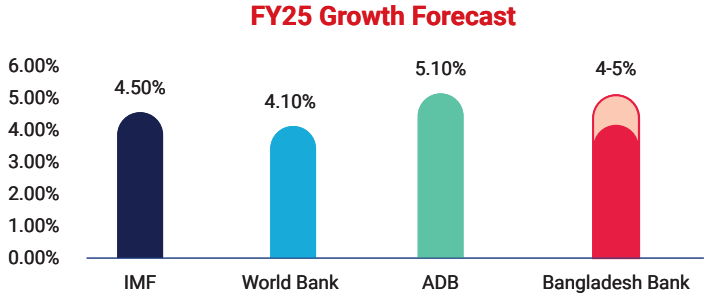
Despite ongoing challenges, Bangladesh's economic fundamentals remain resilient, supported by continued reform efforts, strong remittance inflows, and a robust export sector. In 2024, remittances hit a record high of USD 26.9 billion, significantly boosting household consumption and investment. Exports also performed strongly, reaching USD 50 billion, driven largely by the apparel industry. In March 2025, remittances surpassed the USD 3 billion mark for the first time in the country's history, underscoring the strength of external income flows.

These developments have led to a significant improvement in Bangladesh's external balances, with the current account deficit for FY25 (up to February) narrowing from USD 4.07 billion to just USD 1.27 billion. Additionally, the financial account turned positive,

reaching USD 1.42 billion in FY25 (up to February). As a result, Bangladesh has effectively reversed the declining trend in its foreign exchange reserves, stabilizing them at around USD 20 billion (BPM6) while also clearing overdue external payments.

These improvements have led to a full normalization of external trade in Bangladesh, with importers now able to open letters of credit (LCs) without difficulty, supporting a rebound in industrial activity and domestic output growth. Bangladesh's strong macroeconomic fundamentals and resilient export performance have historically been key drivers of its economic expansion. We believe these fundamentals remain intact, providing a stable foundation for real GDP growth, which stood at 5.4% in FY24 and is projected to remain in the range of 4.0% to 5.0% in FY25.





Source: Different Sources of Related Organization

Risk and Concerns

Category	Risk Title	Risk Statement
Margin Loan Risk	Default Risk	Borrower's failure to repay margin loan. The risk arises from cash crunch, over exposure, borrower's willful non-payment etc.
	Recovery Risk	Failure to recover outstanding amount after a client becomes defaulter. The risk arises from decline in collateral value, not making timely margin calls, and owner's poor net worth.
	Concentration Risk	Concentration risk results from concentration in a particular client/ group or sector if any such heavily concentrated client or group becomes defaulter or if such a heavily concentrated sector is affected negatively due to macroeconomic event/geopolitical reason or regulatory guidelines.
Market Risk	Interest Rate Risk	Impact of changes in interest rate on the company's net interest income from margin loan. The risk arises from erroneous spread calculation.
	Equity Price Risk	Adverse changes in the value of investment due to price volatility. The risk arises from macroeconomic instability, market volatility, political unrest and under performance of investee company, among other factors.
Liquidity Risk	Funding Liquidity Risk	Inability to carry out necessary funding transactions due to asset liability mismatch. Arises from delays in settlement of trades.
	Market Liquidity Risk	Limited access to funds due to changes in external factors. The risk can arise from concentrated investments, investment in highly illiquid assets, etc.

Category	Risk Title	Risk Statement
Operational Risk	People Risk	The risk of loss intentionally or unintentionally caused by employees. The risk arises from employee error, employee defection, internal fraud, etc.
	Process Risk	Related to the execution and maintenance of transactions and the various aspects of running a business. The risk arises from incomplete / inadequate legal documentation, collateral management failures, data entry failures, etc.
	System Risk	The risk of loss caused by piracy, theft, failure, breakdown or disruption in technology, data or information. The risk arises from hardware and software failures, telecommunication problems and utility outages.
	External Risk	The risk of loss on account of damage to physical property or assets from natural or unnatural causes. Sources of the risk are natural disasters, political unrest, regulatory change and external fraud.
Strategic Risk	Strategic Positioning Risk	Risk of losing business volumes and margins due to improper positioning. The risk may arise from changing demographics, economic factors, organizational structure, competition and changes in regulation.
	Strategy Implementation Risk	Risk of losing business volumes and margins due to improper implementation of the strategies considered. The risk can arise from work processes, procedures and lack of proper/adequate human resources and IT infrastructure.
Technology Risks	System Failure Risk	Unavailability of business critical systems. The sources are: Infrastructure, Platform, Software, Malicious Intrusion, Human Error and Cyber Attack.
	Information Security Risk	Leak/disclosure of business critical sensitive Information. The sources are: People, Process, Third Party Vendor, Malicious Intrusion, Human Error, and Cyber Attack.
	Business Continuity Risk	Interruption/unavailability of business critical systems which can occur from Natural disasters, Hazards (e.g. Fire), Vendor, Technology Obsolesces, Malicious Intrusion, Cyber Attack.
Legal Risk	Compliance Risk	Risk of legal sanction and material financial loss suffered. The risk arises from violations or non-compliance, lack of or inadequate compliance with contractual obligations and other legal documentation and pending litigations.
Other Risks	Environmental and Social Risk	The probability that operational activities of a particular client/ industry would negatively affect the environment and the community of the operational zone as well as neighboring area. We might face loss if client has to stop operation due to regulatory intervention.
	Reputation Risk	The risk of potential or actual damage to the company's image which may impair profitability and/ or sustainability of its business. Arises from actions and word-of-mouth of internal and external stakeholders, various media platforms operational hindrances and technological disruptions

Capital Market

Throughout 2024, Bangladesh's capital market navigated a series of significant challenges, driven by political transition, regulatory restructuring, and ongoing economic uncertainty. The Dhaka Stock Exchange's broad index, DSEX, underwent a sharp correction, closing the year at 5,216 points—down by 1,030 points. Early in the year, the removal of floor prices triggered market volatility, further compounded by the proposed capital gains tax and episodes of political unrest. However, the withdrawal of the floor price led to a slight improvement in market liquidity, with average daily turnover rising by 9.3% to BDT 6.3 billion, up from BDT 5.8 billion in the previous year.

In response to the persisting challenges, the Bangladesh Securities and Exchange Commission (BSEC) formed a five-member task force focused on capital market reforms. The task force has already proposed key amendments to margin rules, mutual fund regulations, and IPO guidelines. Additionally, the new BSEC board has taken a firmer stance on market integrity, penalizing several market manipulators while advancing governance reforms.

Tight monetary policies introduced by Bangladesh Bank to combat inflation resulted in rising interest rates, subdued the improvement of liquidity in the capital market. However, with inflation beginning to ease and the economy showing signs of recovery, interest rates are expected to decline in the coming months. Notably, foreign portfolio investment has turned to positive since the regime change, providing further optimism.

Looking ahead, the market is expected to gain momentum in 2025, supported by early signs of economic recovery, structural reform initiatives, and an economy on the path to stabilization. With a more proactive regulatory environment and improving macroeconomic indicators, investor confidence is likely to strengthen in the coming months.

Capital Market Statistics

Date	Turnover (BDT bn)*	Market Cap (BDT bn)	DSEX	DSEX Change YoY	DSES	DSEX Change YoY	DS30	DS30 Change YoY
31-Dec-24	1,478	6,626	5,216	-16.49%	1,169	-14.30%	1,940	-7.35%
31-Dec-23	1,411	7,808	6,246	0.64%	1,364	0.37%	2,094	-4.60%
31-Dec-22	2,030	7,603	6,207	-8.13%	1,359	-5.03%	2,195	-13.34%
31-Dec-21	3,540	5,422	6,757	25.08%	1,431	15.22%	2,533	28.95%
31-Dec-20	1,350	4,482	5,402	21.31%	1,242	24.23%	1,964	29.78%

**Total annual turnover*
Source: Dhaka Stock Exchange

State of the Company's Affair

UCB Stock Brokerage Limited is currently the fastest growing brokerage house in Bangladesh. The company started its commercial operation in 2013 with a highly experienced and proficient management team with the aim of offering top quality brokerage service to the institutional and individual investors (including NRBs) in Bangladesh as well as foreign institutions and individuals of home and abroad. Despite a late start, UCB Stock Brokerage Limited has established a sizeable customer base and a solid reputation within the industry. Currently, the company is the largest brokerage company in terms of trade volume. The company is a TREC holder with both the stock exchanges in Bangladesh; Dhaka Stock Exchange Limited (TREC No.: 181) and Chittagong Stock Exchange Limited (TREC No.:015).

The company is also a Depository Participant of Central Depository of Bangladesh Limited and provides allied services under the Rules & Regulations of Bangladesh Securities and Exchange Commission. Moreover, the company provides top quality equity research and margin facilities for clients. UCB Stock Brokerage Limited has a branch network of 26 outlets across Bangladesh.

Business Operation

The key operation of UCB Stock Brokerage Limited is to provide brokerage service to its clients both under Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

Role and Responsibility of the Board

The Board is devoted to the Company and enthusiastic about achieving sustainable long-term prosperity by meeting stakeholders' expectations. The Board is determined to ensure the best practices in accordance with statutory requirements.

Board of Directors	Status in Board	Status in Parent Company
Mr. Mohammad Mamdudur Rashid	Chairman	Managing Director
Mr. Toufic Ahmad Chowdhury	Director	Independent Director
Mr. Faruk Ahammad, FCA	Director	Deputy Managing Director & CFO
Mr. Mohammad Fazlul Qader	Director	Executive Vice President

Credit Rating

With a view to safeguarding the interest of the prospective investors, depositors and creditors and improving the functioning of the capital market of the country, we assigned ARGUS Credit Rating Limited for conducting the credit rating on UCB Stock Brokerage Limited.

Credit Rating was conducted based on audited Financial Statements current as on April 08, 2024 and previous April 11, 2023. The rating report is summarized as under;

Credit Rating	Current	Previous
Long–Term	A+	A+
Short-Term	ST-2	ST-2
Publishing date	09 May, 2024	25 May, 2023

Operating Performance

Particulars	2020	2021	2022	2023	2024
Income	585,541,580	1,161,936,989	1,279,289,420	1,114,684,283	851,610,728
Expenditure	255,199,017	480,700,966	468,036,667	524,388,927	529,873,971
Operating Profit	330,342,564	681,236,023	811,252,753	590,295,356	321,736,758

Observance of BAS, BFRS & Applicable Laws

The Company keeps accounting records which disclose with reasonable accuracy of the financial position of the Company and it is the responsibility of the directors to ensure that the financial statements comply with the Companies Act 1994 and the Securities and Exchange Rules 2020. The Directors also confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards, Bangladesh Financial Reporting Standards and other applicable rules and regulations.

Accounting Policies and Maintenance of Books of Accounts

As required by the regulators the company prepared financial statements, used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all International Accounting Standards as adopted by the Institute of Chartered Accounts of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts which have been maintained properly as required by the applicable rules and regulations.

Auditors Appointment

Pursuant to Section 210 of the Companies Act, 1994, the Company's statutory auditors 'ACNABIN' was appointed as the independent auditor of the Company for the year 2024 in its Annual General Meeting.

Acknowledgement

On behalf of the Board of Directors, I take the opportunity to express our heart-felt appreciation and gratitude to our customers, business partners and shareholders for their continuous support and confidence in UCB Stock Brokerage Limited. A special note of appreciation goes to the Management team and all the employees for their devotion, integrity, hard work and professionalism. My sincere thanks also go to Securities and Exchange Commission, Bangladesh Bank, Dhaka and Chittagong Stock Exchanges, retail & institutional investors, and all other regulatory bodies who were involved in the growth of this Company for their invaluable assistance, support, guidance and counsel.

I, on behalf of the Board of Directors



Mohammad Mamdudur Rashid
Chairman
UCB Stock Brokerage Limited

Management Discussion & Analysis

Dear stakeholders,

As we reflect on the past year, it is evident that 2024 was another challenging year for the entire market. However, despite the challenges, we are pleased to announce that UCB Stock Brokerage Limited has managed to hold on to our position as the top stock broker in the country. Our success is a testament to our resilience and adaptability in the face of adversity.

Steady Hands in a Storm - Maintaining #1 Rank Amidst Bangladesh's Market Volatility

In 2024, Bangladesh's capital market endured a challenging year, with the DSEX—the benchmark index of the Dhaka Stock Exchange—closing at 5,216 points, marking a 16.49% decline from the beginning of the year. The downturn was primarily triggered by the withdrawal of floor prices, a long-anticipated move that initially disrupted market stability. This volatility was further intensified by the proposed capital gains tax and political uncertainty. Despite these challenges, a notable bright spot emerged: market liquidity improved. With the removal of the floor price—previously a major constraint on market liquidity—average daily turnover rose by 9.3%, reaching BDT 6.3 billion, up from BDT 5.8 billion in the previous year.

Amidst the trials of the market, our unwavering commitment to excellence in client service remained steadfast. Our diligence bore fruit as we welcomed 3,555 new Beneficiary Owners (BO) accounts, bolstering our active BO accounts to 18,566. Furthermore, our proactive approach to broadening our customer base yielded significant results, reflected in our increased market share, climbing to an impressive 7.1% in 2024. Thus, we proudly maintained our position as #1 broker in 2024.

We have conducted an analyst roadshow in 2024 where we have met with US clients with substantial exposure in frontier markets. We foresee these interactions as pivotal in fostering fruitful relationships with foreign clients, particularly as market conditions stabilize and opportunities arise.

Embracing the Future: Digital Transformation Enhances Stakeholders' Experience

We remain firmly committed to embracing the latest technological advancements to streamline our services and enhance client convenience. With customer-centricity at the heart of our approach, we are consistently working to deliver seamless, user-friendly digital experiences in our brokerage services. As a part of this initiative, we have revamped our website offering easier access to information and services.

In addition, we are actively progressing toward the launch of our Order Management System (OMS), which will further enhance trading efficiency and client interaction. Our digital transformation strategy focuses on integrating technology across all customer touchpoints, ensuring a smoother, more intuitive experience. Through these innovations, we aim to expand our reach, improve cost efficiency, and reinforce our position as a market leader in the brokerage industry.

We are aware of the skilled human resource shortage in the capital market. Therefore, we implemented effective talent management strategies focused on acquiring, nurturing, and developing a high-performing workforce. In 2024, it acquired 35 new talented employees. Throughout the year, we arranged 23 domestic (local) training programs and 2 foreign (international) training programs for our employees. These programs helped them to garner knowledge and skills to excel in their roles. Therefore, the we aim to build a high-performance team by attracting top talent, fostering innovation, and enhancing employee engagement to drive organizational success.

We are committed to fostering development of human resources. In the preceding year, we launched Human Resource Information System (HRIS) to increase the overall efficiency of the workforce by creating an organized structure for managing human resources. In 2024, several enhancements were made to HRIS, including geo-fencing-based attendance tracking, automated notifications, and streamlined processes for Employee Claim Form (ECF) submissions, reimbursement notifications under the Reimbursement Utility Bill (RUB) system, and contract renewals.

Looking ahead, we plan to implement Performance Management System in HRIS to improve employee performance evaluation and management processes within June 2025. Our employee app portal was also upgraded with improved leave management features and a comprehensive employee directory. In 2023, we launched 'Ziksa', a dedicated portal designed to streamline and monitor employee training and coaching initiatives. This Learning Hub now offers 9 courses, with a new reporting feature to monitor progress and assessment results. Through this, we aim to cultivate a culture of continuous improvement, performance optimization, and long-term talent.

In 2024, we intensified our focus on digital marketing to expand our client base and enhance brand visibility. These efforts yielded strong results, with a significant rise in social media engagement—our LinkedIn follower count grew to nearly 17,000, while our Facebook community surpassed 27,000 followers. This level of audience engagement, compared to our competitors, reinforces our leading position in social media presence within the brokerage sector.

Beyond digital outreach, we remained committed to community engagement, particularly in education and youth development. As part of this commitment, we proudly sponsored and volunteered in Excelsior 2024—the nation's largest Microsoft Excel-based competition—organized by the North South University Finance Club. We believe that such initiatives not only amplify our brand presence but also reflect our dedication to supporting education, nurturing talent, and fostering professional growth within the communities we serve.

I am proud to share that UCB Stock Brokerage Limited has achieved with several prestigious awards and certifications in 2024, reaffirming our commitment to excellence, innovation, and ethical practices. We were awarded the Quality Choice Prize 2024 by the European Society for Quality Research (ESQR) in recognition of our unwavering dedication to delivering exceptional service with a strong emphasis on integrity and innovation.

In addition, we were recognized with the Global CEO Excellence Award for outstanding leadership and significant contributions to the financial sector. Furthermore, the renowned U.S.-based publication CIO World named UCB Stock Brokerage Limited among the "Most Remarkable Leaders Transforming Capital Markets in 2024," highlighting our innovative strategies and industry impact.

Further, reinforcing our commitment to quality, we achieved the ISO 9001:2015 certification for Quality Management System Excellence—an important milestone that highlights our adherence to the highest standards of operational efficiency and service delivery. These accolades are a testament to the relentless efforts of our team, whose dedication continues to drive our success. As we look ahead, we remain focused on maintaining these high standards and strengthening our position as a trusted leader in the brokerage industry.

In conclusion, the year 2024 was undoubtedly a challenging one for us all. However, our resilience and adaptability have enabled us to hold on to our position as the top stock broker in the country. We thank our customers, employees, and stakeholders for their unwavering support, and we remain committed to delivering quality services to our clients while contributing to society's development.

Key Stats of UCB Stock Brokerage Ltd.

Particulars	2020	2021	2022	2023	2024
Ranking in DSE	2	1	1	1	1
Market share in DSE turnover	4.40%	4.50%	5.90%	7.80%	7.05%
Number of clients	7,829	14,383	16,160	17,122	18,566
Growth	39.8%	83.7%	12.4%	6.0%	8.4%
Avg. Daily turnover by UCB STOCK (BDT Crore)	60.7	134.04	113.6	87.5	87.1
Growth	61.0%	120.8%	-15.2%	-23.0%	-0.5%
Profit Before Tax (BDT Crore)	28.9	55	71.8	57.3	31.9
Growth	37.0%	90.3%	30.5%	-20.2%	-44.3%

Acknowledgements and Appreciation

Despite the challenges we faced in 2024, UCB Stock Brokerage Limited capitalized on growth opportunities by widening customer base and cultivating customer-oriented strategies. This would not have been possible without the dedication and perseverance of our employees. I would also like to extend my sincere thanks to our Chairman and Board of Directors for their invaluable guidance and leadership. Their unwavering support has been critical to our success, and we are grateful for their continued partnership. I would also like to acknowledge and thank all the regulatory bodies for creating an enabling environment that has allowed us to carry out our responsibilities in a sustainable and confident manner. Lastly, I want to thank our clients for their trust and loyalty in our services. Your support and partnership have been instrumental in our growth and success.

Looking ahead, I am confident that we will continue to thrive as we navigate the new challenges and opportunities that lie ahead. If we approach each new step with a passion for winning, a commitment to building new capabilities, and a mindset that prizes innovation, I have no doubt that we will continue to achieve great things together.

Best wishes,



Mohammed Rahmat Pasha
Managing Director and CEO

Independent Auditor's Report
To the Shareholders of UCB Stock Brokerage Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UCB Stock Brokerage Limited, which comprise the statement of financial position as at 31 December 2024, 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 and other explanatory 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 2024, 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 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 the requirements. 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 the facts as disclosed in follows:

i. In note # 18 to the financial statements, which describes that as per BSEC Press Release No. BSEC/MUKHAPATRO/02/2024/106 dated 24 April 2025, the Company should maintain provision against negative equity in the portfolio account of the margin loan Clients of the Company up to 31 December 2025, and must prepare a specific and acceptable action plan for maintaining such provisions, obtain approval from its Board of Directors, and submit it to the Commission by 30 June 2025.

ii. As per Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, Board composition of the holding company shall also be applicable to the composition of the Board of the subsidiary company. And in BSEC/CMRRCD/2009-193/66/PRD/148 dated 16 October 2023, 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. However, the Company did not comply with the said directive.

Our opinion is not modified in respect of these matters

Other Information

Management is responsible for the other information. The other information comprise all the information but doesn't include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 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 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 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.

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, related safeguards.

Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 2020 and the other applicable laws and regulations. We, as required by law, further report that:

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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements 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 account and returns.

Dhaka,
22 April, 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC:2504300787AS221620

UCB

UCB Stock Brokerage Limited

Statement of Financial Position

As at 31 December 2024

	31-Dec-2024 Taka	31-Dec-2023 Taka
ASSETS		
Non-Current Assets	**1,646,872,909**	**1,678,241,513**
Property, plant and equipment	1,112,112,492	1,115,243,822
Intangible asset	2,072,581	2,480,761
Right of Use (RoU) assets	39,722,812	56,091,353
Capital work-in-progress	237,813	11,777,819
Investments	491,804,021	491,804,021
Deferred tax asset	923,189	843,738
Current Assets	**9,926,758,687**	**8,904,770,564**
Advances, deposits and prepayments	559,955,164	308,272,920
Loan to customers	6,899,048,714	6,662,965,525
Investment in marketable securities	661,686,118	599,552,349
Accounts receivable	73,884,289	142,283,083
Cash and Bank balances	1,732,184,401	1,191,696,686
TOTAL ASSETS	**11,573,631,596**	**10,583,012,077**
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	2,500,000,000	2,500,000,000
Retained earnings	1,601,426,542	1,490,864,390
Capital reserve	98,556,217	72,548,218
Shareholders equity	**4,199,982,759**	**4,063,412,608**
Non Current Liabilities	**32,619,224**	**41,878,691**
Lease liabilities	32,619,224	41,878,691
Current Liabilities	**7,341,029,613**	**6,477,720,778**
Short term loan	2,953,500,176	3,248,937,659
Accounts payable	3,159,858,069	2,186,320,756
Provisions	382,078,186	379,732,127
Provision for taxation	845,593,183	662,730,235
Total Liabilities	**7,373,648,837**	**6,519,599,469**
TOTAL EQUITY AND LIABILITIES	**11,573,631,596**	**10,583,012,077**
Net Asset Value (NAV) per share	**168.00**	**162.54**

The annexed notes from 01 to 30 form an integral part of these financial statements.

Managing Director | **Director** | **Chairman**

This is the statement of financial position referred to in our separate report of even date.

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC:2504300787AS221620

Dhaka,
22 April, 2025

UCB Stock Brokerage Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	2024 Taka	2023 Taka
Operating Income		
Brokerage commission	510,944,719	507,612,217
Interest income	298,363,745	556,666,941
Net investment income	36,247,657	39,190,932
Other operating income	6,054,609	11,214,193
Total operating income	**851,610,728**	**1,114,684,283**
Operating Expenses		
Operating expenses	484,754,087	479,058,090
Other expenses	45,119,883	45,330,837
Total operating expenses	**529,873,971**	**524,388,927**
Profit before provision	**321,736,758**	**590,295,356**
Provision for negative equity on margin loans and investment	-	10,400,000
Provision for margin loan (1% general provision)	2,346,059	6,768,573
Operating profit before taxation	**319,390,699**	**573,126,783**
Provision for taxation	**182,820,548**	**274,623,953**
Current tax	182,900,000	279,538,000
Deferred tax	(79,452)	(4,914,047)
Net profit after tax	**136,570,151**	**298,502,829**
Appropriations		
Capital reserve	26,008,000	38,422,834
Retained earnings	110,562,151	260,079,996
	136,570,151	**298,502,829**
Earnings per share (EPS)	**5.46**	**11.94**

The annexed notes from 01 to 30 form an integral part of these financial statements.

Managing Director **Director** **Chairman**

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Signed for and on behalf of
ACNABIN
Chartered Accountants

Dhaka,
22 April, 2025

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC:2504300787AS221620

UCB Stock Brokerage Limited

Statement of Changes in Equity

For the year ended 31 December 2024

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Capital Reserve	Total Shareholders' Equity
Balance as at 01 January 2024	**2,500,000,000**	**1,490,864,390**	**72,548,218**	**4,063,412,608**
Net Profit after tax during the year	-	110,562,151	-	110,562,151
10% of last year Net Profit transferred to Capital Reserve	-	-	26,008,000	26,008,000
Balance as at 31 December 2024	**2,500,000,000**	**1,601,426,542**	**98,556,217**	**4,199,982,759**

For the year ended 31 December 2023

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Capital Reserve	Total Shareholders' Equity
Balance as at 01 January 2023	**2,500,000,000**	**1,230,784,395**	**34,125,384**	**3,764,909,779**
Net Profit after tax during the year	-	260,079,995	-	260,079,995
10% of last year Net Profit transferred to Capital Reserve	-	-	38,422,834	38,422,834
Balance as at 31 December 2023	**2,500,000,000**	**1,490,864,390**	**72,548,218**	**4,063,412,608**

The annexed notes from 01 to 30 form an integral part of these financial statements.

Managing Director | Director | Chairman

Dhaka,
22 April, 2025

UCB Stock Brokerage Limited

Statement of Cash Flows

For the year ended 31 December 2024

	2024 Taka	2023 Taka
A. Cash flows from operating activities		
Net Profit before taxation, and extra ordinary item.	321,736,758	590,295,356
Adjustment for:		
Depreciation and amortization	51,554,060	29,145,388
Cash generated/utilised from operating activities before changes in working capital	**373,290,818**	**619,440,745**
Changes in working capital:		
(Increase)/Decrease of other assets	49,424,793	(73,055,625)
Increase/(Decrease) of other liability	973,500,260	91,198,378
Income tax paid	(232,708,243)	(220,371,837)
Net cash flow from operating activities	**1,163,507,628**	**417,211,660**
B. Cash flows from investing activities		
Acquisition of Property, Plant & Equipment	(26,787,185)	(12,240,500)
Addition in RoU Assets	(3,808,825)	(56,091,353)
Acquisition of intangible assets	(1,050,000)	-
Capital work-in-progress	11,540,006	(7,743,819)
(Purchase)/Sale of Securities	(62,133,770)	(54,367,599)
Sale/(Investment) in equity	-	16,077,495
Margin loan to customer	(236,083,189)	(630,317,514)
Net cash used in investing activities	**(318,322,963)**	**(744,683,290)**
C. Cash flows from financing activities		
Lease liabitities	(9,259,467)	41,878,691
Receipt/(repayment) of short term loan	(295,437,483)	101,090,476
Net cash flow from/(used in) Financing activities	**(304,696,950)**	**142,969,166**
D. Net decrease in cash and bank balances (A+B+C)	540,487,715	(184,502,463)
E. Unrealized foreign exchange gain/(loss)	-	-
F. Cash and bank balances at the beginning of the year	1,191,696,686	1,376,199,149
G. Cash and bank balances at the end of the year (D+E+F)	**1,732,184,401**	**1,191,696,686**

The annexed notes from 01 to 30 form an integral part of these financial statements.

Managing Director **Director** **Chairman**

Dhaka,
22 April, 2025

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Brokerage Limited



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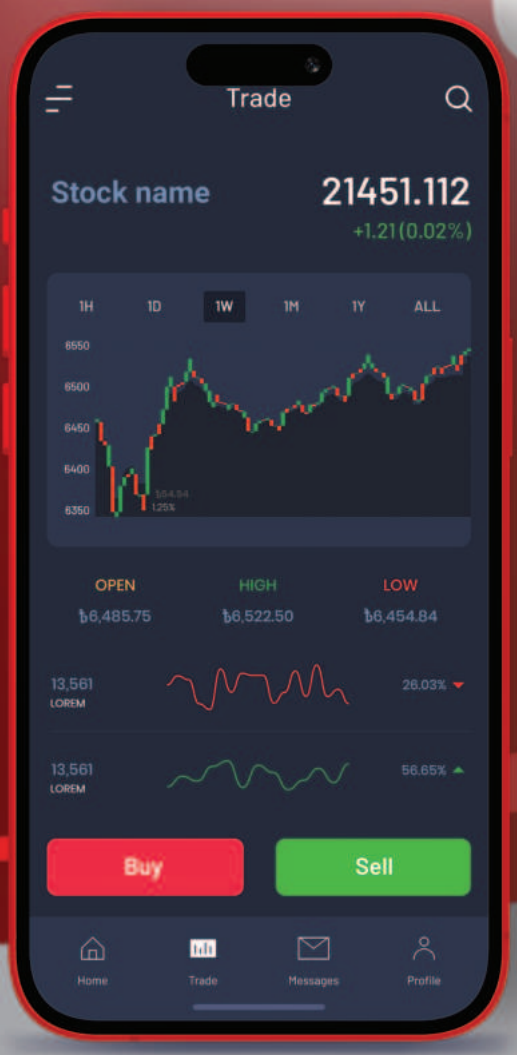
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UCB ASSET Management Limited

UCB ASSET Management Limited

Company Profile

UCB Asset Management Limited, the wholly owned capital market subsidiary of United Commercial Bank, was established in February 2020 to provide a wide range of unique and tailored investment solutions for both retail and corporate clients. In April 2021, the company launched its first open-end fund, the UCB AML First Mutual Fund, with an initial size of BDT 20 Crore. To cater to the investment needs of clients who specifically seek Shariah-compliant investment opportunities, UCB Asset Management launched its Shariah-compliant open-end fund, UCB Taqwa Growth Fund, with an initial size of BDT 35 Crore in April 2022. In July 2023, UCB Asset Management launched its first stable income open-end fund, UCB Income Plus Fund, with an initial size of BDT 50 Crore. The fund caters to the investment needs of clients who are specifically seeking stable income investment opportunities through a wide range of fixed-income and debt securities.

Furthermore, UCB Asset Management offers Separately Managed Account (SMA) investment solutions to corporate clients, recognizing the untapped potential of the SMA service in the country.

UCB Asset Management strives to create a portfolio of holdings that can deliver consistent results, even in adverse market conditions, to help clients achieve their financial goals. The investment process is designed to maintain equal effort in company selection and ongoing evaluation of business performance. The process encourages the team to delve deeper into the true story behind the numbers. Despite the unpredictable nature of the market, UCB Asset Management believes that strategic asset allocation can help withstand market shocks.

UCB ASSET Management Limited

Board of Directors



Adnan Masud
Chairman



Md. Shah Alam Bhuiyan
Director



Mohammad Shafiqur Rahman
Director



Mohammad Ridhwanul Haq, Ph.D
Independent Director



Shekh Mohammad Rashedul Hasan
Managing Director & CEO

Profile of the Board of Directors



Adnan Masud
Chairman

Mr. Adnan Masud possesses extensive expertise in corporate and investment banking, credit, transaction banking, financial institutions (FI), and institutional banking. With over two decades of experience, he has held leadership positions at top-tier global banking institutions across Malaysia, the United Arab Emirates, India, the United States, and Singapore.

Before joining United Commercial Bank (UCB) as the Additional Managing Director (AMD), Mr. Adnan served as the Regional Head for Global Corporate Coverage for Southeast Asia and India at BBVA Bank S.A., Singapore. In this role, he played a pivotal part in expanding business operations, enhancing revenue streams, and driving strategic development.

Throughout his distinguished career, Mr. Adnan has held senior roles at MUFG Bank, Bank of America Merrill Lynch, Citibank, and Standard Chartered Bank. He successfully led corporate and investment banking, as well as transaction banking teams, managed multi-billion-dollar portfolios, and made significant contributions to the financial sector in Southeast Asia.

A Certified Credit Professional, Mr. Adnan brings a strong background in sustainable financing, structured trade finance, liquidity, and credit management. His deep understanding of strategic value, coupled with his visionary leadership, will be instrumental in strengthening UCB's market position and enabling future growth.

In recognition of his outstanding contributions to the banking sector in Asia, Mr. Masud has received numerous accolades over the years. His successful career is supported by a solid academic foundation and executive training from globally renowned institutions, including the National University of Singapore (NUS), MIT Sloan School of Management, Columbia Business School, and Tuck School of Business.



Md. Shah Alam Bhuiyan

Director

Mr. Md. Shah Alam Bhuiyan is a veteran banking professional with more than 35 years of experience, of which over 30 years have been in the financial services industry, spanning both foreign and local banks. He currently serves as the Deputy Managing Director of United Commercial Bank PLC and is also a Director of UCB Investment Limited, a fully owned subsidiary of the bank.

Mr. Bhuiyan joined UCB in 2017 as Senior Executive Vice President (SEVP) and Head of the Special Asset Management Division (SAMD). Prior to joining UCB, he held various key roles at BRAC Bank Limited, where he played significant roles in the centralization of banking operations, financial administration, special asset management, project management, asset and liability operations, financial analysis, credit appraisal, and legal and compliance functions.

He began his banking career with Muslim Commercial Bank (MCB) Ltd., Dhaka in 1990 and served in various capacities, including Resident Auditor, Credit In-Charge, and Manager of the Human Resources Department and Legal Wing.

Throughout his career, Mr. Bhuiyan has participated in a wide range of professional training and development programs, both at home and abroad. His international training includes programs on banking and development in the United Kingdom, quality management in Japan, leadership development in Singapore, and Basel II implementation and capital planning in Dubai. He has also attended specialized programs on risk management in Belgium, international trade and software migration in India, credit risk and provisioning in Bangladesh, and legal frameworks for loan recovery through the Bangladesh Institute of Bank Management (BIBM).

Mr. Bhuiyan holds an undergraduate degree in Management, Accounting, and Costing from the University of Dhaka and an Executive MBA from the National Institute of Business Management (NIBM), India.



Mohammad Shafiqur Rahman
Director

Mr. Mohammad Shafiqur Rahman is one of the Directors of UCB Asset Management Limited (nominated Director of United Commercial Bank PLC). He currently holds the position of Senior Executive Vice President & Head of Retail Business Division of United Commercial Bank PLC.

Mr. Shafiq is a seasoned banking professional with an illustrious career spanning over 26 years in various functional roles & Management positions. He started his banking career with ANZ Grindlays Bank in May 1999 and following a corporate merger, he became a part of Standard Chartered Bank Bangladesh in 2001 where he served with distinction till May 2015. During his 16 year-long association with SCB, he held several important positions in various business functions including Branch Sales & Service Manager, Center Head – Priority Banking and lastly Director - Business Development, Priority & Personal Client Acquisition. In recognition of his outstanding business and service contributions at SCB, he earned a number of prestigious awards from the Country Office as well as Regional and Group Headquarters. Following his highly successful stint at SCB, he joined United Commercial Bank in May 2015 as Executive Vice President & Head of Imperial Banking (Priority Banking). He also went on to serve as the Head of Service Quality as well as Regional Head – Rangpur Region. In October 2022, he was appointed as the Head of Retail Business Division alongside his role as Head of Imperial Banking. Since assuming this new role, he has been responsible for spearheading the strategic drive for Retail Business Growth of the Bank across all parameters including customer retention & new acquisition, Retail Deposit & Asset portfolio growth, Credit Card, Merchant Acquiring, ADC Business expansion, steering the National Sales Team business as well as enhancing the digital banking footprint of the Bank and delivering superior customer service experience in the Retail segment. Demonstrating strong leadership, Mr. Shafiq has delivered significant success in Retail Business and contributed to the Retail Business structure & process development. Leveraging a solid background in Branch Banking & Retail Business as well as Customer Relationship Management, Mr. Shafiq has played a key role in fostering a collaborative environment and promoting a culture of continuous growth & development and delivering business excellence.

Mr. Shafiq obtained a Master's Degree in 1997 and also holds a part qualification in Law. He has successfully completed numerous Training and Leadership Development Programs both home and abroad in his professional career. He is a widely travelled person and a keen sports enthusiast.



Mohammad Ridhwanul Haq, Ph.D
Independent Director

Mohammad Ridhwanul Haq, Ph.D is a distinguished academic and corporate leader in Bangladesh. He currently serves as a Professor of Marketing at the Institute of Business Administration (IBA), University of Dhaka. He earned his Ph.D. in Marketing from the University of Western Sydney, Australia, and holds a Master's degree in Management from The Australian National University. Prior to his studies abroad, he completed his MBA and BBA in Marketing from the University of Dhaka.

In addition to his academic career, Dr. Haq plays a prominent role in corporate governance as an Independent Director on the boards of several prominent organizations, including Agni Systems Limited, Atlas Bangladesh Ltd., National Tubes, and Samorita Hospital.

Dr. Haq is an accomplished researcher, having authored numerous scholarly articles on consumer behavior, marketing strategy, and socio-economic trends in Bangladesh. His recent research focuses on urban women's entrepreneurship and the impact of media on youth consumption patterns.

Outside his professional responsibilities, Dr. Haq is deeply engaged in social entrepreneurship and is passionate about classical music and theatre, reflecting his diverse interests and cultural involvement.



Shekh Mohammad Rashedul Hasan
Managing Director & CEO

Mr. Hasan joined UCB Asset Management in January 2020 to initiate, establish and oversee the investment management business of UCB. He has more than 18 years of experience as an investment professional, primarily focusing on investing in Bangladesh public equities. Prior to joining UCB, Mr. Hasan has worked for leading investment management firms and top notch multinational FMCG companies (Unilever, Reckitt Benckiser etc) in Bangladesh. He received his bachelor's from BUET and MBA from IBA, DU. He led the UCB Asset Management team to introduce 2 equity oriented schemes and 1 debt oriented scheme within a span of 3 years. He successfully developed the mutual fund business of UCB Asset Management and through his prudent strategy and strong leadership, UCB Income Plus Fund has become the largest fixed income open end fund in Bangladesh. He believes that patience, discipline and the ability to weather the 'fear of missing out' are the most important traits that separate an outstanding investment manager from an average one.

UCB ASSET Management Limited

Core Values of UCB Asset Management



Fiduciary Responsibility

We hold ourselves to the highest standards of professionalism and integrity and strive to maintain the trust and confidence of our clients. We believe that we have a legal and ethical obligation to always act in the best interests of our clients. As such, we always put our clients' needs and goals first, and we never shy away from transparent and timely disclosure.



Prudence

We approach investment management with prudence and caution, carefully weighing the risks and benefits of each decision. We believe that adhering to our core investment philosophy is the key to achieving long-term financial success, and we stick to our basics before making every investment decision.



Discipline

Our investment process is based on discipline, rigor, and a commitment to continuous improvement. We believe that consistency and discipline are key to achieving superior investment results, and we adhere to a strict set of investment guidelines and procedures.

UCB ASSET Management Limited

Directors' Report to Shareholders

Dear Shareholders,

The Directors of UCB Asset Management take pleasure in presenting the Directors' Report along with the audited financial statements for the year ended 31 December 2024.

In 2024, UCB Asset Management further solidified its position among asset managers in Bangladesh by significantly expanding the investor base of the UCB Income Plus Fund, particularly through increased retail investor participation. Despite market challenges, notably during July and August, our sales and support teams ensured uninterrupted service and handled redemptions seamlessly, reinforcing investors' trust.

In the equity markets, 2024 proved to be volatile, primarily driven by political and macroeconomic uncertainty. The process of floor price removal started in January 2024, and a new leadership team in BSEC was formed right after August 2024. However, both our proprietary equity and mutual fund portfolios demonstrated resilience, significantly outperforming the broader market indices. While market challenges persisted throughout most of the year, regulatory measures and easing inflationary expectations point toward a potential market recovery 2025 onwards.

UCB Asset Management intensified its customer engagement initiatives and technological advancements – we optimized the investor onboarding experience, ensuring swift issuance of investment documentation and expedited unit transfer processes. In a landmark move, we launched the country's first asset management Loyalty Program, issuing Privilege Cards to selected investors with exclusive benefits, reinforcing client satisfaction and trust.

Our digital marketing efforts included interactive campaigns targeting young investors via platforms such as Instagram and LinkedIn. Additionally, active participation in corporate investment fairs enhanced our market visibility and reinforced our position as a trusted asset manager.

Risks and Concerns

UCB Asset Management remains vigilant regarding several key risks as we navigate through 2025.

Interest Rate Risk: The UCB Income Plus Fund, being our largest open-ended fixed-income fund, faces sensitivity to interest rate fluctuations, particularly influenced by the movements of government treasury yields. Although treasury yields have shown a declining trend since Q4 2024, intermittent upticks present potential risks. While falling interest rates position our fund to realize capital gains, an unexpected rise in interest rates remains a potential risk, warranting continuous monitoring and proactive management.

Equity Market Risk: While our forecasts suggest a positive trajectory for equity markets aligned with declining interest rates, market performance heavily depends on corporate earnings growth and investor sentiment. We anticipate sustained profitability from leading businesses in Bangladesh, and we positioned our equity-oriented funds accordingly. Nevertheless, shifts in investor sentiment pose a considerable risk, requiring strategic portfolio management to mitigate potential adverse impacts.

Macroeconomic Risks: The broader economic environment remains an area of attention, particularly concerning employment levels and the stability of the financial sector. Although recovery signs are evident in early 2025, lingering uncertainties persist. However, proactive measures implemented by the interim government to address these economic concerns, alongside expectations of decreasing inflationary pressures from Q2 2025 onward, provide mitigating factors that could foster greater economic stability.

Extraordinary Gains or Losses

Extraordinary gains or losses refer to the infrequent and unusual gains or losses which are not part of the company's ordinary, day-to-day operations. In 2024, there was no such extraordinary gain or loss reported.

Pattern of Shareholding

Name of the Shareholders	No. of Shares	% of Shareholding
United Commercial Bank PLC	99,999,999	99.999999%
UCB Foundation	1	0.000001%
Total	100,000,000	100%

Going Concern

After reviewing the company's present and potential business growth, annual budget, performance, liquidity position, plans and financing arrangement, the Directors are satisfied that the company has adequate resources to continue to operate in the foreseeable future and confirm that there is no material issue threatening to the going concern of UCB Asset Management. For this reason, Directors continue to adopt the going concern basis in preparing the financial statements.

Role and Responsibility of the Board

The Board is devoted to the Company and enthusiastic about achieving sustainable long-term prosperity by meeting stakeholders' expectations. The Board is determined to ensure the best practices in accordance with statutory requirements.

Board of Directors

Adnan Masud
Chairman

Md. Shah Alam Bhuiyan
Director, representing United Commercial Bank

Mohammad Shafiqur Rahman
Director, representing United Commercial Bank

Mohammad Ridhwanul Haq, Ph.D
Independent Director

Shekh Mohammad Rashedul Hasan
Managing Director & CEO

Financial Performance of UCB Asset Management Limited

UCB Asset Management is committed to maximizing long-term value for its shareholders through the successful execution of strategic priorities and action plans. Despite unfavorable market conditions, the company succeeded to deliver satisfactory financial results in 2024 by posting a net profit after tax of BDT 2.5 Crore against a net profit after tax of BDT 0.9 Crore in 2023. The retained earnings of the Company as of 31 December 2024 stood at BDT 9.8 Crore, details of which are given in the Statement of Changes in Equity of the financial statement.

Follow up of IAS and IFRS in Preparation of Financial Statements

The Company keeps accounting records that disclose with reasonable accuracy the financial position of the Company, and it is the responsibility of the directors to ensure that the financial statements comply with the Companies Act 1994 and the Securities and Exchange Rules 1987. The Directors also confirm that the financial statements have been prepared in accordance with International Accounting Standards, International Financial Reporting Standards and other applicable rules and regulations.

Accounting Policies and Maintenance of Books of Accounts

As required by the regulators the company prepared financial statements, used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgments and estimates and all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts which have been maintained properly as required by the applicable rules and regulations.

Dividend Declaration

UCB Asset Management declared 'no dividend' for its shareholders for the year ended 31 December 2024.

Auditor Appointment

Pursuant to Section 210 of the Companies Act, 1994, ACNABIN Chartered Accountants was re-appointed as the independent auditor of the Company for the year 2024 in its Annual General Meeting.

Acknowledgment

On behalf of the Board of Directors, I take the opportunity to express our heartfelt appreciation and gratitude to our business partners and shareholders for their continuous support and confidence in UCB Asset Management Limited. A special note of appreciation goes to the entire management team and all the employees for their devotion, integrity, hard work and professionalism to mold this young brand as a shining star in the capital market of Bangladesh. My sincere gratitude also goes to Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited, and all other regulatory bodies who were involved in the growth of this Company with their invaluable assistance, support, guidance and counsel.

On behalf of the Board of Directors



Adnan Masud
Chairman
UCB Asset Management Limited

Regardless of what market cycle we are in, we are confident to generate consistent value for our shareholders guided by our investment philosophy and principles.

Dear Shareholders,

The year 2024 tested our tenacity while reinforcing our resilience. Amid market volatility and macroeconomic uncertainty, UCB Asset Management achieved higher growth in both business and profitability than in 2023. By the end of the year, we had an asset under management (AUM) of BDT 262 crore across our three mutual funds, indicating a significant stride. What made this achievement remarkable was our ability to maintain this pace with a lean team of 12 capable professionals.

Gaining Momentum

In 2024, UCB Asset Management's growth was primarily driven by high investor interest in our flagship product, the UCB Income Plus Fund. In 2024, the fund achieved a gross return of 11.3%, growing from BDT 50 crore to quadrupling in size by the end of the year, establishing it as **Bangladesh's largest open-ended fixed-income fund.** This milestone demonstrates our dedication to unmatched investor experience and superior fund performance.

The rise in retail investor participation in the UCB Income Plus Fund, from 25% in December 2023 to 45% in December 2024, reflects our success in gaining investor confidence.

Unwavering Resilience

The equity market witnessed significant volatility in 2024, initially declining by 16% within early August, followed by a brief rebound of 15% after the August 5 government transition. However, within the next few months, investor sentiment dropped, resulting in a total decline of 17.0% in the DSEX and 14.5% in the DSES. Despite these corrections, our equity-oriented schemes, UCB AML First Mutual Fund and UCB Taqwa Growth Fund, substantially outperformed their respective benchmarks in 2024:

Fund	Fund Return	Benchmark Return	Excess Return
UCB AML First Mutual Fund	1.5%	-17.0%	18.5%
UCB Taqwa Growth Fund	2.7%	-14.5%	17.2%

While we would have loved to make more money for our investors, we remained committed to providing superior risk-adjusted returns by protecting our investors' capital amid large market corrections. However, the proprietary equity portfolio of UCB Asset Management generated 17.7%, surpassing the market and demonstrating the effectiveness of our value driven investment approach. Notably, the flexibility to take concentrated and overweight exposures in the proprietary portfolio, unlike mutual funds constrained by investment restrictions mentioned in মিউচ্যুয়াল ফান্ড বিধিমালা, ২০০১, was a key contributor to this performance.

Expanding Reach

This year, we made meaningful progress in strengthening our foundation. We integrated UPAY to simplify our



investor's journey. Our partnership with UCB Stock Brokerage and our parent UCB PLC contributed 16.3% of our total net sales.

During the July unrest, amid heightened redemptions and strained investor sentiment, our entire team remained accessible and responsive. From August 5 onward, through actively engaging with our investors, we could manage significant redemption requests driven by political and economic uncertainty. Yet, within months, investor confidence rebounded, leading to net growth in both AUM and client base.

But, beyond the figures, what makes us unique is how we have developed an organization that is trusted, not only for our fund performance, but also for the experience we deliver to our investors. Our goal has always been to combine sound investing strategies with exceptional customer experience.

2025 and Beyond

As we look forward to 2025 and beyond, our commitment remains rooted in excellent client service and focusing on long-term value generation. We don't want to just grow figuratively but establish ourselves as the most trusted asset manager of the country.

At UCB Asset Management, we strive to lead with expertise, consistency, and innovation. We want to bring in innovative investment solutions and increase investor awareness. These guiding values influence our long-term relationship with investors, regulators, and stakeholders.

On behalf of the entire team at UCB Asset Management, I extend my sincere appreciation for your continued trust and support.



Shekh Mohammad Rashedul Hasan
Managing Director & CEO
UCB Asset Management Limited

UCB ASSET Management Limited

Independent Auditor's Report

To the Shareholders of UCB Asset Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of UCB Asset Management Limited ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory 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 2024, 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 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 the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all the information, but doesn't include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 Financial Statements and Internal Controls

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules 2020 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 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 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 organization'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 organization 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.

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 by thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 2020 and the other applicable laws and regulations. We, as required by law, further report that:

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 account and returns.

Dhaka,
05 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2505080787AS637424

UCB

UCB Asset Management Limited

Statement of Financial Position

As at 31 December 2024

	31-Dec-2024 Taka	31-Dec-2023 Taka
ASSETS		
Current Assets		
Cash and Bank Balance	13,997,745	1,543,448
Investments	595,078,862	593,607,706
Advances, Deposits & Prepayments	26,228,894	24,430,001
Receivables	20,478,610	18,690,463
Total Current Assets	**655,784,111**	**638,271,618**
Non-Current Assets		
Property, Plant and Equipment	480,387,680	477,569,562
Deferred Tax Asset	105,617	12,904
Total Non-Current Assets	**480,493,297**	**477,582,466**
TOTAL ASSETS	**1,136,277,408**	**1,115,854,084**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current Liabilities		
Other Liabilities	38,150,659	27,263,088
Provision for Diminution in Value of Investment	-	15,406,847
Total Current Liabilities	**38,150,659**	**42,669,935**
Non-Current Liabilities		
Total Non-Current Liabilities	-	-
Shareholders' Equity		
Share Capital	1,000,000,000	1,000,000,000
Retained Earnings	98,126,749	73,184,149
Total Shareholders' Equity	**1,098,126,749**	**1,073,184,149**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,136,277,408**	**1,115,854,084**

Chairman **Director** **Managing Director & CEO**

This is the statement of financial position referred to in our separate report of even date.

Dhaka,
05 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2505080787AS637424

UCB Asset Management Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	2024 Taka	2023 Taka
Income		
Investment Income	33,445,089	28,607,249
Fee Income	29,413,263	22,411,223
Interest Income	502,353	478,923
Other Income	211,039	-
Total Income	**63,571,744**	**51,497,395**
Expenses		
Operating Expenses	44,739,383	37,317,014
Other Expenses	443,000	1,772,095
Total Expenses	**45,182,383**	**39,089,109**
Profit before Provision	**18,389,361**	**12,408,286**
Recovery in Provision made for diminution in value of investment	15,406,847	2,962,545
Net Profit after provision	**33,796,208**	**15,370,831**
Current tax	8,946,320	6,497,482
Deferred tax	(92,713)	(252,266)
Net Profit after Tax	**24,942,600**	**9,125,615**
Other Comprehensive Income	-	-
Total Comprehensive Income	**24,942,600**	**9,125,615**

Chairman **Director** **Managing Director & CEO**

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka,
05 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2505080787AS637424

UCB

UCB Asset Management Limited

Statement of Changes in Equity

For the year ended 31 December 2024

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Balance as on 01 January 2024	1,000,000,000	73,184,149	1,073,184,149
Net Profit after Tax during the Year	-	24,942,600	24,942,600
Balance as on 31 December 2024	**1,000,000,000**	**98,126,749**	**1,098,126,749**

For the year ended 31 December 2023

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total Shareholders' Equity
Balance as on 01 January 2023	1,000,000,000	64,058,534	1,064,058,534
Net Profit after Tax during the Year	-	9,125,615	9,125,615
Balance as on 31 December 2023	1,000,000,000	73,184,149	1,073,184,149

Chairman | **Director** | **Managing Director & CEO**

Dhaka,
05 May 2025

UCB Asset Management Limited

Statement of Cash Flows

For the year ended 31 December 2024

		2024 Taka	2023 Taka
(A)	**Cash Flows from Operating Activities**		
	Interest Receipts in Cash	18,605,407	18,513,081
	Dividend Receipts	8,152,151	4,190,000
	Fees & Commission Receipts in Cash	22,086,820	19,931,937
	Receipt from Operating Activities	12,939,219	4,772,827
	Payment for Operating Activities	(49,915,635)	(38,439,133)
	Operating Profit before Changes in Operating Assets and Liabilities	**11,867,961**	**8,968,712**
	(Increase)/Decrease in Operating Assets and Liabilities	**5,231,305**	**(16,568,030)**
	Increase in Investment	(1,471,156)	(15,115,569)
	(Increase)/Decrease in Other Assets	6,702,461	(1,452,461)
	Net Cash Used in Operating Activities	**17,099,266**	**(7,599,318)**
(B)	**Cash Flows from Investing Activities**		
	Acquisition of Property, Plant and Equipment	(4,644,970)	(2,147,468)
	Net Cash Used in Investing Activities	**(4,644,970)**	**(2,147,468)**
(C)	**Cash Flows from Financing Activities**	-	-
(D)	**Net Decrease in Cash and Bank Balance(A+B+C)**	**12,454,297**	**(9,746,786)**
(E)	Unrealized Foreign Exchange Gain/(Loss)	-	-
(F)	Cash and Bank Balances at the beginning of the year	1,543,448	11,290,234
(G)	**Cash and Bank Balances at the end of the year (D+E+F)**	**13,997,745**	**1,543,448**

Chairman | **Director** | **Managing Director & CEO**

Dhaka,
05 May 2025

UCB ASSET Management Limited

একে করলে শুরু, দশে হবে শেষ

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UCB ASSET Management Limited

UCB ASSET Management Limited

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দেশের সবচেয়ে বড় বেমেয়াদী ফিক্সড ইনকাম ফান্ড

আপনাদের আস্থাই আমাদের পথ চলার শক্তি



01730-745415

UCB INCOME+ FUND



UCB INVESTMENT Limited



Company Profile

Comprehensive Hub for All Financial Needs

UCB Investment Limited prides itself on its top-tier investment bankers who attentively address all client financing and investment requirements, delivering tailor-made solutions with unwavering integrity. Our comprehensive services encompass arranging local and international financing via various Fixed Income Securities, Local and Foreign Loan Syndication, Issue Management, Merger and Acquisition facilitation, Business Valuation, Portfolio Management Services, and Corporate Advisory. Our commitment is to establish enduring partnerships with our clients, united in our mission to foster sustainable economic growth and financial prosperity.

About our journey

UCB Investment Limited (UCBIL) is a fully owned subsidiary of one of the leading private commercial banks in Bangladesh, United Commercial Bank PLC. From inception onwards, a commitment to conducting business in a socially responsible manner has been upheld by UCBIL. UCB Investment was formed in 2011 and obtained its operational license as a comprehensive merchant bank on October 5, 2020, under the adept leadership of its founding Managing Director and CEO, Mr. Tanzim Alamgir.

Established on November 29th, 2020, UCBIL commenced operations as a fully-fledged merchant bank during a profoundly exceptional period in human history. The unparalleled challenges posed by the COVID-19 crisis reshaped global economic landscapes. However, amidst these adversities, we persevered, steadily advancing and garnering the trust of prominent banks, financial institutions, and corporate entities within the country. In just over four years, UCBIL has significantly contributed to the Bangladesh capital market, serving as the issue manager for 8 bonds, accounting for 50.0% of all listed bonds.

By December 2024, UCBIL raised more than BDT 15,000 crore and completed 53 deals.

From local accolades to global recognition, UCBIL proudly represents Bangladesh on the world stage. Recently, it secured all five eligible awards at The Asset Triple A Awards for Sustainable Finance 2025, reaffirming its leadership in Bangladesh's financial landscape. In 2024, UCBIL competed at the regional level across Asia Pacific and South Asia, earning recognition from FinanceAsia's Achievement Awards in both the Best House and Best Deals categories. Additionally, as the first Bangladeshi capital market institution, UCBIL was named "Best Securities House" in Bangladesh for 2024 by Euromoney, reinforcing its position as a market leader. This recognition follows previous honors from Euromoney and FinanceAsia in 2023 and 2024, as well as from Asiamoney in 2023, which awarded UCBIL the "Best Investment Bank" in Bangladesh. UCBIL also received the Best Bond Advisory in Bangladesh award from The Asset Triple A in 2023. Notably, the Bangladesh Securities and Exchange Commission (BSEC) recognized UCBIL as the "Best Merchant Bank" in 2022, an outstanding achievement based on its performance in its very first year of operation.

UCBIL's dedication to excellence has set new benchmarks in the financial industry. Several prestigious awards and acknowledgements serve as testaments to UCBIL's unwavering commitment to delivering exceptional value to its clients, stakeholders, and the global community. Looking ahead, UCBIL remains steadfast in its mission to drive growth, foster innovation, and exceed expectations in the ever-evolving landscape of finance.

Investing in Society (IIS)

Since inception, UCBIL's Board of Directors has approved contributing a certain percentage of its profit to the prioritized social causes towards Sustainable Development Goals (SDGs).

Beginning in 2023, UCBIL took a more formalized and expansive approach towards its social responsibilities. To this end, UCBIL has launched a campaign titled "Investing in Society (IIS)," through which we wholeheartedly commit to supporting three crucial social causes:

1. Children's Health, Education, and Well-being.
2. Retirement Homes and Medical Support for Underprivileged Senior Citizens.
3. Women Empowerment.

Our recent activities under the IIS campaign are as follows:

i. We distributed some sewing machines to empower deserving women in need.

ii. Hygiene products were distributed to a number of children, and a memorable lunch was shared with them.

iii. UCBIL contributed a full day's salary from all employees, along with an equal amount from the organization's fund, to assist the flood victims.

iv. A heartfelt donation was made to support the welfare of children and elderly care.



Decode Investment Banking (DIB)

Under DIB, our mission is to promote financial well-being, nurture intellectual growth in society, and demystify the world of investment banking through the following initiatives:

1. Spreading financial literacy,
2. Sharing our investment banking experience, and
3. Inspiring future generations.

Our recent activities under the DIB campaign are as follows:

i. Mr. Tanzim Alamgir, Managing Director and CEO of UCBIL, gave a presentation on "Career Planning and Opportunities for Accounting and Finance Graduates" at American International University - Bangladesh.



ii. UCBIL participated in the AIUB Career Fair 2023, discussing career prospects in Investment Banking with AIUB students.

iii. We organized multiple investor awareness programs to educate the public on investment opportunities.





Vision Statement

UCBIL envisions fostering sustainable economic growth, creating meaningful societal impact, and empowering clients to achieve transformative success through innovative, excellent, and integrity-driven financial solutions in an ever-evolving financial landscape.

Mission

1. Advancing the financial structure of the economy by providing innovative, tailored investment solutions.
2. Facilitating the financing of impactful projects that contribute to enduring socio-economic development in the country.
3. Driving sustainable growth through excellence and becoming the top employer for investment banking professionals.
4. Contributing to community well-being through impactful CSR initiatives.
5. Embedding Sustainable Development Goals (SDGs) into its core business framework to expedite the achievement of pertinent global objectives.

Core Values

6. Integrity – Upholding honesty, transparency, and ethical standards in every commitment.
7. Consistency – Upholding reliability and quality in delivering innovative and superior financial solutions, fostering trust and long-term relationships.
8. Sustainability – Driving sustainable development and giving back to society through impactful initiatives.
9. Innovation – Continuously evolving to offer cutting-edge solutions to complex challenges.
10. Social Impact – Creating lasting value for communities through responsible investments and CSR.

UCB INVESTMENT Limited

Board of Directors



Nabil Mustafizur Rahman
Chairman



Barrister Imtiaz Farooq
Independent Director



S M Mainul Kabir
Director, representing of UCB PLC



Md. Ridwanul Hoque
Director, representing of UCB PLC



Tanzim Alamgir
Managing Director & CEO

Leadership
The Trailblazing Dreamers and Leaders



Nabil Mustafizur Rahman
Chairman

Mr. Nabil Mustafizur Rahman is the Chairman of UCB Investment Limited. He currently serves as the Additional Managing Director and Chief Risk Officer (CRO) of United Commercial Bank PLC.

With nearly 30 years of experience across foreign and local banks, financial institutions, and corporates, Mr. Rahman joined UCB on March 22, 2018, as Additional Managing Director. He briefly left the organization to serve as Country Chief Risk Officer at Habib Bank Limited (HBL) Bangladesh, before rejoining UCB in the same capacity. Prior to his tenure at UCB, he was the Chief Executive Officer of Transbangla Group. Earlier in his career, he held key positions at BRAC Bank, including Deputy Managing Director and Chief Risk Officer.

Mr. Rahman is a seasoned banker in Project Finance, Structured Finance, and Credit Risk Management across Corporate, Retail, SME, and Islami Banking. He possesses hands-on expertise in managing large and complex project finance and structured finance transactions. His core competencies also include collections and impaired asset management, operational risk management, information security, and Islami Banking.

An alumnus of the Institute of Business Administration (IBA) of Dhaka University, Mr. Rahman earned his MBA with a dual major in Finance and Management Science in 1993. He began his professional career in Hong Kong and went on to serve in various general management roles at leading organizations including BRAC Bank, Standard Chartered Bank (SCB), HSBC, AB Bank, IPDC of Bangladesh, Credit Agricole Indosuez, ANZ Grindlays Bank, and the Beximco Group.

He has also attended numerous training programs and participated in seminars and workshops on various aspects of banking, leadership, and strategy, both locally and abroad.



Barrister Imtiaz Farooq
Independent Director

Mr. Imtiaz Farooq, an Advocate of the Supreme Court of Bangladesh, is a distinguished legal expert specializing in corporate law and project finance. He has represented major clients—including Petrobangla and the People's Republic of Bangladesh—in high-profile international disputes at the International Centre for Settlement of Investment Disputes (ICSID). Trained at the University of Oxford, he gained valuable experience in the UK under the mentorship of renowned legal professionals such as Dr. Fidelis Oditah (3-4 South Square), Tosin Oguntayo (Hardwick Chambers), and Stephen Horan (Erskine Chambers).

Mr. Farooq began his legal education at Cardiff University, graduating with First-Class Honours in Law (LL.B), followed by postgraduate studies at Oxford. Prior to commencing legal practice in Bangladesh, he taught English Property Law and Trusts at both Cardiff University and the University of Leicester.

He provides strategic legal counsel in areas including corporate structuring, mergers and acquisitions, international arbitration, and large-scale investment projects. Over the years, he has advised prominent organizations such as the International Finance Corporation (IFC), Asian Development Bank (ADB), Deutsche Investitions- und Entwicklungsgesellschaft (DEG), UNESCAP, and the Bill & Melinda Gates Foundation. His legal work spans infrastructure projects, syndicated loans, securitization, and other complex financial transactions.

In 2009, Mr. Farooq led an IFC-funded study on the role of international arbitration in promoting investment in Bangladesh. The research examined global best practices and proposed actionable reforms aimed at enhancing the country's attractiveness as an investment destination.

A prolific author, Mr. Farooq has published works on project finance, intellectual property, international arbitration, and property law. He is widely recognized for his expertise in property law, particularly in the creation and enforcement of security interests, which has cemented his reputation as a trusted authority in the field.

With a career marked by legal excellence and reform-driven insight, Mr. Farooq continues to support clients in resolving complex legal challenges while contributing meaningfully to the advancement of Bangladesh's legal and investment landscape.



S M Mainul Kabir
Director, representing of UCB PLC

Mr. S. M. Mainul Kabir brings over 28 years of extensive experience in the banking sector and currently serves as a Deputy Managing Director at United Commercial Bank PLC (UCB). Prior to joining UCB, he held the position of Deputy Managing Director at Community Bank, where he played a key role in streamlining operations and driving the bank's strategic growth.

Mr. Kabir began his career at National Bank PLC, where he held several critical roles that contributed to the institution's development and operational success. His leadership journey includes senior roles at Southeast Bank PLC, where he served as Senior Executive Vice President (SEVP) and later as Deputy Managing Director (DMD). He has also worked with Jamuna Bank PLC, EXIM Bank PLC, and other leading financial institutions in Bangladesh.

His core expertise spans a wide range of banking functions, including branch management, trade finance, credit risk management, corporate lending, and client relationship management. Known for his pragmatic leadership style and results-oriented mindset, Mr. Kabir has consistently demonstrated a strong ability to implement effective solutions and help organizations achieve their strategic objectives.

Academically, Mr. Kabir holds Honors and Master's degrees in Finance and Banking from the University of Dhaka, where he graduated with distinction. He also earned an MBA in Management from the Department of Management Studies at the same university, further strengthening his command over finance and organizational leadership.

Throughout his career, Mr. Kabir has remained committed to excellence in service delivery, team development, and operational efficiency. His hands-on leadership, strategic vision, and deep sectoral insight have made a significant impact across every institution he has served.

At UCB, Mr. Kabir is focused on fostering innovation, enhancing customer service, and contributing meaningfully to the bank's continued growth and competitive positioning. His extensive experience and leadership acumen make him a valuable asset to both the organization and the broader banking community.



Md. Ridwanul Hoque
Director, representing of UCB PLC

Md. Ridwanul Hoque is currently serving as Senior Executive Vice President and Head of Distribution and Strategy at United Commercial Bank PLC. Prior to this, he was the Head of Retail & SME Business at NCC Bank PLC. Before joining NCC Bank, he served as Executive Vice President at Midland Bank PLC., where he led the Retail Distribution Division. He also held key leadership positions at Bank Alfalah Ltd., ICB Islamic Bank, and HSBC, with a strong focus on branch management and customer service. With over 24 years of experience in the banking sector, Mr. Hoque has held senior leadership roles at several prominent financial institutions.

Mr. Hoque holds both BBA and MBA degrees in Accounting from the University of Chittagong. He has also participated in numerous leadership development and banking training programs, both in Bangladesh and abroad.

Throughout his career, Mr. Hoque has been widely recognized for his effective leadership, collaborative management style, and unwavering commitment to delivering exceptional customer service. At UCB, he continues to drive strategic growth, enhance service delivery, and strengthen customer relationships.



Tanzim Alamgir
Managing Director & CEO

Mr. Tanzim Alamgir is the founding Managing Director and Chief Executive Officer (CEO) of UCB Investment Limited, a wholly owned subsidiary of United Commercial Bank PLC. As an actively engaged leader with ambition, Mr. Alamgir leverages his firm-specific industry knowledge to lead the company and its people towards sustainable growth and industry leadership. Prior to joining UCB Investment Limited, he was the Chief Operating Officer (COO) of City Bank Capital Resources Limited, the investment banking arm of City Bank PLC and supervised the overall operations of the company. There he completed numerous first of its kind deals, including the country's first perpetual bonds, bank guarantee-backed bonds, preference shares for the first private LNG terminal, and the first subordinated bond for a state-owned bank—Agrani Bank Limited, and many more which led the investment banking division to reach its highest peak. His tremendous efforts at City Bank Capital paved the way for winning many international awards for the bank, notably, the prestigious FinanceAsia Best Investment Bank in Bangladesh Award in 2020.

Mr. Alamgir's astute leadership has propelled UCB Investment Limited to unprecedented heights, earning the prestigious Best Investment Bank in Bangladesh award from both "Euromoney" and "FinanceAsia" for three consecutive years—2022, 2023, and 2024—a distinction unmatched by any financial institution in the country's history. His vision has further elevated the firm's position among all capital market intermediaries, including investment banks, asset management companies, and brokerage houses, reflected by Best Securities House in Bangladesh Award in 2024 by "Euromoney". Under his stewardship, the firm achieved significant regional acclaim at the FinanceAsia Achievement Awards 2024, receiving three South Asia Deal Awards, a special mention for Best Deal in South Asia, and two Best House Awards in Asia Pacific. These accomplishments are built on previous honours where the Bangladesh Securities & Exchange Commission (BSEC) bestowed the Best Merchant Bank award upon UCB Investment Ltd. in 2021, and other accolades from ASIAMONEY, Asset Triple A and more.

In addition to these institutional milestones, Mr. Alamgir has actively represented UCB Investment Limited at high-profile local and international forums, including roadshows, seminars, workshops, investor engagements organized by the Bangladesh Securities and Exchange Commission (BSEC).

With deep business and industry expertise, Mr. Alamgir places particular emphasis on fund raising for large local corporate houses and multinational companies in Bangladesh. He is a seasoned professional having diversified exposure in finance, operations and strategy for more than 17 years, through which he has cultivated strong relationships with banks, NBFIs, and corporates across diverse sectors, backed by his stint in Grameenphone with the Financing Strategy and Operations team and Structured Finance team in IIDFC prior to joining City Bank Capital. He has also been associated with a number of reputed banks and financial institutions like Mutual Trust Bank PLC, ICB Islamic Bank Limited, City Bank PLC and BRAC Bank PLC.

Under the firm guidance of Mr. Tanzim Alamgir, UCB Investment Limited has achieved remarkable progress in a short span, successfully raising over BDT 170 billion through a diverse range of transactions and delivering comprehensive, 360-degree investment banking services. Backed by his visionary leadership, the company remains committed to sustaining this momentum and aspires to establish itself not only as a national leader but also as a prominent player in the regional investment banking arena.

Mr. Alamgir has completed Master of Business Administration (MBA) from American International University-Bangladesh (AIUB) in 2008 and B.Sc. in Computer Science and Engineering from Independent University, Bangladesh (IUB) in 2005.



Directors' Report

Dear Shareholders,

The Directors of UCB Investment Limited take the pleasure of presenting the annual report together with the Audited Financial Statements for the year ended December 31, 2024.

1. Corporate Information

UCB Investment Limited (UCBIL) is a fully owned subsidiary of United Commercial Bank PLC – one of the leading private commercial banks in Bangladesh. It was incorporated in Bangladesh with the Registrar of Joint Stock Companies & Firms (RJSCF), vide registration number: C-94654/11 dated 3rd August 2011 as a private limited company under the Companies Act (Act XVIII) of 1994. It obtained full-fledged Merchant Banker & Portfolio Management license (Reg No: MB-97/2020) from Bangladesh Securities and Exchange Commission (BSEC) on 5th October 2020.

The company has been inaugurated on 29th November 2020, and Mr. Tanzim Alamgir has been appointed as the founding Managing Director and CEO of the company. The company aims to play a vital role in bridging the gap in professional financial advisory services in the country and between investors and optimum investment opportunities. The registered address of the company is Bulus Center, Road: 34, Plot: CWS- (A)-1, Gulshan Avenue, Dhaka-1212.

With its group of versatile financial consultants, UCBIL covers all investment banking services including Corporate Advisory, Merger & Acquisition, Advisory of Fixed Income Securities, Syndicate Loans, Issue (IPO, RPO & Rights) Management, Portfolio Management and many more. UCBIL aims at delivering top-class, customized investment advisory solutions to its clients to cater to their specific needs and be their sustainable growth partner.

UCB Investment fetched many international recognitions like "Euromoney", "FinanceAsia", "ASIAMONEY" (all three as "Best Investment Bank in Bangladesh") and "Asset Triple A" ("Best Bond Advisor in Bangladesh") awards 2023 for its outstanding business excellence in 2022.

The key strength of UCBIL comes from its people, who are highly talented investment managers with vast and versatile experience in the investment banking landscape, both locally and globally. Utilizing this knowledge and expertise, UCBIL intends to provide and promote unique financial solutions for the nation's most successful institutions and corporations. Keeping innovation and sustainable growth at the core of its operations, UCBIL intends to lead its clients and the country to a brighter and wealthier future.

2. World Economy

In 2024, the global economy continued its cautious march toward stability, yet remained challenged by a combination of geopolitical tensions, persistent inflation, and sluggish growth across major economies. While some signs of recovery have emerged, the year was broadly characterized by moderate economic expansion amid an environment of elevated uncertainty.

According to the World Bank, global GDP growth reached 2.4%, reflecting a slight rebound from the previous year's deceleration, though still below long-term averages. This recovery was uneven across regions, with emerging markets showing relative resilience while developed economies grappled with tighter financial conditions and subdued consumer demand.

Inflationary pressures began to ease more visibly in 2024. The International Monetary Fund (IMF) projected global inflation at 5.8%, down from 6.6% in 2023. Central banks across the globe maintained a cautious policy stance—balancing interest rate stability with the need to sustain growth. The U.S.

Federal Reserve, in particular, signalled a pause in its rate-hiking cycle, keeping the benchmark rate steady between 5.25% and 5.50%, following a series of aggressive hikes over the previous two years.

The global banking sector showed improved resilience in 2024, with no major systemic failures. However, regulatory scrutiny increased, and liquidity buffers remained under close observation as part of ongoing risk mitigation. Financial markets responded with measured optimism, though remained volatile amid geopolitical developments, particularly in Eastern Europe and the Middle East.

As 2024 concluded, the global economy stood at a critical juncture—with inflation moderating, interest rates stabilizing, and market confidence gradually improving. However, the road ahead remains uncertain, requiring continued vigilance from policymakers, financial institutions, and investors alike in navigating an increasingly complex and interconnected economic landscape.

3. Bangladesh Economy

The year 2024 marked a pivotal turning point for Bangladesh's economy, shaped significantly by a change in political regime and the commencement of structural reforms across the banking and financial sectors. Amidst the transition, the economy demonstrated signs of cautious optimism, navigating through inherited macroeconomic challenges with a reform-driven agenda.

Prior to the regime change in early 2024, the economy continued to face pressure from diminished foreign exchange reserves, elevated inflation, and a strained banking system marked by growing non-performing loans, liquidity stress, and weak governance practices. The financial sector's structural weaknesses were further exposed by an erosion in public confidence, inconsistent regulatory enforcement, and declining credit discipline.

However, the new administration, formed following the national election, introduced a series of policy-level shifts focused on restoring fiscal discipline, strengthening the financial sector, and reviving investor confidence. One of the cornerstone priorities was the reform of the banking sector, aligning with ongoing commitments under the IMF's USD 4.7 billion Extended Credit Facility (ECF).
These reforms included:

- Tightening loan classification standards to reduce evergreening practices
- Phasing out interest rate caps to promote market-based pricing
- Digitization of supervisory oversight by Bangladesh Bank
- Initiating governance restructuring in tate-owned banks
- Advancing the establishment of an asset management company for resolution of stressed assets

While these measures signalled a strong commitment to institutional transparency and discipline, they also contributed to short-term tightening in the credit market and cautious lending behaviour by banks. This shift, though necessary, impacted private sector credit growth, which remained moderate throughout 2024.

On the macroeconomic front, inflation remained a concern during the first half of the year, hovering near 9%, driven by lingering supply chain bottlenecks and adjustments in administered prices.

However, by the end of 2024, inflation had shown signs of cooling, aided by prudent monetary policy and a decline in global commodity prices. The Bangladesh Bank maintained a contractionary stance, with the policy rate reaching 10.00%, reflecting efforts to anchor inflation expectations.

Foreign exchange reserves, while still below their historic peak, showed gradual improvement through tightened import controls, rebounds in remittance inflows, and increased export receipts. The current account deficit narrowed, and the taka stabilized against major currencies after months of volatility.

Looking forward, Bangladesh's economy is poised for measured but stable growth. The World Bank projects GDP growth of 5.9% in FY24, with a gradual upward trend anticipated in the coming years, contingent upon sustained reforms and political stability. The forward momentum will depend heavily on:

- Continued implementation of financial sector reforms
- Efficient public investment in infrastructure and energy
- Private sector revival through policy certainty and improved access to credit

While challenges remain, particularly in balancing inflation control with growth support, 2024 stands out as a year of transition—one that laid the foundation for a more transparent, resilient, and disciplined financial system. The reforms initiated this year are expected to yield dividends in the medium term, reinforcing Bangladesh's journey toward sustained economic development.

4. Capital Market

The year 2024 proved to be a transitional period for the Bangladesh capital market, marked significantly by the

political regime change that followed the national elections. While the first half of the year was shaped by uncertainty and cautious investor behaviour, the post-election period brought renewed optimism, paving the way for a potential market revival.

In the lead-up to the regime change, the market remained subdued due to election-related uncertainties, macroeconomic imbalances, and regulatory interventions such as the continuation of floor price mechanisms, which constrained market efficiency and investor confidence. During this time, the DSEX index remained largely range-bound, reflecting a lack of clear direction amid subdued trading activity.

However, the second half of 2024 saw a gradual improvement in market sentiment as the new administration introduced a series of reform-oriented policy signals aimed at enhancing transparency, restoring investor confidence, and modernizing capital market regulations. The removal of floor prices in selected scrips on a pilot basis, improved communication from regulators, and discussions around corporate governance reforms contributed to renewed interest, particularly among institutional and foreign investors.

As of August 5, 2024, the DSEX index had recorded a return of -16.28%. In the period following this date, the market decline significantly slowed, with the DSEX posting a return of -0.25% from August 5 through year-end. For the full year, the DSEX registered a negative return of 16.49%, reflecting a cautiously optimistic shift in the latter half of the year, following a marginal gain of 0.6% in 2023.

Bangladesh's underperformance relative to its regional peers in 2024. While Pakistan led the group with an extraordinary 84.3% positive return, followed by Sri Lanka (+49.7%) and Vietnam (+12.1%), Bangladesh trailed the region with a negative return of 16.5%, underperforming even Indonesia (-2.7%). This comparative underperformance reflects domestic policy rigidities, including the prolonged use of floor price mechanisms, delayed structural reforms, and weakness in corporate governance across listed firms.



The outlook for 2025 hinges on the continued implementation of structural reforms, particularly those related to banking sector discipline, foreign exchange liberalization, and capital market modernization. If sustained, these efforts could catalyse a re-rating of Bangladesh's equity market, despite the prevailing challenge of high inflation, slow private sector credit growth and rise in interest rate.

As investor confidence gradually rebuilds and macroeconomic indicators stabilize, the capital market is expected to regain its footing as a viable avenue for long-term investment and capital formation, playing a more meaningful role in financing the next phase of Bangladesh's economic growth.

5. Investment Banking Services

Fixed Income Securities

As an Arranger and Issue Manager, UCB Investment helps to navigate throughout the entire issuance process from planning and pricing of the issuance, appointing counterparties, filing for application, and responding to regulators' queries to the final approval of issuance of securities, arrangement and disbursement of funds.

Our team has expertise on assisting issuance of variety number of fixed income securities like: Islamic Financing Solutions, Capital and Corporate Bonds, Sukuk, Asset Backed Securities etc.

Bangladesh has invested billions of dollars in mega infrastructure projects that are expected to start operation within a few years. But rolling these infrastructures on a consistent basis is only possible when the country simultaneously pursues the development of soft infrastructures like developing the capital market. Our dedicated expert team is working continuously to introduce new and innovative Fixed Income Securities structures for Financial Institutions and Corporate Houses to ensure a vibrant bond market exists for the benefit of all the market participants and potentially open doors for substantial fund flow through bonds from savers to investors. We have a strong footprint in arranging and listing different types of Bonds, which include- Perpetual Bonds and Sub-Ordinated Bonds for financial institutions, Convertible/Non-Convertible Zero-Coupon Bonds, etc.

Issue Management and Underwriting

UCB Investment Limited provides high quality Issue Management services to their clients with a team of professionally skilled and competent Investment Bankers. Our Issue Management services include Initial Public Offer (IPO), Rights Offer, Repeat Public Offer (RPO), Qualified Investors Offer (QIO), Direct Listing, listing of debt securities, listing in the ATB Platform etc.

Our services include but are not limited to - valuation of the Issuer Company, preparation of Prospectus with the conformity of most updated law and regulations, carry out of the due diligence, review of material agreements with the assistance of legal counsel, appointments and coordination with the professional & regulatory bodies, representation of the company's strength to the right investors, coordination with Bangladesh Securities & Exchange Commission (BSEC) for the approval, coordination with the Financial Institutions and the underwriters, etc. UCBIL also participates in underwriting and helps in reducing risks in different public offerings. Overall, we pride ourselves on guiding issuers through the most challenging market conditions at every step of the proceedings.

Corporate Advisory

The main objective of our experienced investment banker is to understand the clients 'requirement. To assist the clients to reach their desired long-term and/or short-term financial goals, we provide diversified Corporate Advisory services. Often the Corporate Advisory services are tagged with our other services like Structured Finance and Issue Management services. Our Corporate Advisory services include a review of capital structure and providing necessary advisory services for appropriate financial restructuring, structuring of the transaction, assisting in a formal capital planning exercise for clients, thorough due diligence for preparation of the offering, resolving legal and regulatory issues, advising on the timing of the placement, and offering of the securities, etc.

Local and Foreign Loan Syndication

Our dynamic and versatile team is well experience in structuring and arranging optimal debt financing across multiple sectors in Bangladesh. Bangladesh being one of the fastest-growing economies in the world, has undertaken massive development initiatives to enrich the lives of its people. As a part of this development, the number of new projects, project expansions, business entities, and financial institutes are increasing at the same pace. To support Greenfield Projects or Expansion Projects, Syndication Financing or Club Financing is a popular means for Corporates and Financial Institutes.

Our Syndication Services include:

- Loan Syndication
- FCY Loan Syndication
- Commercial Paper Issuance
- Project Financing (Greenfield & Brownfield)
- Export Credit Agency and DFI Debt Arrangement
- Debt Restructuring and Refinancing Arrangement

We are committed to cater to the need of clients whose needs are complex and unconventional. Our Structured Finance team helps them in every step of their transaction. From preparing necessary documents to funding, raising, and collaborating with suitable local and foreign financial institutes, we serve on our best effort basis. Our highly experienced team with a global network can execute simple Local Syndication and Club Financing deals to more complex transactions like DFI Funding, Special Fund arrangement from Central Bank like IPFF, GTF, ECA Financing, Foreign DFI Fund arrangements, Arrangement of International Guarantee and so on.

Portfolio Management

UCB Investment Limited's vision is to lead the Portfolio Management sector through premium services. Our team of experienced portfolio managers has knowledge and expertise in managing huge funds curtailing the hurdles of the investors and providing them with the best investment advisory. Our Portfolio Management services include Discretionary Portfolio Management and Non-Discretionary Portfolio Management.

In Discretionary Portfolio Management, our dedicated investment managers will look after the client's portfolio with their best judgment and outlook on the market. The clients can delegate the hassles of the investment decisions to our team attuned to the market vagaries and get the optimum investment solutions.

We also provide Non- Discretionary Portfolio Management services where experts do all the market-related research and recommendations for the esteemed clients but the clients have absolute discretionary power to make the final decision. We also facilitate clients with margin loans according to best-suited profiles.

Merger and Acquisition

Mergers and Acquisitions (M&A) can involve complex transactions that require the attention and expertise of professionals with experience like our investment bankers. M&A also requires a strong liaison among different stakeholders. From due diligence, valuation, and structuring to closing of the project – all these steps may come to be bit perplexing for the companies. UCB Investment Ltd is certainly the most experienced and trustworthy partner of its esteemed clients in case of such transaction.

The professional advisers of UCB Investment provide 360-degree due diligence of transferor and transferee companies for developing Amalgamation Schemes. At UCBIL, our experts assess the intrinsic value of a business. As a reliable M&A adviser, we structure the transaction, conduct valuation, conduct due diligence, assess all material agreements, negotiate the best price for our client and ensure the closing of the deal.

Business Valuation

Valuation of Business is the process of revealing the economic value of a company. Business Valuation is required for numerous reasons- be it a regulatory requirement for investment or repatriation of funds to a foreign country, taxation reporting, determining the sales/purchase price of a company, or any other ad-hoq requirement of clients; UCB Investment caters to all segments of valuation. Our valuation service includes analysis of the company's management, its capital structure, its future earnings prospects, and evaluation of the market value of its assets.

Agency and Trustee

To support its continuous growth, Bangladesh needs more and more advancement in its economy and industries which require additional financing locally and globally. Different financial instruments have been continuously used to meet this financial need. As a result, the importance of the presence of Trustee and Agency in the transaction has emerged to ensure investors' or lenders' rights and compliance requirements.

At UCB Investment Limited (UCBIL), our experienced team provides the service of a Trustee, Facility and Security Agent, and Issuing and Paying Agent to ease financial transactions by ensuring different compliance requirements.

As a Trustee or Agency, we conduct due diligence on the financial and transactional documents as and when required as per relevant law of the country, act in the best interest of the Investors and Lenders as per relevant trust deeds and Agency Agreements, monitor and administrate the trust, act as a point of contact between Issuer/Borrower and Investors/Lenders group, ensure timely and seamless transactional supports, coordinate legal procedures on behalf of the Investors and Lenders within the scope of relevant law and agreements.

Placement and Transfer Agent Services

The dynamic team of UCB Investment is equipped to provide out-of-the-box services to you such as acting as placement agent and Transfer Agent Services. This service of UCBIL is unique because we are ready to be by your side –even when you appoint another Arranger to raise funds and they struggle to do so! As a placement agent we would find investors/lenders for you and help you to close the deal – be it a debt instrument or syndication/club financing transaction; with the help of our strong network and partnership with local and foreign investor/lender groups. As a transfer agent, we can also help our clients to find a buyer/seller to offload certain investments in absence of active secondary market.

6. Business Operation

The key operation of UCB Investment Limited is to provide advisory services to its clients and customers. UCBIL with its highly skilled team aims to provide all kinds of advisory services both debt and equity to its clients and customers. The entity also aims at delivering top-class, customized investment solutions to its clients to cater to their specific needs and be their long-term growth partner.

7. Business Ethics & Compliance

Sincerity, honesty, and integrity contribute to our long-term relationships with the clients. Our expectations for all of our employees are set out in ethical principles. The objective of the policy is to maintain our reputation for exceptional client service and ethical business dealings.

8. Role & Responsibility of the Board

The Board is devoted to the Company and enthusiastic about achieving sustainable long-term prosperity by meeting stakeholders' expectations. The Board is determined to ensure the best practices in accordance with statutory requirements.

Board of Directors	Status in Board
Mr. Nabil Mustafizur Rahman	Chairman
Barrister Imtiaz Farooq	Independent Director
Mr. S M Mainul Kabir	Director, representing of UCB PLC
Mr. Md. Ridwanul Hoque	Director, representing of UCB PLC

9. Financial Highlights

UCB investment Limited. is formed back in 2011 and has received the license to operate as a fully-fledged merchant bank in 2020. The company has started with a vision to be in the leading position within the next three years. The key financial highlights of the company are given below:

Amounts in BDT

Financial Position	2024	2023	2022	2021	2020
Total Assets	1,477,148,628	1,458,339,957	1,334,163,761	1,225,376,903	370,404,705
Total Liabilities	172,896,843	224,905,120	161,096,619	92,882,925	58,210,620
Operating Revenue	166,089,575	128,505,062	123,268,064	136,962,759	(1,746,958)
Operating Expense	63,680,240	53,567,072	43,292,520	40,351,062	(4,571,721)
Net Profit Before Tax	107,802,991	80,782,722	63,990,283	105,746,301	(2,750,320)
Net Profit After Tax	70,816,948	60,367,695	40,573,164	70,299,893	(4,172,236)
Paid-up Capital	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	250,000,000
Shareholders' Equity	1,304,251,785	1,233,434,837	1,173,067,142	1,132,493,978	312,194,085
Return on Assets	4.79%	4.14%	3.04%	5.74%	-1.13%
Return on Equity	5.43%	4.89%	3.46%	6.21%	-1.34%

10. Shareholding Position

Shareholders	% of Share Holdings	No. of Shares
United Commercial Bank PLC	99.99%	99,999,999
UCB Foundation	0.01%	1
	100%	**100,000,000**

11. Observance of BAS, BFRS & Applicable Laws

The Company keeps accounting records that disclose with reasonable accuracy of the financial position of the Company, and it is the responsibility of the directors to ensure that the financial statements comply with the Companies Act 1994 and the Securities and Exchange Rules 1987. The Directors also confirm that the financial statements have been prepared in accordance with the Bangladesh Accounting Standards, Bangladesh Financial Reporting Standards, and other applicable rules and regulations.

12. Accounting Policies & Maintenance of Books of Accounts

As required by the regulators the company prepared financial statements, using appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgments and estimates and all International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) have been followed. In preparing financial statements, information has been obtained from the books of accounts which have been maintained properly as required by the applicable rules and regulations.

13. Report on Going Concern

The Directors are satisfied with the present and potential business growth, annual budget, performance, liquidity position, plans, and financing arrangement of the company. The Company has adequate resources to continue to operate in the foreseeable future and confirms that there is no material issue threatening the going concern of the company. For this reason, Directors continue to adopt the going concern basis in preparing these financial statements.

14. Dividend Declaration

UCB Investment Limited declared 'no dividend' for its shareholders for the year ended 31 December 2024.

15. Auditors Report

The Board of Directors reviewed the Auditors Report issued by the auditors of the company, ACNABIN Chartered Accountants based on their audit of financial statements for the year ended 31 December 2024. The auditor didn't mention any material misstatement or significant disagreement regarding the review of the financial statements of the company. The Board also reviews the auditors' suggestions provided through a separate management report and strategic guidelines to the management for improvement.

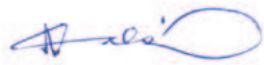
16. Auditors Appointment

Pursuant to Section 210 of the Companies Act, 1994, the Company's external auditors 'HOWLADAR YUNUS & CO' was re-appointed as the independent auditor of the Company for the year 2025 in its Annual General Meeting.

17. Acknowledgement

On behalf of the Board of Directors, I take the opportunity to express our heartfelt appreciation and gratitude to our business partners and shareholders for their continuous support and confidence in UCB Investment Limited. A special note of appreciation goes to the Management team and all the employees for their devotion, integrity, hard work, and professionalism to mold this young brand as a shining star in the capital market of Bangladesh. My sincere gratitude also goes to Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Stock Exchanges, and all other regulatory bodies who were involved in the growth of this Company for their invaluable assistance, support, guidance and counsel.

On behalf of the Board of Directors



Nabil Mustafizur Rahman
Chairman
UCB Investment Limited

Management Discussion & Analysis

Dear stakeholders,

The year 2024 has been a defining chapter in the journey of UCB Investment Limited, where we not only delivered results but also reaffirmed our commitment to going beyond service—a philosophy that blends excellence, empathy, and innovation in everything we do.

In an environment marked by macroeconomic volatility, global policy tightening, and a significant political regime change in Bangladesh, we remained focused and resilient. These shifting dynamics tested the strength of our strategy, the depth of our service capabilities, and the agility of our team. We are proud to report that UCB Investment continued to thrive—anchored by our core principle of "zero compromise on service."



Navigating Complexity with Clarity

The start of 2024 posed fresh challenges across the financial sector, especially in terms of liquidity, investor sentiment, and regulatory changes. Despite these, UCB Investment delivered a stellar performance, upholding our role as a market leader in corporate advisory, capital raising, and financial innovation.

We successfully executed multiple landmark transactions in 2024, including IPOs, Rights Issues, and Subordinated Bonds — proving our versatility and market leadership.

Our ability to deliver tailored solutions stems from our unwavering focus on the dual pillars of Service and Strategy (2S). This approach allowed us to anticipate client needs, structure value-added deals, and respond proactively to shifting market conditions.

Empowering Capital Market Evolution

At UCB Investment, we view ourselves not only as transaction advisors but as partners in growth. Throughout 2024, we actively collaborated with regulators, corporates, and investors to accelerate the evolution of Bangladesh's capital market. Our policy advocacy efforts focused on deepening the debt market, supporting innovation in financial instruments, and building awareness among retail and institutional investors.

Living Our Promise – Beyond Service

Staying true to our vision of contributing beyond service, we continued our community engagement through meaningful initiatives. Our flagship campaigns — "Investing in Society (IIS)" and "Decode Investment Banking (DIB)" — were expanded in 2024, reflecting our commitment to inclusive financial education and social empowerment. Our social media presence on platforms like LinkedIn and Facebook has also helped us extend thought leadership and public engagement.

Vision for the Future

As the recipient of multiple local and international awards, including the continued recognition as “Best Investment Bank”, we recognize the responsibility that comes with this title. In 2025 and beyond, our journey will be guided by our proven formula of Service and Strategy (2S)—a model that places client success and institutional integrity at the core.

We extend our heartfelt gratitude to our clients, employees, partners, regulators, and stakeholders who made our 2024 achievements possible. With a sharpened focus, a future-ready mindset, and a zero-compromise attitude on service, UCB Investment Limited is fully prepared to lead the next era of growth in Bangladesh’s capital market.

Best wishes,



Tanzim Alamgir
Managing Director and CEO
UCB Investment Limited

Independent Auditor's Report To the Shareholders of UCB Investment Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UCB Investment Limited, which comprise the statement of financial position as at 31 December 2024, 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 and other explanatory 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 2024, 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 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 the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all the information but doesn't include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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.

When we read the other information, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 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 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 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.

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, related safeguards.

Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 2020 and the other applicable laws and regulations. We, as required by law, further report that:

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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements 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 account and returns.

Dhaka,
08 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC:2505170787AS300862

UCB Investment Limited

Statement of Financial Position

As at 31 December 2024

	31-Dec-2024 Taka	31-Dec-2023 Taka
ASSETS		
Current Assets		
Cash and Bank Balances	57,974,571	86,911,319
Investments	838,143,933	776,512,936
Advances, Deposits and Prepayments	1,757,094	7,966,514
Margin Loan to Portfolio Client	499,900	-
Other Assets	95,234,797	110,873,015
Total Current Assets	**993,610,296**	**982,263,784**
Non-Current Assets		
Property, Plant and Equipment	482,392,519	475,470,052
Deferred Tax Asset	1,145,813	606,121
Total Non-Current Assets	**483,538,332**	**476,076,173**
TOTAL ASSETS	**1,477,148,628**	**1,458,339,957**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Current Liabilities		
Other Liabilities	168,149,970	214,764,591
Provision for Margin Loan	4,999	-
Provision for Diminution in Value of Investment	4,741,874	10,140,529
Total Current Liabilities	**172,896,843**	**224,905,120**
Non-Current Liabilities	-	-
Shareholders' Equity		
Share Capital	1,000,000,000	1,000,000,000
Retained Earnings	304,251,785	233,434,837
Total Shareholders' Equity	**1,304,251,785**	**1,233,434,837**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,477,148,628**	**1,458,339,957**

Chairman **Director** **Managing Director & CEO**

Dhaka,
08 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2505170787AS300862

UCB

UCB Investment Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	2024 Taka	2023 Taka
Income		
Fee Income	100,588,286	74,872,250
Investment Income	59,281,406	43,591,857
Income from Portfolio Operations	3,012,466	2,275,018
Interest Income	3,207,416	7,765,937
Total Income	**166,089,575**	**128,505,062**
Expenses		
Operating Expense	42,513,212	34,746,204
Other Expense	21,167,029	18,820,868
Total Expenses	**63,680,241**	**53,567,072**
Profit before Provision	**102,409,334**	**74,937,990**
Provision for Diminution in Value of Investment	(5,398,655)	(5,824,710)
Provision for Margin Loan	4,999	(20,022)
Net Profit after provision	**107,802,990**	**80,782,722**
Current Tax	37,525,734	21,277,418
Deferred Tax	(539,692)	(862,391)
Net Profit after Tax	**70,816,948**	**60,367,695**
Other Comprehensive Income	-	-
Total Comprehensive Income	**70,816,948**	**60,367,695**

Chairman **Director** **Managing Director & CEO**

Dhaka,
08 May 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2505170787AS300862

UCB Investment Limited

Statement of Changes in Equity

For the year ended 31 December 2024

Amount in Taka

Particulars	Share Capital	Retained Earnings	Equity
Balance as at 01 January 2024	1,000,000,000	233,434,837	1,233,434,837
Net Profit after tax for the year	-	70,816,948	70,816,948
Balance as at 31 December 2024	**1,000,000,000**	**304,251,785**	**1,304,251,785**

For the year ended 31 December 2023

Amount in Taka

Particulars	Share Capital	Retained Earnings	Equity
Balance as at 01 January 2023	1,000,000,000	173,067,142	1,173,067,142
Net Profit after tax for the year	-	60,367,695	60,367,695
Balance as at 31 December 2023	**1,000,000,000**	**233,434,837**	**1,233,434,837**

Chairman | Director | Managing Director & CEO

Dhaka,
08 May 2025

UCB

UCB Investment Limited

Statement of Cash Flows

For the year ended 31 December 2024

		2024 Taka	2023 Taka
A.	**Cash flows from operating activities**		
	Interest Receipts in cash	39,638,314	21,244,955
	Dividend Receipts	5,523,991	2,080,000
	Fees & Commission Receipts	89,280,958	76,114,258
	Income taxes paid	(8,125,712)	(4,890,012)
	Paid to other operating activities	(31,160,777)	(24,842,452)
	Paid to employees	(30,272,845)	(25,332,889)
	Operating profit before changes in current assets and liabilities	**64,883,928**	**44,373,861**
	Increase/Decrease in current assets and liabilities	**(102,989,928)**	**(12,506,938)**
	(Purchases)/Sales of trading Securities	(62,968,854)	(32,501,750)
	Client Deposit, withdrawal, IPO & Dividend	(98,004,954)	(8,222,140)
	Receipt from UCB Stock Brokerage Ltd	59,417,545	29,542,258
	(Increase)/Decrease of Other Assets	(1,313,665)	(1,325,306)
	Decrease of Other Liabilities	(120,000)	-
	Net cash (used in)/ flow from operating activities	**(38,106,000)**	**31,866,923**
B.	**Cash flows from investing activities**		
	Purchase of Mutual Fund, Bond	(82,489,886)	(160,952,933)
	Acquisition of Property,Plant and Equipment	(7,278,741)	(298,401)
	Encashment of FDR	-	3,587,622
	Encashment of Bond	98,937,879	155,657,882
	Net Cash flow from/(used in) investing activities	**9,169,252**	**(2,005,830)**
C.	**Cash flows from financing activities**	-	-
D.	**Net (Decrease)/Increase in cash and Bank Balance (A+B+C)**	**(28,936,747)**	**29,861,093**
E.	Unrealised Foreign Exchange Gain/(Loss)	-	-
F.	Cash and Bank Balance at beginning of the year	86,911,319	57,050,226
G.	**Cash and Bank Balance at the end of the year (D+E+F)**	**57,974,571**	**86,911,319**
	Cash in Hand	55,965	4,120
	Cash at Bank	57,918,606	86,907,199
		57,974,571	**86,911,319**

Chairman **Director** **Managing Director & CEO**

Dhaka,
08 May 2025



WE INVEST IN SOCIETY

ABOUT UCB INVESTMENT LTD.

UCB Investment Limited (UCBIL), a wholly owned subsidiary of United Commercial Bank PLC, has been providing 360-degree Investment Banking Services, Including Corporate Advisory, Fund Arrangements, Loan Syndication, Mergers and Acquisitions, IPOs, RPOs, Rights Issues, and Portfolio Management, since its inception in October 2020. In just over four years, UCBIL has significantly contributed to the Bangladesh capital market, serving as the issue manager for 8 bonds, accounting for 50.0% of all listed bonds. By October 2024, UCBIL raised approximately BDT 16,000 crore and completed 53 deals.

From local accolades to global recognition, UCBIL proudly represents Bangladesh on the world stage. Recently, it secured all five eligible awards at The Asset Triple A Awards for Sustainable Finance 2025, reaffirming its leadership in Bangladesh's financial landscape. In 2024, we won 3 awards and a special mention for Best Deals in South Asia, along with 2 Best House Awards in Asia Pacific at the FinanceAsia Achievement Awards 2024. These accomplishments are built on previous honors, including Best Securities House by Euromoney (2024), Best Investment Bank in Bangladesh by FinanceAsia and Euromoney (2023, 2024), 1st Prize in the Merchant Bank category by BSEC (2022), and other accolades from ASIAMONEY, Asset Triple A and more.

In addition to these successes, UCBIL's Board of Directors has, since inception, approved contributing a certain percentage of its profit to the prioritized social causes towards Sustainable Development Goads (SDGs) through our Investing in Society (IIS) campaign. Furthermore, under our Decode Investment Banking (DIB) initiative, our mission is to promote financial well-being, nurture intellectual growth in society, and demystify the world of investment banking.

OUR TRACTION

EQUITY ARRANGEMENT

- Issue Management Services
  IPO, RPO, Right Offer
- Underwriting Services
  Commitment in Fund raising for Public Offering
- Private Equity Advisory
- Business Valuation

MERGER & ACQUISITION

- Buy Side Advisory
- Sell Side Advisory
- Valuation Report

PORTFOLIO MANAGEMENT SERVICES

- Non Discretionary Portfolio Management
  Portfolios are managed under the Client's Discretion
  - Margin Account
  - Non Margin Account
- Discretionary Portfolio Management
  Portfolios are managed under the discretion of Portfolio Managers

STRUCTURED FINANCE PRODUCTS

- Local and Foreign Currency
- Loan Syndication
- Fixed Income Securities Advisory
- Agency and Trustee
- Corporate Advisory

Our Phone
+88-02-55668070, Ext # 800094

Our Address
BULUS CENTER 17TH FLOOR ROAD 34, PLOT CWS-(A)-1, GULSHAN AVENUE, DHAKA-1212, BANGLADESH

Our Email
info@ucbil.com.bd

Our Website
www.ucb-investment.com

UCB INVESTMENT Limited

Towards Sustainable Growth

BEST BANK AWARDS 2023 ASIAMONEY
BEST INVESTMENT BANK BANGLADESH

ASSET ASIAN AWARDS TRIPLE A
THE Asset

FinanceAsia AWARDS 2023

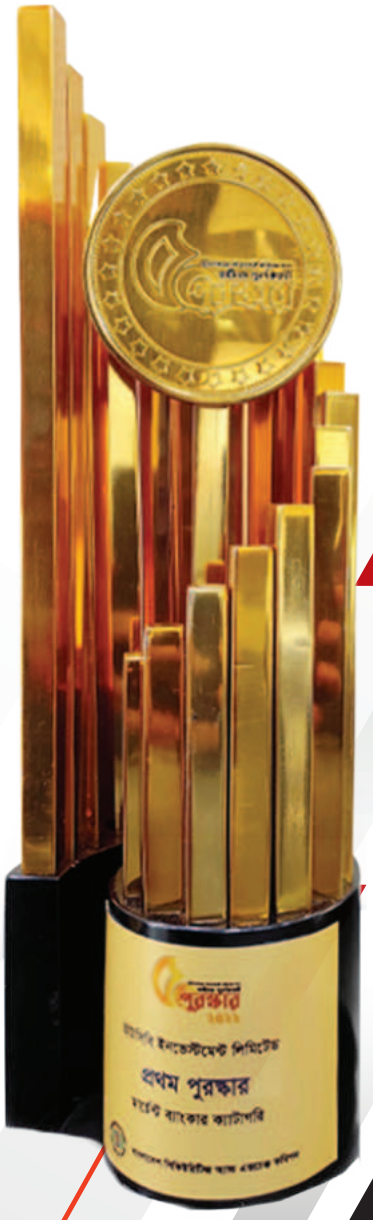
FINANCEASIA AWARDS 2024

EUROMONEY AWARDS FOR EXCELLENCE BANGLADESH 2023
BEST INVESTMENT BANK

EUROMONEY AWARDS FOR EXCELLENCE 2024

EUROMONEY SECURITIES HOUSES AWARDS 2024

স্বাধীনতা সুবর্ণজয়ন্তী পুরস্কার



OUR **VALUED CLIENTS**

Trust Bank PLC. · Synesis IT · STAR TECH · Southeast Bank PLC. · citygroup
SIBL Social Islami Bank PLC · Shahjalal Islami Bank PLC · পুবালী ব্যাংক পিএলসি PUBALI BANK PLC · Premier Bank · BRAC BANK
ONE Bank · NRBC BANK · NRB Bank · MEGHNA INSURANCE · BEACON Pharmaceuticals PLC
Mutual Trust Bank PLC · minister · UCB · Jamuna Bank · Bank Asia
Islami Bank Bangladesh PLC · IFIC · Global Brand · ANWARS ANWAR GROUP
FairElectronics · DHAKA BANK PLC. · GPH ispat · CONFIDENCE · Janata Bank PLC
alliance finance · aib · aamra the power of WE · DBH · মার্কেন্টাইল ব্যাংক পিএলসি Mercantile Bank PLC · Alin



উপায়

Company Profile

Resilience is one of the biggest strengths of the Bangladeshis. During the hours of adversity and challenges, we persistently figure out solutions to any problem that we confront. Inspired by this optimistic spirit, উপায় (upay) was founded to become a lifestyle partner that makes customer journey simple, secure, and convenient, while availing round the clock financial services across the country.

উপায় (upay) is the digital financial service brand of UCB Fintech Company Limited, a subsidiary of the United Commercial Bank PLC. Upon receiving the license from Bangladesh Bank, উপায় (upay) started its journey in early 2021, offering a broad range of mobile financial services to people from all walks of life.

উপায় (upay) products and services include mobile transactions utility bill payment, in-store, and ecommerce payment, inward remittance, salary disbursement, airtime recharge, and other value-added financial services. Customers can avail the services from our nationwide agent and merchant network at an affordable charge.

উপায় (upay) aims to actively contribute to transforming the financial landscape of the country. It offers easy access to the seamless digital financial solution, touching the lives of millions of people, and thus driving financial inclusion in the country.

Embracing empathy as a core pillar of our value system, উপায় (upay) aims to usher in a new era in the digital financial service industry by keeping the customer's needs at the front and center of everything we do. No matter what challenges our customers face, as a companion, we promise to be their reliable problem solver, offering a delightful customer experience, complete security, and meaningful innovations.

Our Values

We ensure ease of experience, innovative solutions, and superior security for our valued users.

Leadership



Mohammad Mamdudur Rashid
Chairman



Abul Alam Ferdous
Director



Md. Abdullah Al Mamoon
Director



Abul Ehtesham Abdul Muhaimen
Independent Director



A. K. M. Fahim Mashroor
Independent Director

Directors' Report

The Board of Directors of UCB Fintech Company Limited is pleased to present before you the Directors' Report along with the Auditor's Report and the Audited Financial Statements as at and for the year ended 31 December 2024 for your kind consideration and approval.

The Directors' Report is prepared in accordance with the guidance of the Companies Act 1994 and the requirements of other regulatory pronouncements and should be read in conjunction with the financial statements and accompanying notes to the financial statements.

UCB Fintech Company Limited was incorporated as a 100%-owned-subsidiary of United Commercial Bank PLC on 30 July 2020 and upon receiving the license from Bangladesh Bank, it started its journey in early 2021 under the brand উপায় (upay) with the aim to disrupt the Mobile Financial Services (MFS) industry in Bangladesh so that people from all walks of life can get easy access to innovative and secured financial services.

UCB Fintech Company Limited has been operating in an industry characterized by a large and aggressive market leader, an aggressive challenger, price sensitive customers and low-margin products. Gaining and maintaining traction in this industry is not only difficult but also expensive; particularly, for new entrant like উপায় (upay). It is not possible for a new entrant to this industry to create a footprint without significant investment in customer acquisition, channel development and in brand building.

In spite of stiff competition, উপায় (upay) achieved a remarkable performance in the year 2024. Total transaction value increased to around BDT 12,101 crore in 2024, an 23% growth over 2023. Similar to the overall industry, cash-in, cash-out and send money accounted for the most of the transaction amount. Registered customers stood at around 9.2 million at the end of 2024. The number of retail agents was around 185 thousand and the number of registered merchants was 17,560 at the end of the year.

Revenue increased to BDT 487 million in 2024 from BDT 433 million in 2023. Continued investment in customer acquisition, channel development, brand building and in technology resulted in a Net Loss After Tax of BDT 759 million in 2024. However, monthly operating expenditure decreased in 2024 compared to that in 2023 due to the effect of operational excellence initiatives.

The Financial Statements have been prepared in accordance to International Financial Reporting Standards (IFRSs) as applicable in Bangladesh. Based on the financial performance of the company, the Board is not recommending any dividend for the year 2024.

The Board would like to thank all employees and management team of the company for their tireless efforts and dedication to move the company forward. The Board is also thankful to all the customers, partners and shareholders whose continued confidence in the company is very important to fulfill the purpose for which the company is established. And, finally, we express our thanks and gratitude to all regulators and government agencies for their continuous support.

For and on behalf of the Board of Directors of UCB Fintech Company Limited.



Mohammad Mamdudur Rashid
Chairman
UCB Fintech Company Limited

Independent Auditor's Report

To the Shareholders of UCB Fintech Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UCB Fintech Company Limited, which comprise the statement of financial position as at 31 December 2024, 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 and other explanatory 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 2024, 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 to 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 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 the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises all the information but doesn't include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 Financial-Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view 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 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 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.

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, related safeguards.

Report on other Legal and Regulatory Requirements

We also report that the financial statements comply with the Companies Act 1994 and the other applicable laws and regulations. We, as required by law, further report that:

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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements 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 account and returns.

Dhaka,
22 APR 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants



Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2504290787AS111527

UCB Fintech Company Limited

Statement of financial position

As at 31 December 2024

In BDT	Notes	As at 31 Dec 2024	As at 31-Dec-2023
Assets			
Property, plant and equipment	4.	148,380,695	199,253,056
Intangible assets	5.	245,183,513	228,851,814
Pre-operating costs	6.	937,718	1,875,437
Non-current assets		**394,501,926**	**429,980,307**
Inventory and consumable items	7.	34,121,504	32,023,582
Advances, deposits and prepayments	8.	48,105,466	45,119,082
Account receivables	9.	40,566,256	46,371,219
Advance income tax	10.	-	-
Trust cum settlement accounts and investments	11.	1,127,651,669	850,045,208
Cash and cash equivalent	12.	654,228,087	1,419,247,280
Current assets		**1,904,672,982**	**2,392,806,372**
Total assets		**2,299,174,908**	**2,822,786,679**
Equity and liabilities			
Equity			
Share capital	13.	5,000,000,000	5,000,000,000
Retained earnings		(3,894,000,868)	(3,134,906,250)
Total equity		**1,105,999,132**	**1,865,093,750**
Liabilities			
Customer and other deposits	14.	1,058,755,857	771,153,027
Provision for income tax	15.	4,619,650	4,522,593
Operational payables	16.	45,932,943	63,242,742
Other payables	17.	7,791,099	11,631,622
Provision for Expenses	18.	76,076,227	107,142,946
Current liabilities		**1,193,175,776**	**957,692,930**
Total liabilities		**1,193,175,776**	**957,692,930**
Total equity and liabilities		**2,299,174,908**	**2,822,786,679**

The annexed notes from 1 to 25 form an integral part of these financial statements.

Acting Head of Finance | **Director** | **Director**

This is the statement of financial position referred to in our separate report of even date.

Dhaka,
22 APR 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2504290787AS111527

UCB

UCB Fintech Company Limited

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

In BDT	Notes	01 Jan to 31 Dec 2024	01 Jan to 31 Dec 2023
Revenue	19.	486,997,020	433,286,306
Cost of services	20.	437,679,474	396,076,100
Gross profit/(loss)		**49,317,546**	**37,210,206**
Administrative and other operating expenses	21.	582,252,774	514,757,060
Commercial expenses	22.	287,581,383	394,397,891
Operating loss		**(820,516,612)**	**(871,944,745)**
Non operating income	23.	89,289,019	63,584,048
Net loss before tax		**(731,227,593)**	**(808,360,696)**
Income tax expense	24.	27,867,025	46,015,968
Net loss after tax		**(759,094,618)**	**(854,376,664)**
Other comprehensive income/(expense)		-	-
Total comprehensive income/(expense)		**(759,094,618)**	**(854,376,664)**

The annexed notes from 1 to 25 form an integral part of these financial statements.

Acting Head of Finance | **Director** | **Director**

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka,
22 APR 2025

Signed for and on behalf of
ACNABIN
Chartered Accountants

Md. Moniruzzaman, FCA
Partner
ICAB Enrollment No. 787
DVC: 2504290787AS111527

UCB Fintech Company Limited

Statement of changes in equity

For the year ended 31 December 2024

In BDT	Attributable to the owners of the Company		
	Share Capital	Retained earnings	Total Equity
Balance as at 1 January 2024	5,000,000,000	(3,134,906,250)	1,865,093,750
Transactions with owners of the Company			
Contributions and distributions:			
Issue of ordinary shares	-	-	-
Total comprehensive income for the year ended 31 December 2024			
Net loss for the year	-	(759,094,618)	(759,094,618)
Balance as at 31 December 2024	**5,000,000,000**	**(3,894,000,868)**	**1,105,999,132**

In BDT	Attributable to the owners of the Company		
	Ordinary shares	Retained earnings	Total Equity
Balance as at 1 January 2023	3,000,000,000	(2,280,529,586)	719,470,414
Transactions with owners of the Company			
Contributions and distributions:			
Issue of ordinary shares	2,000,000,000	-	2,000,000,000
Total comprehensive income for the year ended 31 December 2023			
Net loss for the year	-	(854,376,664)	(854,376,664)
Balance as at 31 December 2023	**5,000,000,000**	**(3,134,906,250)**	**1,865,093,750**

The annexed notes from 1 to 25 form an integral part of these financial statements.

Acting Head of Finance | Director | Director

UCB

UCB Fintech Company Limited

Statement of cash flows

For the year ended 31 December 2024

In BDT	Notes	01 Jan to 31 Dec 2024	01 Jan to 31 Dec 2023
Cash flows from operating activities			
Cash receipt from customers		433,397,046	385,401,467
Interest received		146,902,823	70,124,889
Receipt from scrap sales		7,782	13,171
Cash receipt against wallets		287,602,830	24,128,887
Cash generated from operating activities		**867,910,481**	**479,668,414**
Payment to suppliers and others		(926,190,641)	(955,803,470)
Payment to employees		(379,832,185)	(401,164,778)
Income tax paid		(27,769,968)	(31,234,910)
Cash used in operating activities		**(1,333,792,794)**	**(1,388,203,158)**
Net cash used in operating activities		**(465,882,313)**	**(908,534,744)**
Cash flows from Investing activities			
Investment in treasury bonds		(36,257,750)	(49,518,700)
Acquisition of property, plant and equipment		(23,409,468)	(47,235,323)
Net cash used in investing activities		**(59,667,218)**	**(96,754,023)**
Cash flows from Financing activities			
Cash receipt from issue of shares		-	2,000,000,000
Net cash from financing activities		**-**	**2,000,000,000**
Net increase in cash and cash equivalent		**(525,549,531)**	**994,711,234**
Cash and cash equivalent as at 01 January		1,999,765,025	1,005,053,791
Cash and Bank Balances including trust cum settlement accounts as at 31 December		1,474,215,494	1,999,765,025
Less: Trust cum settlement accounts		819,987,407	580,517,745
Cash and Bank Balances at the end of the year		**654,228,087**	**1,419,247,280**

The annexed notes from 1 to 25 form an integral part of these financial statements.

Acting Head of Finance | Director | Director

UCB Fintech Company Limited

Notes to the financial statements

As at and for the year ended 31 December 2024

1. Corporate Information

1.1 Legal status of the Company

“UCB Fintech Company Limited (hereinafter referred to as "the Company" or “upay”) a subsidiary of United Commercial Bank PLC, was incorporated in Bangladesh on 30 July 2020 vide registration no. C-162182 as a private company limited by shares under the Companies Act, 1994 having its registered office in Plot -CWS- (A)-1, Road - 34, Gulshan Avenue, Dhaka - 1212.

The Company has obtained permission from Bangladesh Bank to commence its’ commercial activity via letter reference no# PSD(MFS)/33/2020-1886 dated 28 December 2020 under "Bangladesh Mobile Financial Services (MFS) Regulations, 2018.” (Later replaced by "Bangladesh Mobile Financial Services (MFS) Regulations, 2022”)

1.2 Nature of the Business Activities

UCB Fintech Company Limited is a subsidiary of the United Commercial Bank PLC. Upon receiving the license from Bangladesh Bank, UCB Fintech Company Limited started its journey in March 2021 under the brand name (“upay” in English) and offering a broad range of mobile financial services to people from all walks of life. Product and services of UCB Fintech Company Limited include mobile transactions (cash-in, cash-out, send money etc.), utility bill payment, in-store and e-commerce payment, inward remittance, salary disbursement, G2P and P2G transaction, airtime recharge and other value added financial services. Going forward, UCB Fintech aims to offer different types of innovative products and services to fulfill need of different customer segments.

1.3 Statement of compliance

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) which also cover International Accounting Standards (IASs), the Companies Act 1994 and other applicable laws and regulations.

The titles and format of these Financial Statements follow the requirements of IFRSs which are to some extent different from the requirements of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS titles and format gives a better presentation to its intended users.

1.4 Basis of measurement

The Financial Statements are prepared on historical cost basis.

1.5 Date of authorization

The Financial Statements for the year ended 31 December 2024 were authorized by the Board of Directors on 22 April 2025.

1.6 Components of Financial Statements

Followings are the components of these Financial Statements:

(i) Statement of Financial Position as at 31 December 2024;

(ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended at 31 December 2024;

(iii) Statement of Changes in Equity for the year ended at 31 December 2024;

(iv) Statement of Cash Flows for the year ended at 31 December 2024;

(v) Explanatory notes to the above Financial Statements which also describe the accounting policies adopted and followed by the company.

1.7 Functional and presentational currency

The Financial Statements are presented in Bangladeshi Taka (BDT), which is the functional and presentational currency of the company and rounded off to the nearest integer.

1.8 Use of estimates and judgements

The preparation of Financial Statements in conformity with IASs, IFRSs requires the use of certain critical accounting estimates. It also 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 to accounting estimates are recognized in the Period in which the estimates are revised and in any future Periods affected.

2. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise. Set out below is an index of the significant accounting policies:

A. Revenue
B. Employee benefits
C. Interest income
D. Income tax
E. Property, plant and equipment
F. Intangible assets
G. Financial instruments
H. Provisions
I. Going concern
J. Statement of cash flows
K. Events after the reporting period
L. Materiality and aggregation
M. Pre-operating Expenses
N. Trust Cum Settlement Account and Investment

A. Revenue recognition

Revenue has been recognized based on the consideration specified in a contract with a customer in compliance with IFRS 15: "Revenue from Contracts with customers". The Company recognizes revenue when it transfers control over a good or service to a customer. The Company's principal business of the Company is Mobile Financial Services (MFS).

To determine the transaction price, the Company considers the terms of the contract and its regular business practice. The transaction price excludes the amount collected on behalf of third parties.

Nature of goods and services

The following is a description of the principal activities from which the Company generates its revenue.

(a) **Cash out and others:** Revenue from cash out and others include service charge received from cash out/e-money settlement, Person to Person (P2P) balance transfer, bill payment by customer, salary disbursement etc. The Company charges its customers a fixed rate of cash out/settlement fee at the time the customer redeems cash at agent point, ATM booth or through transfer to bank by surrendering e-money from his/her wallet.

(b) **Airtime commission:** Upfront commission is received from Mobile Network Operators (MNOs) at the time of purchase of airtime. Airtime commission revenue is recognized when a customer purchases mobile airtime using UPAY wallet. Upfront commission received against unsold airtime top-up is recognized as unearned revenue.

(c) **Interest on trust cum settlement account and investment:** This represents revenue/earnings generated from utilization of real money raised from customers against issuance of e-money. A statutory portion of such real money is invested in various forms through trust cum settlement account in line with the provisions of Bangladesh Mobile Financial Services (MFS) Regulations 2022 and PSP license issued by Bangladesh Bank. Revenue from this investment is recognized over a period of time based on effective rate of return.

B. Employee benefits

Defined contribution plans - provident fund

Under a defined contribution plan, the entity pays fixed contributions into a fund managed by separate trustees but has no legal or constructive obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The entity's obligation is therefore effectively limited to the amount it agrees to contribute to the fund.

Defined benefit - gratuity fund

These are post-employment benefit plans other than a defined contribution plans measured by separate trustees. These plans create an obligation on the entity to provide agreed benefits to current and past employees and effectively places actuarial and investment risk on the entity.

C. Interest income

Non-operating income includes mainly interest from balance of SND account (Operational) and Fixed Deposit Receipt (FDR). Interest income is recognized on accrual basis.

D. Income tax

Current Tax

Income tax expense is recognized in the statement of profit or loss and other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rate enacted at the reporting date, and any adjustment to tax payable in respect of previous Period. Current tax has been calculated on the basis of Income Tax Act, 2023 (Replaced from Income Tax Ordinance, 1984).

Deferred Tax

Deferred tax is the tax on temporary difference between the accounting base and tax base. The Company didn't recognize the deferred tax due to continuous loss on its business operation. The company will implement the deferred tax whenever there is scope of absorption of deferred tax on its financial statements.

E. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of assets. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner. Work in progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost.

Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated to write down the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. For addition of property, plant and equipment, depreciation is charged for full month in the month of addition and no depreciation is charged in the month of disposal. The estimated rate of property, plant and equipment are as follows:

Name of Assets	Depreciation Rate
Office equipment	20%
IT Equipment	
Core Network	20%
Computers	25%
Furniture & fixtures	10%
Vehicles	20%

Retirement and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset in profit or loss.

F. Intangible assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Work-in-progress represents the cost incurred for acquisition and/or construction of items of intangible assets that are not ready for use which is measured at cost.

Expenditure on the research phase of projects to develop new customized software is recognized as an expense as incurred. Costs that are directly attributable to a project's development phase are recognized as intangible assets, provided they meet the following recognition requirements:

- the development costs can be measured reliably
- the project is technically and commercially feasible
- the Company intends to and has sufficient resources to complete the project
- the Company has the ability to use or sell the software
- the software will generate probable future economic benefits.

The Company capitalized IT staff costs directly attributable to implement of the DFS software that meet the recognition criteria of IAS 38 Intangible Assets.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Amortization

Amortization is calculated to write down the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, from the date that they are available for use, and is generally recognized in profit or loss.

The estimated useful life of software is 4 years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The estimated useful lives of intangible assets are as follows:

Name of Assets	Useful life
Computer software	4 years
Core Digital Financial System	5 years

G. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized in statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortized cost comprise operational and other receivables, cash at banks, government securities, and fixed deposits etc.

Financial liabilities

The Company initially recognizes financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognizes a financial liability when its -contractual obligations are discharged or cancelled, or expired.

The Company recognizes such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The Company's financial liabilities comprise Customers and channel partners' deposits, operational and other payables, other non-current liabilities and accrued expenses.

H. Provisions

A provision is recognized when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation in compliance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

I. Going Concern

The accompanying Financial Statements have been prepared on a going concern assumption that the Company will continue in operation for the foreseeable future. The Company has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The Company is facing continuous loss since its commercial operation but it is hopeful to generate profit having long term strategic business plan, accordingly the Company is working on and continuous financial support from its Parent to continue as going concern.

J. Statement of cash flows

Statement of cash flows have been prepared in accordance with the IAS 7 Statement of Cash Flows under direct method.

Cash equivalents are short- term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Operating activities are the principal revenue producing activities of the entity and other activities that are not investing or financing activities.

Investing activities relate to the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

K. Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

L. Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

M. Pre-operating Expenses

Pre-operating expenses include incorporation expenses of the Company. The pre-operating expense will be amortized in 5 equal installments and over a period of 5 years commencing from the Period in which the company commences its operations. As the operation of the company commences this Period, therefore amortization expense for this Period has been charged to the Statement of Profit or Loss and Other Comprehensive Income.

N. Trust Cum Settlement Account and Investment

Trust cum settlement account represents balances with different commercial banks in the form of cash and investment in government securities against e-money issued to customers, channel partners, merchants etc.

As per Bangladesh Mobile Financial Services (MFS) Regulations, 2022 issued by Bangladesh Bank, aggregate of virtual balances (e-money) in all MFS accounts must at the end of each day be in agreement with or be less than the total real cash balances in nominated trust cum settlement account of the MFS provider and invested amount in government securities (which shall represent no less than 25% of total trust cum settlement account balance).

Reporting Period

This Financial Statements of the Company cover 12 month period from 01 January 2024 to 31 December 2024.

General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

Notes to the financial statements (Continued)

		31 Dec 2024 In BDT	31 Dec 2023 In BDT
4.	**Property, plant and equipment**		
	Cost	366,037,636	342,676,669
	Less: Accumulated depreciation	217,656,941	143,423,613
		148,380,695	**199,253,056**
	Details are in Annexure-A		
5.	**Intangible assets**		
	Cost	274,857,121	231,215,106
	Less: Accumulated Amortization	29,673,609	2,363,292
		245,183,513	**228,851,814**
	Details are in Annexure-B		
6.	**Pre-operating costs**		
	Opening Balance	1,875,437	2,813,156
	Less: Amortization during the year	937,719	937,719
		937,718	**1,875,437**
7.	**Inventory and consumable items**		
	POS Materials	5,817,717	4,491,664
	Airtime Balances	28,303,787	27,531,918
		34,121,504	**32,023,582**
	Airtime balance represents unsold amount of mobile airtime purchased from different Mobile Network Operators (MNOs) and airtime proceeds in transit. It is recorded at face value and has no expiry date.		
8.	**Advances, deposits and prepayments**		
	Advance to suppliers	3,132,295	946,246
	VAT current account	18,462,504	17,555,342
	Advance to employees	304,874	406,394
	Prepayment for NID verification	88,889	89,910
	Advance commission charge on bank guarantee	1,110,683	2,105,915
	Prepaid IT expenses	134,709	12,467,747
	Prepayment to BREB	24,871,512	11,547,528
		48,105,466	**45,119,082**
9.	**Account receivables**		
	Interest receivables	37,444,564	44,673,160
	Other receivables*	3,121,692	1,698,059
		40,566,256	**46,371,219**

*This represents reimbursable campaign cost with banks and MNOs

Notes to the financial statements (Continued)

	Note	31 Dec 2024 In BDT	31 Dec 2023 In BDT
10. Advance income tax			
Opening balance		-	11,722,958
Add: Advance tax paid during the year	10.1	27,769,968	12,012,030
Less: Adjustment on submission of previous year return		-	11,722,958
Less: Adjustment with provision for income tax	15	27,769,968	12,012,030
		-	-

Advance income tax balance comprises of tax deducted at source on interest income and airtime commission. The Company presents current tax assets/(liabilities) as net off balance of advance income tax and provision for income tax in the year 2024.

10.1 Year wise balances of Advance Income Tax			
Income year 2023-24		27,769,968	-
Income year 2023-24		-	12,012,030
Income year 2022-23		-	11,722,958
		27,769,968	**23,734,988**

The Company charged off advance income tax of previous year on submission of income tax return of the said year though the assessment is yet to be completed.

11. Trust cum settlement accounts and investments			
Trust cum settlement accounts (TCSA)	11.1	819,987,407	580,517,745
Government treasury bond		307,664,262	269,527,464
		1,127,651,669	**850,045,208**

Trust cum settlement accounts (TCSA) and investments represent balances with different commercial banks in the form of cash and investment in government securities (no less than 25% of balance in TCSA) against e-money issued to customers, channel partners, merchants etc. as per Bangladesh Mobile Financial Services (MFS) Regulations, 2022 issued by Bangladesh Bank.

11.1 Trust cum settlement accounts (TCSA)		
Agrani Bank PLC	5,780,380	5,067,379
Al-Arafah Islami Bank PLC	6,814,260	7,796,639
Brac Bank PLC	25,873,404	4,392,042
Dhaka Bank PLC	4,268,005	15,529,508
IFIC Bank PLC	56,013,405	82,678,011
Islami Bank Bangladesh PLC	18,830,782	22,065,861
Jamuna Bank PLC	7,869,022	4,399,937
Mutual Trust Bank PLC	10,769,661	3,142,127
National Bank Limited	20,484,508	6,077,752
NCC Bank PLC	664,675	4,341,028
Prime Bank PLC	2,354,455	2,291,648
Sonali Bank PLC	6,111,289	696,220
Shahjalal Islami Bank PLC	1,820,351	1,101,862
The City Bank PLC	46,338,663	29,704,655
Mercantile Bank PLC	8,418,138	3,979,150
Midland Bank Ltd.	1,189,393	1,180
Padma Bank PLC	990,929	119,297
Standard Bank Ltd.	88,025	511,491
NRBC Bank PLC	1,598,729	564,962
Rajshahi Krishi Unnayan Bank	339,348	360,081
SBAC Bank PLC	997,810	438,588
Pubali Bank PLC	3,060,713	-
Southeast Bank PLC	1,286,781	-
United Commercial Bank PLC	588,024,682	385,258,330
	819,987,407	**580,517,745**

12. Cash and cash equivalent			
Cash at banks	12.1	154,228,087	419,247,280
Investment in FDR		500,000,000	1,000,000,000
		654,228,087	**1,419,247,280**

12.1 Cash at banks		
United Commercial Bank PLC	130,611,069	412,092,201
Prime Bank PLC	6,060	6,889
The City Bank PLC	742,448	163,535
Sonali Bank PLC	2,868,401	2,000,000
IFIC Bank PLC	108	-
Southeast Bank PLC	20,000,000	4,984,655
	154,228,087	**419,247,280**

Notes to the financial statements (Continued)

	Note	31 Dec 2024 In BDT	31 Dec 2023 In BDT

13. Share capital

	No. of shares	31 December 2024	31 December 2023
Authorized			
Authorized (par value of Taka 10 each)	500,000,000	5,000,000,000	5,000,000,000
Paid up			
Ordinary shares (par value of Taka 10 each)	500,000,000	5,000,000,000	5,000,000,000

Percentage of shareholdings

	No. of shares	% of shares	31 December 2024	31 December 2023
United Commercial Bank PLC	499,999,999	99.9999997%	4,999,999,990	4,999,999,990
UCB Stock Brokerage Limited	1	0.0000003%	10	10
	500,000,000	**100%**	**5,000,000,000**	**5,000,000,000**

14. Customer and other deposits

Balance in e-wallets*	1,036,505,857	757,803,027
Security deposit from distributors	22,250,000	13,350,000
	1,058,755,857	**771,153,027**

* Balance in e-wallets represents the balance maintained by customers, agents, distributors and merchants in their e-wallets in the form of e-money.

15. Provision for income tax

Opening balance	4,522,593	1,589,492
Add: Addition during the period	27,867,025	14,945,130
Less: Adjustment with advance income tax	27,769,968	12,012,030
	4,619,650	**4,522,593**

16. Operational payables

Vendors payable	30,787,275	48,215,203
Commission and charges payable	9,563,980	12,141,436
Unearned revenue	476,308	410,790
Payable to provident fund	4,813,885	2,475,313
Inter-company payable	291,496	-
	45,932,943	**63,242,742**

17. Other payables

Tax Deducted at Source (TDS) payable	6,780,299	10,884,637
VAT Deducted at Source (VDS) payable	1,010,800	746,985
	7,791,099	**11,631,622**

18. Provision for operational expense

Advertisement expenses	1,682,014	5,546,000
Distribution channel expenses	8,000,194	19,367,614
Trade engagement and campaign	-	5,031,433
Customer service	4,762,000	12,914,000
Customer Acquisition expense	4,503,105	4,375,575
Employee benefits	41,039,661	47,612,926
Audit fee	50,000	50,000
Software and other maintenance charge	10,646,772	7,897,915
Others	5,392,481	4,347,483
	76,076,227	**107,142,946**

Notes to the financial statements (Continued)

		01 Jan to 31 Dec 2024 In BDT	01 Jan to 31 Dec 2023 In BDT
19.	**Revenue**		
	Cash out and others	430,541,983	382,454,384
	Airtime commission	4,213,178	4,306,756
	Interest on TCSA and government securities	52,241,859	46,525,167
		486,997,020	**433,286,306**
20.	**Cost of services**		
	Transaction commission	431,352,734	389,526,395
	MNO service charges	5,880,115	6,198,785
	Bank charges of TCSA	446,625	350,920
		437,679,474	**396,076,100**
21.	**Administrative and other operating expenses**		
	Salary and allowances	331,955,476	319,081,530
	Training and workshop	189,528	16,368
	Directors' fee	385,000	495,000
	Bank charges	1,260,187	897,402
	Utility charges	2,257,630	3,056,102
	Meeting expenses	974,131	938,721
	Call center expenses	7,377,948	10,165,335
	Audit fee	50,000	50,000
	Postage, stamps, telecommunication etc.	9,804,555	8,614,322
	Software maintenance charge	65,293,225	37,829,348
	Vehicle repair and maintenance	17,837,380	19,792,520
	Office maintenance	12,616,969	10,227,297
	Professional and consultancy fees	270,104	1,647,225
	Printing and stationery	1,686,177	2,741,507
	Employee welfare expenses	9,698,386	12,138,681
	Local conveyance	17,837,454	17,237,027
	Amortization of pre-operating expense	937,719	937,719
	Depreciation	74,510,592	67,214,569
	Amortization	27,310,317	1,676,387
		582,252,774	**514,757,060**
22.	**Commercial expenses**		
	Subscriber acquisition charges	32,739,449	76,581,839
	Consumer engagement	1,405,071	5,325,873
	Trade marketing expenses	46,549,188	49,001,267
	Advertisement expenses	21,037,314	34,528,294
	Distribution channel expenses	185,850,361	228,960,618
		287,581,383	**394,397,891**
23.	**Non-operating income**		
	Interest on SND Accounts	8,478,082	27,529,211
	Interest on FDR	80,833,334	36,041,667
	Other income/(loss)	(22,397)	13,171
		89,289,019	**63,584,048**
24.	**Income tax expense**		
	Current tax provision	27,867,025	14,945,130
	Additional income tax on submission of prior year return*	-	31,070,838
		27,867,025	**46,015,968**

* The Company charged additional income tax expense during the year on the basis of return for the year 2023-24. The said amount comprises of advance income tax and payment to government treasury as per section 173 of Income Tax Act 2023.

25. Related Party Transaction

During the year 2024, the company entered into a number of transactions with related parties in the normal course of business which includes utility cost sharing and maintaining bank accounts and interest thereof. The following disclosure and nature of relationship have been considered as per the provisions of IAS-24: Related Party Disclosures.

Related party transactions during the year

Name of Related Party and Nature of transaction	Transaction value for the year		Receivable/(Payable) balance	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Parent and ultimate controlling party **United Commercial Bank PLC** - Utility bills	**1,797,944**	2,801,610	**(291,496)**	-
Parent and ultimate controlling party **United Commercial Bank PLC** - Add money commission	**18,144,093**	12,221,148	**148,642**	445,573
Parent and ultimate controlling party **United Commercial Bank PLC** - Interest income	**114,560,329**	87,052,658	**31,250,000**	36,041,667
Parent and ultimate controlling party **United Commercial Bank PLC**				
- Cash at banks	-	-	**130,611,069**	412,092,201
- Investment in FDR	-	-	**500,000,000**	1,000,000,000
- Trust cum settlement accounts (TCSA)	-	-	**588,024,682**	385,258,330

UCB Fintech Company Limited

Schedule of Property, plant and equipment

As at 31 December 2024

Annexure-A

Name of assets	Cost				Accumulated depreciation				Carrying amount as at 31 December 2024
	Opening Balance as at 01 January 2024	Addition during the year	Adjustments/Transfer/ Disposal during the year	Closing Balance as at 31 December 2024	Opening Balance as at 01 January 2024	Addition during the period	Adjustments/Disposal during the year	Closing Balance as at 31 December 2024	
Furniture & fixtures	1,089,700	-	-	1,089,700	221,066	66,182	-	287,248	802,452
Office equipment	3,748,346	235,825	-	3,984,171	1,242,977	856,742	-	2,099,719	1,884,452
IT Equipment	327,127,623	23,465,468	(340,326)	350,252,765	138,515,334	71,419,685	(277,264)	209,657,755	140,595,010
Vehicles	10,711,000	-	-	10,711,000	3,444,236	2,167,983	-	5,612,219	5,098,781
Total Fixed Assets	**342,676,669**	**23,701,293**	**(340,326)**	**366,037,636**	**143,423,613**	**74,510,592**	**(277,264)**	**217,656,941**	**148,380,695**

As at 31 December 2023

Name of assets	Cost				Accumulated depreciation				Carrying amount as at 31 December 2024
	Opening Balance as at 01 January 2023	Addition during the year	Adjustments/Transfer/ Disposal during the year	Closing Balance as at 31 December 2023	Opening Balance as at 01 January 2023	Addition during the period	Adjustments/Disposal during the year	Closing Balance as at 31 December 2024	
Furniture & fixtures	976,647	113,054	-	1,089,700	154,808	66,258	-	221,066	868,634
Office equipment	3,317,512	430,834	-	3,748,346	438,051	804,927	-	1,242,977	2,505,368
IT Equipment	281,105,395	46,394,701	(372,473)	327,127,623	74,485,300	64,169,817	(139,783)	138,515,334	188,612,289
Vehicles	10,836,000	-	(125,000)	10,711,000	1,270,669	2,173,567	-	3,444,236	7,266,764
Total Fixed Assets	**296,235,553**	**46,938,588**	**(497,473)**	**342,676,669**	**76,348,827**	**67,214,569**	**(139,783)**	**143,423,613**	**199,253,056**

UCB Fintech Company Limited

Schedule of Intangible Assets

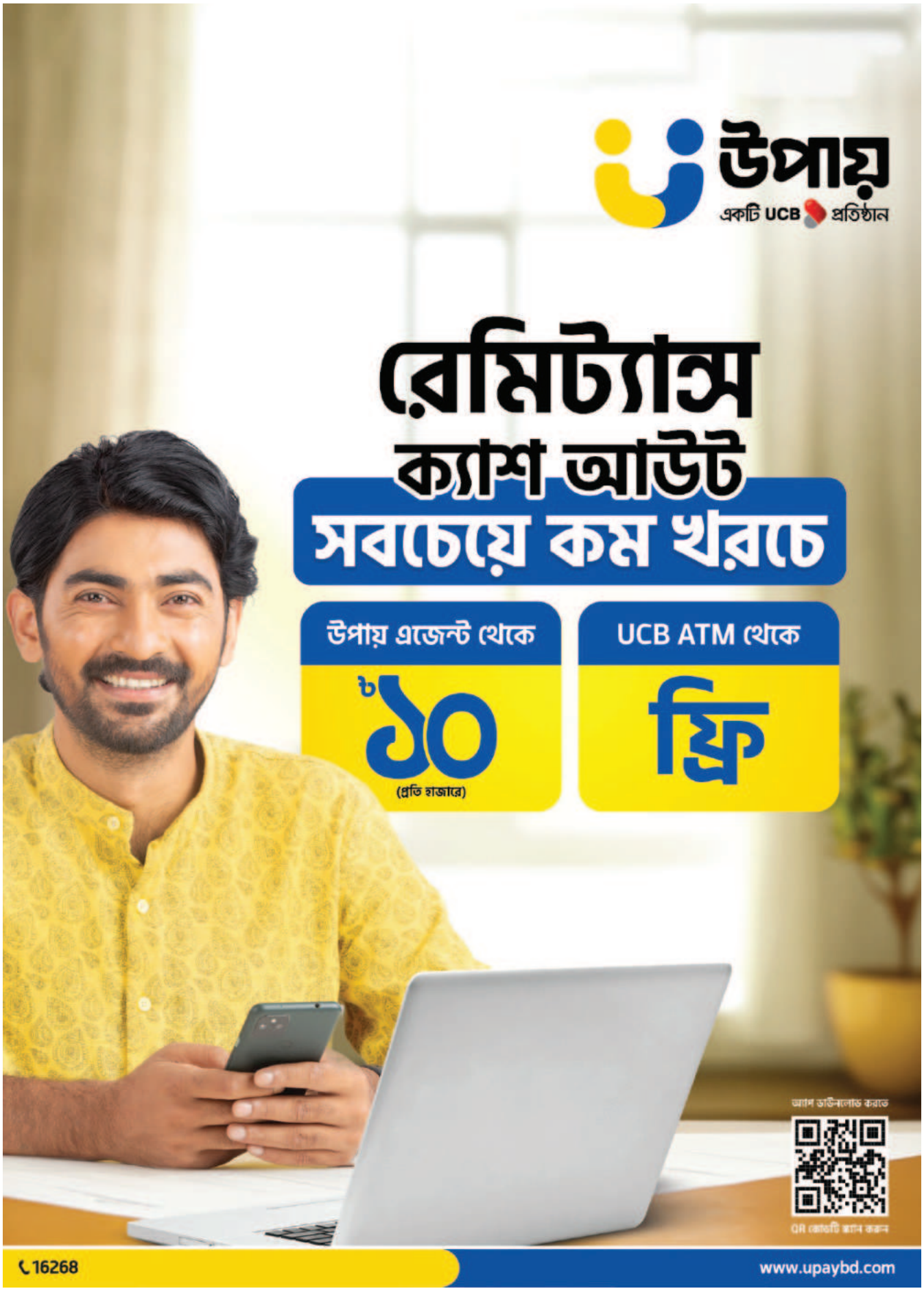
As at 31 December 2024

Annexure-B

Name of assets	Cost				Accumulated depreciation				Carrying amount as at 31 December 2024
	Opening Balance as at 01 January 2024	Addition during the period	Adjustments/Disposal during the period	Closing Balance as at 31 December 2024	Opening Balance as at 01 January 2024	Addition during the year	Adjustments/Disposal during the year	Closing Balance as at 31 December 2024	
Computer software	7,040,179	-	-	7,040,179	2,363,292	1,761,487	-	4,124,779	2,915,400
Core Digital Financial System	224,174,926	43,642,016	-	267,816,942	-	25,548,830	-	25,548,830	242,268,113
Total Intangible Assets	**231,215,106**	**43,642,016**	**-**	**274,857,121**	**2,363,292**	**27,310,317**	**-**	**29,673,609**	**245,183,513**

As at 31 December 2023

Name of assets	Cost				Accumulated depreciation				Carrying amount as at 31 December 2023
	Opening Balance as at 01 January 2023	Addition during the period	Adjustments/Disposal during the period	Closing Balance as at 31 December 2023	Opening Balance as at 01 January 2023	Addition during the year	Adjustments/Disposal during the year	Closing Balance as at 31 December 2023	
Computer software	6,510,755	529,425	-	7,040,179	686,905	1,676,387	-	2,363,292	4,676,887
Core Digital Financial System	129,627,610	94,547,316	-	224,174,926	-	-	-	-	224,174,926
Total Intangible Assets	**136,138,365**	**95,076,741**	**-**	**231,215,106**	**686,905**	**1,676,387**	**-**	**2,363,292**	**228,851,814**


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UCB
SINGAPORE

Company Profile

UCB Exchange (SG) Pte Ltd is a wholly owned subsidiary of **United Commercial Bank** and was incorporated in Singapore on **25 January 2023** as a private limited company under the **Companies Act 1967**, with **Unique Entity Number (UEN): 202302830G**.

Our mission is to become the preferred choice for remitters in Singapore and a global leader in the money transfer industry. We are committed to offering c**ompetitive exchange rates, flexible settlement options**, and **exceptional business and operational support**, all backed by cutting-edge technology.

UCB Exchange (SG) Pte Ltd aims to deliver a **fast, secure, and cost-effective** remittance experience that consistently exceeds customer expectations. Through continuous innovation and a deep understanding of our clients' evolving needs, we strive to set new standards in the remittance sector.

Board of Directors



Mohammad Mamdudur Rashid
Director



Nabil Mustafizur Rahman
Director



Mumtaz Ahmed
Director



Gea Ban Peng
Secretary and Director



Islam Mohammad Aminul
Chief Executive Officer and Director

Core Values of UCB Exchange (SG) Pte Ltd

UCB Exchange (SG) Pte Ltd aspires to be a **one-stop solution** for remitters looking to send their hard-earned money securely, quickly, and reliably to their chosen beneficiaries. Our customers will choose UCB Exchange because of our unwavering commitment to the following core values:

1. **Trust & Integrity**
   We operate with the highest ethical standards and transparency to build lasting trust with our clients, partners, and regulators.

2. **Customer-Centricity**
   Our customers are at the heart of everything we do. We listen, understand, and respond to their needs with empathy and efficiency.

3. **Reliability & Security**
   We ensure the highest level of operational reliability and data security so customers can remit funds with confidence and peace of mind.

4. **Innovation & Technology**
   We continuously invest in modern technologies and digital platforms to offer fast, user-friendly, and efficient remittance solutions.

5. **Competitive Value**
   We offer fair and competitive exchange rates and service fees, ensuring maximum value for our customers.

6. **Compliance & Governance**
   We strictly adhere to all regulatory and compliance requirements to promote safe and responsible financial transactions.

7. **Excellence in Service**
   We are committed to providing seamless, responsive, and high-quality service that exceeds customer expectations.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF **UCB EXCHANGE (SG) PTE. LTD.**

(Incorporated in the Republic of Singapore)

Co. Reg. No. 202302830G

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UCB Exchange (SG) Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore

(FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the 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 financial statements, 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 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 Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include 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 assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors 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 our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

SINGAPORE
3 March 2025

C. C. YANG & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

UCB EXCHANGE (SG) PTE. LTD.
(Incorporated in the Republic of Singapore)
Co. Reg. No. 202302830G

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in Singapore Dollars)

	Note	Period from 1.1.2024 to 31.12.2024	Period from 25.1.2023 to 31.12.2023
		$	$
Revenue		-	-
Other Items of Expense			
Other Expenses	3	(9,591)	(13,266)
Loss Before Tax from Continuing Operations		(9,591)	(13,266)
Income Tax Expense	4	-	-
Loss from Continuing Operations, Net of Tax		(9,591)	(13,266)
Other Comprehensive Income			
Other Comprehensive Income, Net of Tax		-	-
Total Comprehensive Income		**$ (9,591)**	**$(13,266)**

UCB EXCHANGE (SG) PTE. LTD.
(Incorporated in the Republic of Singapore)
Co. Reg. No. 202302830G

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

(Expressed in Singapore Dollars)

	Note	2024 $	2023 $
ASSETS			
Current Assets			
Other Receivables	5	60,000	60,000
Prepayments		-	292
Cash and Cash Equivalents		1,000	1,000
Total Current Assets		61,000	61,292
Total Assets		$ 61,000	$ 61,292
EQUITY AND LIABILITIES			
Equity			
Share Capital	6	1,000	1,000
Accumulated Losses		(22,857)	(13,266)
Total Equity		**(21,857)**	**(12,266)**
Current Liabilities			
Other Payables	7	82,857	73,558
Total Current Liabilities		**82,857**	**73,558**
Total Liabilities		**82,857**	**73,558**
Total Equity and Liabilities		**$ 61,000**	**$ 61,292**

UCB EXCHANGE (SG) PTE. LTD.
(Incorporated in the Republic of Singapore)
Co. Reg. No. 202302830G

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in Singapore Dollars)

	Total Equity	Share Capital	Accumulated Losse
	$	$	$
Opening Balance at 1/1/2024	(12,266)	1,000	(13,266)
Total Comprehensive Income for the Year	(9,591)	-	(9,591)
Closing Balance at 31/12/2024	$(21,857) $	1,000	$(22,857)
Opening Balance at 25/1/2023	1,000	1,000	-
Total Comprehensive Income for the Period	(13,266)	-	(13,266)
Closing Balance at 31/12/2023	$ (12,266)	$ 1,000	$ (13,266)

UCB EXCHANGE (SG) PTE. LTD.
(Incorporated in the Republic of Singapore)
co. Reg. No. 202302830G

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in Singapore Dollars)

	Note	Period from 1.1.2024 to 31.12.2024	Period from 25.1.2023 to 31.12.2023
		$	$
Operating Activities			
Loss Before Tax from Continuing Operations		(9,591)	(13,266)
Operating Cash Flows Before Changes In Working Capitat		(9,591)	(13,266)
Total Changes In Working Capital		4,715	(56,274)
Increase in Other Receivables		-	(60,000)
Decrease (Increase) in Prepayments		292	(292)
Increase in Other Payables		4,423	4,018
Net Cash Flows Used In Operating Activities		(4,876)	(69,540)
Financing Activities			
Proceeds from Issue of Share Capital		-	1,000
Increase in Amount Due to Holding Company	7	4,876	69,540
Net Cash Flows From Financing Activities		4,876	70,540
Net Increase in Cash and Cash Equivalents		-	1,000
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance		1,000	-
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance		$ 1,000	$ 1,000



SUPPLEMENTARY INFORMATION



Dhaka Division

Ati Bazar Branch
Address : Haji Nasir Uddin Market, P.O. Ati Bazar, Union: Shakta, P.S. Karanigonj, Dist. Dhaka
Email : ati@ucb.com.bd hob.ati@ucb.com.bd
Routing no : 245270345
SWIFT Code : UCBLBDDH
Contact : 01847454073, 01847454074

Balasur Branch
Address : Firoz Khan Shopping Center Balasur Chowrasta P.O. Bhagyakul Union– Bhagyakul, P.S. Srinagor, Dist. Munshigonj
Email : bal@ucb.com.bd
Routing no : 245590083
SWIFT Code : UCBLBDDH
Contact : 01847-275243

Banani Branch
Address : Sharif Plaza (1st & 2nd Floor) 39, Kamal Ataturk Avenue, Banani, Dhaka
Email : bnb@ucb.com.bd
Routing no : 245260434
SWIFT Code : UCBLBDDHBNB
Contact : 02-222290437

Banani Road No-11 Branch
Address : AWR NIB Tower, House No: 99, Road No: 11 Bir Uttam Khadimul Bashar Sarak, Word No: 19 Dhaka North City Corporation, PS: Banani, Dhaka
Email : beb@ucb.com.bd
Routing no : 245260968
SWIFT Code : UCBLBDDH
Contact : +880 02 41081957 & +88 02 4108195

Banasree Branch
Address : Block-K, Plot-320, Road No-16 Main Road, South Banasree, Dhaka
Email : bns@ucb.com.bd
Routing no : 245260726
SWIFT Code : UCBLBDDH
Contact : +88 02 47291441-3

Bangshal Branch
Address : 32/3, Malitola Road, North South Road, Dhaka -1000
Email : bng@ucb.com.bd
Routing no : 245270882
SWIFT Code : UCBLBBDHBNG
Contact : +8802223382520

Barakandi Branch
Address : Joynal Plaza, Kazirhat, vill-Dubaisalbar, Union-Barakandi, Thana-Jazira, Shariatpur
Email : brk@ucb.com.bd
Routing no : 245860089
SWIFT Code : UCBLBDDHAGB
Contact : 01915479462

Baroipara Branch
Address : Fajar Ali Complex, Area: Baroipara, Union 1 No. Shimulia, Police Station: Ashulia, District: Dhaka
Email : bpb@ucb.com.bd
Routing no : 245261712
Contact : 01329738837(HOB), 01844491079 (OM)

Bashundhara Branch
Address : Plot No- 06, Block-A Bashundhara Main Road, Bashundhara R/A, DHAKA
Email : bbd@ucb.com.bd
Routing no : 245260555
SWIFT Code : UCBLBDDHXXX
Contact : +88 02 8431315; 01811-481287

Bhanga Branch
Address : Hawlader Mansion Holding-108, Ward-08 PS: Bhanga District: Faridpur
Email : bab@ucb.com.bd
Routing no : 245290288
SWIFT Code : UCBLBDDHBAB
Contact : 01322890079, 01894924636

Bhawal Mirzapur Branch
Address : Halima Plaza, Bhawal Mirzapur Bazar Mirzapur, Gazipur
Email : bmb@ucb.com.bd
Routing no : 245330243
SWIFT Code : UCBLBDDH
Contact : 017109635957, 01955515472

Bheramara Branch
Address : Holding No-0190-00,0190-01,0191-00 High Road, Ward No- 05, Pourashava-Bheramara Bheramara, Kushtia
Email : bmk@ucb.com.bd
Routing no : 245500286
SWIFT Code : UCBLBDDH
Contact : +88 01321124381, 01841741231

Bhulta Branch
Address : Gausia Market (1st Floor), Bhulta Rupganj, Narayanganj, Dhaka
Email : bul@ucb.com.bd
Routing no : 245670224
SWIFT Code : UCBLBDDH
Contact : 01713108790

Bijoynagar Branch
Address : Al Razi Complex (1st Floor) 166/167, Shahid Sayed Nazrul Islam Sharani, Paltan, Dhaka
Email : bjn@ucb.com.bd
Routing no : 245271094
SWIFT Code : UCBLBDDHBJN
Contact : 47119385

Chashara Branch
Address : Badhan Community Centre (1st Floor) 231/5, B. B. Road Chashara, Narayangonj
Email : cbn@ucb.com.bd
Routing no : 245670237
SWIFT Code : UCBLBDDH
Contact : +88 02 75643991-102 01732799612, 01817032567

Chinispur Branch
Address : G.M.Bhuiyan Tower Velanagar Bus Stand Vill: Chinispur, Ward No: 03 Union-Chinispur PS- Narsingdi Sadar, Dist. Narsingdi
Email : cns@ucb.com.bd
Routing no : 245680085
SWIFT Code : UCBLBDDH
Contact : 02-9451881, 01966602243

Corporate Branch
Address : Bulus Center, Plot-CWS-(a)-1, Road:34 Gulshan Avenue, Dhaka-1212
Email : cob@ucb.com.bd
Routing no : 245261738
SWIFT Code : UCBLBDDHGAB
Contact : 0255668070, 09610999999

Dakshinkhan Branch
Address : Abdul Jabbar Nayema Tower, Holding no: 16, Bir Muktijoddha SM Mozammel hoque Road, Ward No:50, Dhaka North City Corporation, Police Station: Dakkhinkhan, District: Dhaka.
Email : dkn@ucb.com.bd
Routing no : 245260913
Contact : 01787670976 (HOB), 01915479179 (OM)

Danga Bazar Branch
Address : Badsha Plaza Ward No.05 P.O. Danga Bazar Union- Danga P.S. Palash Dist. Narsingdi
Email : dan@ucb.com.bd
Routing no : 245680201
SWIFT Code : UCBLBDDH
Contact : 01847275241, 01847275242

Darus Salam Road Branch
Address : 09, Dakhin Bishil, Word No-12 Darus Salam Road, Mirpur-01 P.S-Darus Salam, Dhaka North City Corporation
Email : drs@ucb.com.bd
Routing no : 245260942
SWIFT Code : UCBLBDDH
Contact : 48038312-14

Dhanmondi Branch
Address : 43 (New) Road # 27 (Old), 16 (New) Dhanmondi R/A, Dhaka 1209
Email : dhn@ucb.com.bd
Routing no : 245261183
SWIFT Code : UCBLBDDH
Contact : +880248119933

Donia Branch
Address : 1067, Nayapara (1st & 2nd floor) Union: Shampur, P.S: Shampur, Dhaka
Email : dnb@ucb.com.bd
Routing no : 245271423
SWIFT Code : UCBLBDDH
Contact : 02223341286

Ekuria Branch
Address : Haji Shahidullah Super Market (Ground & 1st Floor) Dhaka-Mawa Road, Union-Shuvadda, Ward No-08, PS-South Keranigonj, District-Dhaka
Email : erb@ucb.com.bd
Routing no : 245270532
SWIFT Code : UCBLBDDH
Contact : 01713-108771, 01844546446

Elephant Road Branch
Address : 25, Elephant Road, Block-A, Dhaka
Email : epr@ucb.com.bd
Routing no : 245261338
SWIFT Code : UCBLBDDHEPR
Contact : 029664619, 58615947, 9667370, 58610675

Faridpur Branch
Address : 85, Mujib Sarak, Faridpur
Email : frd@ucb.com.bd; ob.frd@ucb.com.bd, ombco.frd@ucb.com.bd
Routing no : 245290525
SWIFT Code : UCBLBDDH
Contact : 01711883740 01833312432

Foreign Exchange Branch
Address : 20, Dilkusha Commercial Area Motijheel, Dhaka-1000
Email : fex@ucb.com.bd
Routing no : 245272327
SWIFT Code : UCBLBDDHFEX
Contact : 9515211

Gausul Azam Avenue Branch
Address : 22, Sonargaon Janapath Sarak Sector-09, Dhaka North City Corporation, PS: Uttara, Dhaka
Email : sal@ucb.com.bd
Routing no : 245260450
SWIFT Code : UCBLBDDH
Contact : +880255094350, 01915479135

Gazipur Chowrasta Branch
Address : Unisay Tower (1st floor) Mymensingh Road Union: Bason, P.O: Chandana Dist: Gazipur.
Email : gcb@ucb.com.bd
Routing no : 245330551
SWIFT Code : UCBLBDDH
Contact : +8801817032564

Ghatail Branch
Address : Mohona Shopping Center, Holding No:541-542, Main Road, Ward No-07 Ghatail, Tangail
Email : GHT@UCB.COM.BD
Routing no : 245930919
SWIFT Code : UCBLBDDH
Contact : 01955515471

Ghior Branch
Address : Zilla Parishad Tower, Ghior Bazar, Dag: RS 718, 719 & 723, Khatian:RS-05, Mouza: Ghior, Union: 4 no ghior, Police Station: Ghior, Manikganj
Email : grb@ucb.com.bd
Routing no : 245560376
SWIFT Code : UCBLBDDHGRB
Contact : 01322914806, 01896016676

Gopaldi Branch
Address : Co-Operative Complex Gopladi Bazer School Sarak, PS: Araihazer, Narayangonj
Email : gpl@ucb.com.bd
Routing no : 245670608
SWIFT Code : UCBLBDDH
Contact : 01915479053
Gopalgonj Branch
Address : 127, College Road, Chowronggi Ward No-4, Gopalgonj Paurasava Dist: Gopalgonj
Email : gpg@ucb.com.bd
Routing no : 245350373
SWIFT Code : UCBLBDDH
Contact : 02478821573

Gulshan Branch
Address : CONCORD I.K. Tower (1st Floor), Plot No. CEN (A)-2 North Avenue, Gulshan-2, Dhaka-1212
Email : gsn@ucb.com.bd
Routing no : 245261725
SWIFT Code : UCBLBDDHGSN
Contact : 01711888358, 222295500

Gulshan North Branch
Address : House No: 166, Holding No: NE (k)-2, Gulshan Avenue: 02, Ward No:19 P.S.: Gulshan, Dhaka North City Corporation, Dhaka
Email : ngb@ucb.com.bd
Routing no : 245261312
SWIFT Code : UCBLBDDH
Contact : 01713108769

Hasnabad Branch
Address : P.O: Hasnabad Thana, Nawabgonj Dhaka-1321
Email : hsb@ucb.com.bd
Routing no : 245272569
SWIFT Code : UCBLBDDH
Contact : 01711881050

Hemayetpur Branch
Address : Diamond Tower, Union-Tatulijura, P.S-Savar, Dist-Dhaka
Email : hem@ucb.com.bd and ombco.hem@ucb.com.bd
Routing no : 245260500
SWIFT Code : UCBLBDDH
Contact : 01708451986, 01951146462

Islampur Branch
Address : Lion Tower (2nd Floor), 108, Islampur Road, PS: Kotwali, Dhaka
Email : isp@ucb.com.bd
Routing no : 245272985
SWIFT Code : UCBLBDDH
Contact : 57392308, 57392661, 57390670

Joydebpur Branch
Address : Tasnim Tower, Holding No-J-5/4, BIDC Road, Ward No-26, Gazipur City Corporation, P.S: Joydebpur, Dist. Gazipur
Email : joy@ucb.com.bd
Routing no : 245330735
SWIFT Code : UCBLBDDH
Contact : 01708451987

Kafrul Branch
Address : Rashid Complex Holding No: 88 Ibrahimpur (Pool Par) Road, PS: Kafrul, District: Dhaka
Email : krb@ucb.com.bd
Routing no : 245262382
SWIFT Code : UCBBDDHKRB
Contact : 01322-890077

Kaligonj Branch
Address : Madina Bhaban, Kaligonj Bazar, Ward No-04, P.S: Kaligonj, Paurashava: Kaligonj Dist. Gazipur
Email : klg@ucb.com.bd
Routing no : 245330827
SWIFT Code : UCBLBDDHKLG
Contact : 01833147914, 01966602241

Kamarpara Branch
Address : Haji Abul Hashem Market, Union-Harirampur, P.S-Turag, Dist-Dhaka
Email : kma@ucb.com.bd
Routing no : 245261512
SWIFT Code : UCBLBDDH
Contact : +8801951146461

Kamrangirchar Branch
Address : Elham Square (1st Floor), Rony Market Rasulpur Union- Sultangonj, Dhaka
Email : krc@ucb.com.bd
Routing no : 245273584
SWIFT Code : UCBLBDDH
Contact : 02-55160218, 01714167426, 01966602205

Kanaipur Branch
Address : Kanaipur General & Eye Hospital (Pvt.) Ltd, Kanaipur Bazar, Kanaipur, Faridpur
Email : knp@ucb.com.bd
Routing no : 245290912
SWIFT Code : UCBLBDDH
Contact : 01833102704

Kanchan Branch
Address : Maula Super Market (1st floor) Kanchan Bazar, Rupgonj Narayangonj
Email : kbn@ucb.com.bd, ombco.kbn@ucb.com.bd
Routing no : 245670790
SWIFT Code : UCBLBDDH
Contact : 01811456752, 01811456757

Kanchpur Branch
Address : Hazi Motaleb Khan Super Market-1, Sonpur, Kanchpur, Sonargaon Narayangonj
Email : kcp@ucb.com.bd
Routing no : 245670129
SWIFT Code : UCBLBDDH
Contact : 01709635955, 01955515475

Kapasia Branch
Address : Kapasia Bazar, Upazilla Road, Union: Kapasia, Ward No: 08, P.S: Kapasia, Dist. Gazipur
Email : kps@ucb.com.bd
Routing no : 245330885
SWIFT Code : UCBLBDDH
Contact : 01833147913, 01966602242

Katiadi Branch
Address : Kuwait Plaza,Holding No.3619 Hospital Road,Ward No.03 P.S. Katiadi,Dist. Kishoregonj
Email : kti@ucb.com.bd
Routing no : 245480580
SWIFT Code : UCBLBDDH
Contact : 817201, 817202

Kawranbazar Branch
Address : 11, Kawran Bazar, Titas Gas Bhaban Kawran Bazar, Dhaka
Email : kbz@ucb.com.bd
Routing no : 245262537
SWIFT Code : UCBLBDDHKBZ
Contact : 02-9141572, 02-58153406, 01711883738

Keranigonj Branch
Address : S.R. Shopping Mall, Word No.: 4 Union: Aganagar, Thana: Dakkhin Keranigonj, Dhaka
Email : kgb@ucb.com.bd
Routing no : 245273647
SWIFT Code : UCBLBDDH
Contact : +8801714167369

Khilgaon Branch
Address : Ashirbad Bhaban, Holding No: 569/C&915, Ward No-01, Dhaka North City Corporation, Thana: Khilgaon Dist. Dhaka
Email : khi@ucb.com.bd
Routing no : 245273676
SWIFT Code : UCBLBDDH
Contact : 0247217613

Khilkhet Branch
Address : Talna Bhaban (1st Floor), House: Kha-49/A, Battala, Ward No: 17, Dhaka
Email : klk@ucb.com.bd
Routing no : 245260742
SWIFT Code : UCBLBDDH
Contact : 58970241, 58970243

Konabari Branch
Address : Plot- A/139, BSCIC Industrial Estate, Konabari, Ward No: 1, Thana: Gazipur Sadar, Dist. Gazipur
Email : kbb@ucb.com.bd
Routing no : 245330948
SWIFT Code : UCBLBDDHXXX
Contact : 01730076149 (HOB), 01833102702 (OM)

Madhabdi Branch
Address : Union: Madhabdee, P.O: Madhabdee PS & Dist. Narsingdi
Email : mdh@ucb.com.bd
Routing no : 245680672
SWIFT Code : UCBLBDDH
Contact : 01711809731

Matuail Branch
Address : Haji Abdul Aziz Tower (1st floor), Ward No.07, Union: Matuail, P.S: Demra, Dist. Dhaka
Email : mat@ucb.com.bd
Routing no : 245274004
SWIFT Code : UCBLBDDHXXX
Contact : +8801844075683

Mawna Branch
Address : Abdus Shahid Super View, Mawna Chowrasta, Shreepur Road, Union: Telihati, Upazilla: Shreepur, Dist- Gazipur
Email : mwn@ucb.com.bd
Routing no : 245331118
SWIFT Code : UCBLBDDH
Contact : +88 01714167406

Meghna Ghat Branch
Address : Islam Shopping Complex, Meghna Ghat Branch Sonargaon, Narayangonj
Email : ombco.mgm@ucb.com.bd
Routing no : 245671007
SWIFT Code : UCBLBDDH
Contact : 01709-635956, 01955-515746

Mirpur Branch
Address : House No 1, Road No 6, Block A, Section 6, Mirpur, Dhaka
Email : mrp@ucb.com.bd
ombco.mrp@ucb.com.bd
Routing no : 245262537
SWIFT Code : UCBLBDDHMRP
Contact : +880248034661, 48031766, 48034707, Cell: +8801752776611

Mirpur Road Branch
Address : House: 12, Road: 5, Ward No: 49 Mirpur Road, Dhanmondi R/A, Dhaka
Email : mrb@ucb.com.bd
Routing no : 245263073
SWIFT Code : UCBLBDDHMRB
Contact : 02223363083, 02223362037

Mohakhali Branch
Address : Medona Tower 28, Mohakhali C/A, Dhaka-1212
Email : mkh@ucb.com.bd
Routing no : 245263194
SWIFT Code : UCBLBDDHMKH
Contact : +8802222284883, +8802222284885, +8802222263221

Mohammadpur Branch
Address : 14/21, Block-A, Asad Avenue Mohammedpur, Dhaka
Email : mdp@ucb.com.bd
Routing no : 245263286
SWIFT Code : UCBLBDDH
Contact : 01894815431

Monohardi Branch
Address : Holding: 450, Sadar Road, Ward: 07, Pouroshova & Police Station: Monohardi, Narsingdi
Email : mhb@ucb.com.bd
Routing no : 245680735
SWIFT Code : UCBLBDDH
Contact : 01322-914808, 01896-016678

Moulavibazar (Dhaka) Branch
Address : 4/1, and 5, Moulvibazar Road. Gulbadan House, Dhaka-1100, Dhaka
Email : mbd@ucb.com.bd
Routing no : 245274420
SWIFT Code : UCBLBDDHMBD
Contact : 01711881047

Muksudpur Branch
Address : R R Plaza, Holding no: 618, College Road, Ward No: 04, Pouroshova: Muksudpur, Police Station: Muksudpur, District: Gopalganj
Email : msb@ucb.com.bd
Routing no : 245350731
SWIFT Code : UCBLBDDH
Contact : 01322914803, 01896016673

Munshigonj Branch
Address : Abdus Sattar Super Market Holding No- 582 Ward- 1 Sadar Road, (Jamidar Para) Munshigonj
Email : mng@ucb.com.bd
Routing no : 245591037
SWIFT Code : UCBLBDDH
Contact : +8801714-167411 & +8801811-487852

Nabinagar Branch
Address : Hazi Nizam Plaza (1st Floor) Vill- Dendabar, P.O: Savar Cantonment P.S: Ashulia Upazilla: Savar, District: Dhaka
Email : nbs@ucb.com.bd
Routing no : 245263415
SWIFT Code : UCBLBDDH
Contact : 02 7792365-7, 01811-418836

Narayangonj Branch
Address : 10, S.M Maleh Road, Tanbazar, Narayangonj-1400, Dhaka
Email : ngj@ucb.com.bd
Routing no : 245671186
SWIFT Code : UCBLBDDHNGJ
Contact : 224436628, 224431925, 01730076131, 01966602225

Narsingdi Branch
Address : Narsingdi Bazar, Narsingdi-1600
Email : nsd@ucb.com.bd
Routing no : 245680856
SWIFT Code : UCBLBDDH
Contact : 01711809730, 01915479466

Nawabpur Branch
Address : Hazi Electric Market, 132, Nawabpur Road, Ward No: 38, Thana: Wary, DCC (S) Dhaka 1100, Bangladesh.
Email : nwp@ucb.com.bd
Routing no : 245274725
SWIFT Code : UCBLBDDHNWP
Contact : +88-02-47116387, 47113750, 9580596

Nayabazar Branch
Address : 9, Bashabari Lane (1st Floor) Nayabazar, Dhaka
Email : nbz@ucb.com.bd
Routing no : 245274817
SWIFT Code : UCBLBDDHNBZ
Contact : +88-02-7393379, 7396082, 7393123 01711-888359

New Eskaton Branch
Address : Waqf Bhaban (1st Floor) 4, New Eskaton Road, Dhaka-1000
Email : neb@ucb.com.bd
Routing no : 245261396
SWIFT Code : UCBLBDDH
Contact : +88 02 8333321, 8333326

Nikunja Branch
Address : Finance Square (1st floor), 79/A, Commercial Block, Nikunja, Khilkhet, Dhaka
Email : nik@ucb.com.bd
Routing no : 245260184
SWIFT Code : UCBLBDDH
Contact : 01709635950 (Head of Branch), 01955515477 (Operation Manager), 02-55098321, 02-55098322

Norosinghopur Branch
Address : Nabi Sarker Plaza, Area: Norosinghopur, Daag: BRS 927, CS & SA: 93, RS:273, Khatian no: SA-29, RS-65, BRS: 1250, Mouza: Norosinghopur, Union: Yarpur, Police Station: Ashulia, Dhaka
Email : nrb@ucb.com.bd
Routing no : 245261417
SWIFT Code : UCBLBDDH
Contact : 01322914805

North Brook Hall Road Branch
Address : 54, North Brook Hall Road, Bangla Bazar(1st floor), Dhaka
Email : nbh@ucb.com.bd
Routing no : 245275058
SWIFT Code : UCBLBDDHNBH
Contact : + 88 02 4117030, 47115170, 47119272, 01711883739

Pagla Bazar Branch
Address : D.N. Road, Paglabazar, P.S:Fatullah, Narayangonj
Email : pgl@ucb.com.bd
Routing no : 245671331
SWIFT Code : UCBLBDDH
Contact : 027682234, 027681266, 01711881045

Pragati sarani Branch
Address : Cha- 89/1, North Badda, Progati Sawrani, Ward No.: 19, Thana: Badda Dhaka City Corporation, Dist: Dhaka
Email : psb@ucb.com.bd
Routing no : 245263707
SWIFT Code : UCBLBDDH
Contact : 028835318, 02222294192, 02222296194

Principal Branch
Address : 58, Motijheel Commercial Area, Block: A, Dhaka-1000
Email : prb@ucb.com.bd
Routing no : 245275353
SWIFT Code : UCBLBDDHPRB
Contact : 223380836,223380833

Rajbari Branch

Address : 267, Marwari Potty, Ward No: 3 Paurasava: Rajbari, Thana: Rajbari Sadar, District: Rajbari
Email : rjb@ucb.com.bd
Routing no : 245820737
SWIFT Code : UCBLBDDH
Contact : +88064166203, +88064165719 +8864166415, +8801833312428, +8801714167435

Sadarpur Branch

Address : Zamzam Tower, Purbo Shyampur, Dag No: SA.1/611, 27, Khatina No: SA. 8,82, Mouza: Sotero Roshi, Union:7 No Sadarpur, Police Station: Sadarpur, Faridpur
Email : sab@ucb.com.bd
Routing no : 245291274
SWIFT Code : UCBLBDDH
Contact : 01322914807 & 01896016677

Sarulia Bazar Branch

Address : Awal Khan Shopping Complex, Vill: Tengra, Union: Sarulia, Ward No.: 05 P.S.: Demra, District: Dhaka.
Email : srl@ucb.com.bd
Routing no : 245270082
SWIFT Code : UCBLBDDH
Contact : 01833147909

Satarkul Branch

Address : 138, Abdullah Bag, Badda Satarkul Road, North Badda, District: Dhaka
Email : skb@ucb.com.bd
Routing no : 245264027
SWIFT Code : UCBLBDDH
Contact : +88 02-55056994, 55056995, Ext-101

Satmasjid Road Branch

Address : Holding No. 84, Road: 7/A Satmasjid Road, Ward No.:15, P.S.: Hazaribag Dhaka South City Corporation, Dhaka
Email : dkb@ucb.com.bd
Routing no : 245271902
SWIFT Code : UCBLBDDH
Contact : 02-58157640, 58157641, 01854979766

Satorie Bazar SME/Krishi Brn.

Address : Satoire Bazar, Word No.: 09 P.S.: Boalmaari, District: Faridpur
Email : sbb@ucb.com.bd
Routing no : 245290554
SWIFT Code : UCBLBDDH
Contact : +8801730705199

Savar Branch

Address : Sugandha Super Market, Savar Bus Stand, Ward No.: 3, Savar Pourashava Upazilla: Savar, District: Dhaka
Email : sbd@ucb.com.bd
Routing no : 245264098
SWIFT Code : UCBLBDDH
Contact : 01811414282

Shantinagar Branch

Address : Madina Hights, (Ground & 1st Floor) 32, New Circular Road, Siddeswari, Ramna, Dhaka
Email : snb@ucb.com.bd
Routing no : 245273942
SWIFT Code : UCBLBDDH
Contact : 48312887

Shibchar Branch

Address : Aminuddin Gomosta Super Market, Guatala Main Road, Shibchar Bazar, Pourashova & PS: Shibchar District: Madaripur
Email : sid@ucb.com.bd
Routing no : 245540709
SWIFT Code : UCBLBDDH
Contact : 01714167392

Shibu Market Branch

Address : Motiur Rahman Mansion, Holding No: 114, Shibu Market Fatullah, Narayanganj
Email : smb@ucb.com.bd
Routing no : 245671157
SWIFT Code : UCBLBDDHXXX
Contact : 01321124397

Shyamoli Ring Road Branch

Address : Century Jannatul Ferdous 8/1, Shyamoli Ring Road, P.S. Adabor, District: Dhaka.
Email : srb@ucb.com.bd
Routing no : 245261059
SWIFT Code : UCBLBDDH
Contact : 0258157430, 0258157431

Signboard Branch

Address : TPL Complex, Signboard, Union: Kutubpur Union: Kutubpur, Fatullah, Narayanganj
Email : sgb@ucb.com.bd
Routing no : 245670329
SWIFT Code : UCBLBDDHXXX
Contact : 01321124378 (HOB), 01841741236 (OM)

Sonargaon Janapath Branch

Address : House No.: 10, Sonargaon Janapath Sector: 11, Ward No:01, Uttara Model Town, Dhaka
Emai : sng@ucb.com.bd
Routing no : 245276581
SWIFT Code : UCBLBDDH
Contact : +88 02-8991584, +88 02-8991583

Tangail Branch
Address : 1722-1729 Masjid Road (1st Floor) Tangail
Email : tgl@ucb.com.bd
Routing no : 245932296
SWIFT Code : UCBLBDDH
Contact : 0921-64327, 01711881051

Tejgaon Branch
Address : Rahmans Regnum Centre 191/B, Tejgaon Gulshan Link Road, Tejgaon Dhaka
Email : tjb@ucb.com.bd
Routing no : 245264485
SWIFT Code : UCBLBDDH
Contact : 028878576, BM: 017130705195, OM: 01675440041

Tekerhat Branch
Address : Khorshed Howlader Bhaban, Purbo Shoromongol, Tekerhat Abashik Road, Ward No: 03, Pouroshova: Rajoir, Police Station: Rajoir, District: Madaripur.
Email : thb@ucb.com.bd
Routing no : 245540767
SWIFT Code : UCBLBDDH
Contact : 822901, 822902, 01708138088, 01897659579

Tongi Branch
Address : 8, Charagali Market, Shajahan Mansion, Tongi, Gazipur
Email : tng@ucb.com.bd
Routing no : 245331639
SWIFT Code : UCBLBDDHTNG
Contact : +88-02-224410644, 02-224412332

Tongi Station Road Branch
Address : Amin Super Market, 5, Pubail Road, BSCIC Rail Gate, Tongi, Gazipur-1710
Email : tsr@ucb.com.bd
Routing no : 245331671
SWIFT Code : UCBLBDDH
Contact : +8801678013206

Taqwa Islamic Banking Branch
Address : South Breeze, Plot: 03, Block: Se (h) Gulshan Avenue, Dhaka-1212
Email : ibg@ucb.com.bd
Routing no : 245261475
SWIFT Code : UCBLBDDHIBD
Contact : 09610999999-878601, 878602

Uttara Branch
Address : Uttara Sector-13 - Plot# 10, Gausal Azam Avenue Uttara Dhaka-1230
Email : utr@ucb.com.bd
Routing no : 245264630
SWIFT Code : UCBLBDDHUTR
Contact : +88-02-58950450, 48953813, 48956979

Uttarkhan Branch
Address : 1483, Shah Kabir Majar Road Vill, PO & PS: Uttarkhan, Ward No: 1 District: Dhaka
Email : UKB@UCB.COM.BD
Routing no : 245264601
SWIFT Code : UCBLBDDH
Contact : 01714167438

Zinzira Branch
Address : Tinpatty (1st Floor), Zinjira Bazar Zinjira Dhaka-1310
Email : ZNZ@UCB.COM.BD
Routing no : 245277098
SWIFT Code : UCBLBDDH
Contact : 02-7763743

Chattogram Division

Agrabad Branch
Address : Kashfia Plaza (1st Floor) 923/A Sheikh Mujib Road Agrabad C/A, Chittagong-4000
Email : agb@ucb.com.bd
Routing no : 245150131
SWIFT Code : UCBL BDDH AGB
Contact : 02-333311053, 02-333311055, 02-333311054, 02-333319134

Anderkilla Branch
Address : 504, Anderkilla (Imam Mansion) Chittagong
Email : ank@ucb.com.bd
Routing no : 245150465
SWIFT Code : UCBLBDDHAGB
Contact : 023333-614639, 612162, 53778, 01711881053, 01844075681

Anowara Sadar Branch
Address : APL Hossain, New Market Union Anowara, P.S. Anowara Dist. Chittagong
Email : anw@ucb.com.bd
Routing no : 245150694
SWIFT Code : UCBLBDDH
Contact : 01847454069/01847454070

Azadi Bazar Branch
Address : Muntasir D.M. City Center (1st Floor) Vill- Darmapur, Ward No-5 Union- Darmapur P.S-Fatickchari Dist-Chittagong
Email : azb@ucb.com.bd
Routing no : 245150731
SWIFT Code : UCBLBDDH
Contact : 01847052265

Bahaddarhat Branch
Address : Rahmania Shopping Complex (1st Flr) 63/A, Chandgaon Chittagong
Email : bdh@ucb.com.bd
Routing no : 245150799
SWIFT Code : UCBBDDHAGB
Contact : 01966602221

Bancharampur Branch
Address : S S R Super market, College Road Bancharampur Pourasava, PS: Bancharampur, Brahmanbaria
Email : bnc@ucb.com.bd
Routing no : 245120253
SWIFT Code : UCBLBDDH
Contact : 01787675594

Bandarban Branch
Address : N. S. Mension Holding No.0499 & 0499-001 VIP Road, Ward No. 04 Bandarban Pourashava, P.S.: Bandarban Sadar District: Bandarban
Email : ban@ucb.com.bd
Routing no : 245030130
SWIFT Code : UCBLBDDH
Contact : +8801951146468

Bandortila Branch
Address : Shah Plaza, Holding No: 3658/4287, M A Aziz Road, Chattogram EPZ, Chattogram
Email : brb@ucb.com.bd
Routing no : 245680735
SWIFT Code : UCBLBDDH
Contact : 822404, 822402, BM: 01322914809, OM: 01896016679

Baroiarhat Branch
Address : Mir Complex, Dhaka-Chattogram Highway, Ward No-02, Pourasava-Baroiarhat, P.O-Bisumeer, P.S-Jorargonj (Ex-Mirsarai) Dist: Chattogram.
Emai : brh@ucb.com.bd
Routing no : 245151093
Contact : 01713436186 (HOB), 01847092000(OM)

Basurhat Branch
Address : K. Hazi & Sons, Holding No. 94,95,95/01, Road No: 045, Late Dr. Abdul Halim Road, Word No: 05, Pouroshova: Basurhat, Police Station: Companygonj, District: Noakhali.
Email : bsh@ucb.com.bd
Routing no : 245750252
SWIFT Code : UCBLBDDH
Contact : 823101, 823102, 01708138087, 01897659578

Battali Branch
Address : Idris Tower (1st Floor), Battali Rustamhat P.O. Burumchara, Union: Juidandi, Ward No- 06 P.S. Anowara Dist. Chittagong
Email : btb@ucb.com.bd
Routing no : 245151172
SWIFT Code : UCBLBDDH
Contact : 01713435860

Boalkhali Branch
Address : Well Foyz Centre(1st Floor) Gomdandi Fultol Kanungo Para Road,Ward No:07, PS-Boalkhali, District-Chattogram
Email : bkb@ucb.com.bd
Routing no : 245151301
SWIFT Code : UCBLBDDHAGB
Contact : +88 01844546448; +88 01713108785

Brahmanbaria Branch
Address : 1090/128 Court Road, Brahmanbaria
Email : bbr@ucb.com.bd
Routing no : 245120437
SWIFT Code : UCBLBDDH
Contact : 01711-809733

Chakaria Branch
Address : Samabaya Market (1st floor) P.O: Chiringa Chokoria Pourashava Upazilla: Chokoria Dist: Cox's Bazar
Email : ckr@ucb.com.bd
Routing no : 245220166
SWIFT Code : UCBLBDDH
Contact : 03422-56274, 0443-4493932, 01713-068099

Chandanaish Branch
Address : Siddique Bachura Shopping Complex Ho.No.851, Cox's Bazar Main Road, Ward No.09, P.S.: Chandanish, District: Chittagong
Email : cha@ucb.com.bd

Routing no : 245151819
SWIFT Code : UCBLBDDH
Contact : 01847454067-68

Chandpur Branch
Address : 37/37, Comilla Road Paul Bazar, Chandpur
Email : cdp@ucb.com.bd
Routing no : 245130319
SWIFT Code : UCBLBDDH
Contact : 01711888361

Chaturi Branch
Address : Talukder Bhaban (1st & 2nd floor) Chaturi Chowmuhani, Union- Chaturi, P.S.- Anowara Chittagong
Email : anb@ucb.com.bd
ombco.anb@ucb.com.bd
hob.anb@ucb.com.bd
Routing no : 245150528
SWIFT Code : UCBLBDDH
Contact : 01714167386, 01833312430

Chittagong Medical College Branch
Address : 19, Fazlur Kader Road, Ward No 16, PS: Panchlaish, Chittagong
Email : cmc@ucb.com.bd
Routing no : 245152021
SWIFT Code : UCBLBDDH
Contact : 01915479022

Chowdhury Hat Branch
Address : Salma Plaza(1st floor), Chowdhury Hat Hathazari, Chittagong
Email : chc@ucb.com.bd
Routing no : 245152171
SWIFT Code : UCBLBDDHAGB
Contact : +8801951123230

Chowkbazar Branch
Address : 371, Kapashgola Road, Chowkbazar, Chittagong-4000
Email : cwk@ucb.com.bd
Routing no : 245151930
SWIFT Code : UCBLBDDH
Contact : 01966602232

Chowmuhani Branch
Address : 50-266, Kalitola Road, Haji Seraj Market, Chowmuhani, Noakhali
Email : cmh@ucb.com.bd
Routing no : 245750678
SWIFT Code : UCBLBDDH
Contact : 01847082881

Cumilla Branch
Address : 125/117, Raigonj (1st Floor) Chatipatty Comilla-3500
Email : cml@ucb.com.bd
Routing no : 245191158
SWIFT Code : UCBLBDDH
Contact : +880 1966-602203, 081-76447 081-65776

Cox's Bazar Branch
Address : Al-Hafez Complex Plot No- 347, Main Road Ward No- 03, Pourasava: Cox's Bazar
Email : cbz@ucb.com.bd
Routing no : 245220258
SWIFT Code : UCBLBDDH
Contact : 01915479399

Dampara Branch
Address : Holding No. 115/134 M. M Ali Road, WASA More, Dampara, Chittagong.
Email : dmp@ucb.com.bd
Routing no : 245150128
SWIFT Code : UCBLBDDH
Contact : 2867051-53

Dohazari Branch
Address : Al Haj Shamsuddin Super Market, (1st Floor) stn. Rd. Dohazari, Chandanaish Chittagong
Email : dhz@ucb.com.bd
Routing no : 245152568
SWIFT Code : UCBLBDDHDHZ
Contact : 01711888357 (HOB), 01915477762 (OM)

Eidgaon Branch
Address : Eidgaon Main Road (Near Bus Stand) Union: Eidgaon, Upazilla & District: Cox's Bazar
Email : ebc@ucb.com.bd
Routing no : 245220403
SWIFT Code : UCBLBDDH
Contact : 01894815358

Enayet Bazar Branch
Address : 59, Jubilee Road P.S.: Kotwali, District: Chittagong, Chittagong
Email : enb@ucb.com.bd
Routing no : 245150052
SWIFT Code : UCBLBDDHAGB
Contact : 02333355418, 02333355419, 01714167421

Fatickchari Branch
Address : M.K. Shopping Complex, College Road Bibirhat, Union, Durang, Upazilla: Fatikchari, District: Chittagong
Email : ftk@ucb.com.bd
Routing no : 245152742
SWIFT Code : UCBLBDDH
Contact : +8801711883746, 01841741239

Feni Branch
Address : 21, Stn. Road, Shaheed Hossain Uddin Bipani Bitan(1st Floor), Feni
Email : fni@ucb.com.bd
Routing no : 245300523
SWIFT Code : UCBLBDDH
Contact : IP: 8073 -01, 02, 01711-881065, 01811-486285

Gohira Branch
Address : P.O.: Gohira, Pourashava: Raozan Upazilla: Raozan, Dist: Chittagong
Email : ghr@ucb.com.bd
Routing no : 245153017
SWIFT Code : UCBLBDDH
Contact : +8801811487859

Halishahar Branch
Address : House No- 7, Road No- 2, Lane- 2, Block- G Halishahar Housing Estate, Chittagong City Corporation, Chittagong
Email : hls@ucb.com.bd
Routing no : 245153167
SWIFT Code : UCBLBDDHAGB
Contact : 01714167388

Hathazari Branch
Address : SA Shopping Complex (1st floor), Vill: Fatika Union: Hathazari Sadar, P.S: Hathazari, Chittagong
Email : hhb@ucb.com.bd
Routing no : 245153220
SWIFT Code : UCBLBDDH
Contact : 01730329715

Jamal Khan Branch
Address : CPDL Minez, Holding No.42, Jamal Khan Road, Ward No.: 21, P.S.: Kotwali, District: Chittagong
Email : jam@ucb.com.bd
Routing no : 245150810
SWIFT Code : UCBLBDDH
Contact : 031-2851813-4

Jhawtala Branch
Address : 693/1, Shahid Khaja Nizam Uddin Road, Comilla City Corporation, P.S. Kotwali, District: Comilla.
Email : jwt@ucb.com.bd
Routing no : 245190159
SWIFT Code : UCBLBDDH
Contact : Telephone: 081-76037, MOB: 01847052270, 01926666589

Jubilee Road Branch
Address : Rifle Club Shooting Complex Nandankanan, Jubilee Rd. Chittagong-4000
Email : jbr@ucb.com.bd
Routing no : 245153646
SWIFT Code : UCBLBDDHJBR
Contact : +8801819412608

Kadamtali Branch
Address : Baitush Sharaf Market (1st Floor) Kadamtali, Chittagong-4000
Email : kdm@ucb.com.bd
Routing no : 245153738
SWIFT Code : UCBLBDDHKDM
Contact : 02333327270, 02333326240, 02333325939, 02333321978, 02333323019, 01811415699, 01711881056

Kala Meah Bazar Branch
Address : Saber Tower (1st Floor) Shah Amanat Connecting Road, Chattogram
Email : kmb@ucb.com.bd
Routing no : 245150902
SWIFT Code : UCBLBDDH
Contact : 031-634855, 634822, 01844491071

Kamal Bazar Branch
Address : Kabir Tower (1st Floor) Kamal Bazar Kalurghat Road, U.L Mohora,
Email : rjk@ucb.com.bd
Routing no : 245153970
SWIFT Code : UCBLBDDHAGB
Contact : 031-672357; 031672363

Karnaphuli Branch
Address : Maimuna Shafi Tower, Aktaruzzaman Chatter Union: Charpathergata, PS: Karnaphuli, Chittagong
Email : kfb@ucb.com.bd
Routing no : 245150331
SWIFT Code : UCBLBDDHAGB
Contact : 01915479021

Kasba Branch
Address : Simanta Complex, Holding No.561, Kuti Kasba Road, Ward No.05, Kasba Pourasava, P.S.: Kasba District: Brahmanbaria
Email : Kas@ucb.com.bd
Routing no : 245121036
SWIFT Code : UCBLBDDH
Contact : 01951-146466, 01708-126236, 0088 08524 73248

Katghar Branch

Address	:	Noor Shopping Center H-988/1694, Aziz Road, Ward-04, Patenga, Chittagong
Email	:	kat@ucb.com.bd
Routing no	:	245154090
SWIFT Code	:	UCBLBDDH
Contact	:	+8802-333300606, +88 01847082884

Kazirhat Branch

Address	:	Vill-Alaiyarpur, Ward No-09, Union-12, Kutubpur P.S. Begumgonj, Dist. Noakhali
Email	:	kzh@ucb.com.bd
Routing no	:	245750115
SWIFT Code	:	UCBLBDDH
Contact	:	01847052271

keranihat Branch

Address	:	Hoque View Shopping Centre, North Demsha, Union: Demsha P.S. Satkania, District: Chattogram
Email	:	ati@ucb.com.bd hob.ati@ucb.com.bd
Routing no	:	245270345
SWIFT Code	:	UCBLBDDH
Contact	:	01847454073, 01847454074

Khagracchari Branch

Address	:	Hawker's Market Complex (1st Floor) Pan Bazar, Pankhiya Para Road, Khagrachhari Sadar, Khagrachhari
Email	:	kcb@ucb.com.bd
Routing no	:	245460076
SWIFT Code	:	UCBL BDDH
Contact	:	0132-2890071 & 0189-4924628

Khatungonj Branch

Address	:	601, Ramjoy Mohajan Lane Khantungonj, Chittagong-4000
Email	:	ktg@ucb.com.bd
Routing no	:	245154274
SWIFT Code	:	UCBLBDDHKTG
Contact	:	02333354409, 02333351015, 02333351016, 031613774, 031613774

Lakshmipur Branch

Address	:	63, Bancha Nagar Masjid Road, Lakshimpur
Email	:	lkp@ucb.com.bd
Routing no	:	245510739
SWIFT Code	:	UCBLBDDH
Contact	:	038155443, 01711883747

Lohagara Branch

Address	:	Liakat Hossain Market (1st Floor) PS: Lohagara, Chittagong
Email	:	hob.lhg@ucb.com.bd
Routing no	:	245154661
SWIFT Code	:	UCBLBDDH
Contact	:	01713068480

Mainamati Branch

Address	:	Mainamati Sena Market, Mainamati Cantonment, Union: Mainamati, Police Station: Kotwali, District: Cumilla
Email	:	mmb@ucb.com.bd
Routing no	:	245192823
SWIFT Code	:	UCBLBDDH
Contact	:	823001, 823002, 01708138086, 01897659577

Maizdee Court Branch

Address	:	1175-1176, Maizdee Court Main Rd. Noakhali
Email	:	mdc@ucb.com.bd
Routing no	:	245751572
Contact	:	01711-883748

Modunaghat Branch

Address	:	Madnughat, P.O Nur Ali Bari P.S: Hathazari Chittagong-4337
Email	:	mdg@ucb.com.bd
Routing no	:	245154753
SWIFT Code	:	UCBLBDDH
Contact	:	+88 01711883744

Muradpur Branch

Address	:	Chittagong Shopping Complex, 112-129 Nasirabad Mohalla (1st Floor.) Muradpur, Chittagong
Email	:	mrd@ucb.com.bd
Routing no	:	245155323
SWIFT Code	:	UCBLBDDHAGB
Contact	:	+88031651376, 2555087, 01711881055, 01847082883

Nazirhat Branch

Address	:	Nazirhat (Hossain Market) P.O-Nazirhat P.S: Fatickchari, Chittagong
Email	:	nzh@ucb.com.bd
Routing no	:	245155594
SWIFT Code	:	UCBLBDDH
Contact	:	01847092009, 01711883745

Noapara (C) Branch

Address	:	Patherhat, Vill-Noapara, P.S: Rawzan Chittagong-4346
Email	:	npc@ucb.com.bd
Routing no	:	245155710
SWIFT Code	:	UCBLBDDH
Contact	:	+88 01711883743

O R Nizam Road Branch

Address	:	562/A. O. R. Nizam Road Central Shopping Center, Chittagong
Email	:	orm@ucb.com.bd
Routing no	:	245155802
SWIFT Code	:	UCBLBDDHAGB
Contact	:	+8801811486290

Oxygen Branch

Address : Gazi Mention, Holding No: 3711-B Oxygen-Quaish Link Road, Ward No.03, Chittagong City Corporation, P.S. Bayazid, District:Chittagong
Email : oxy@ucb.com.bd
Routing no : 245150531
SWIFT Code : UCBLBDDH
Contact : 01951-146460, 01708-451985

Pahartali Branch

Address : 3830/B, Shourav Bitan D.T. Road, Pahartali, Chittagong.
Email : ptb@ucb.com.bd
Routing no : 245155923
SWIFT Code : UCBLBDDHAGB
Contact : 02-43150606, 01730-318846 (HOB), 01811-415703 (OM)

Patiya Branch

Address : Islam Tower Ward No.07, P.S. Patiya District: Chittagong
Email : pot@ucb.com.bd
Routing no : 245890554
SWIFT Code : UCBLBDDH
Contact : +88 01847454066

Port Branch

Address : Chittagong Port, 200, Strand Rd Samad Supar Mkt., No. 3, Jetty Gate Dabolmuring, Chittagong
Email : prt@ucb.com.bd
Routing no : 245156227
SWIFT Code : UCBLBDDHAGB
Contact : 01847082880

Rangamati Branch

Address : Azia Market (1st Floor) New Cort Road, Happy More, Banarupa, Rangamati
Email : rmb@ucb.com.bd
Routing no : 245840520
SWIFT Code : UCBLBDDH
Contact : 01322-890072

Rangunia Branch

Address : Hajee Faiz Market (1st Floor), Chaumuhani Vill-Syed Bari, P.O-Morium Nagar P.S: Rangunia, Chittagong
Email : rgb@ucb.com.bd
Routing no : 245156401
SWIFT Code : UCBLBDDH
Contact : 01730329718 & 01819814109

Raozan SME/Krishi Branch

Address : G.T. Shopping Complex Maushighata, Ward No: 08, Paurashava & Upazilla: Raozan, Chittagong
Email : rzb@ucb.com.bd
Routing no : 245156498
SWIFT Code : UCBLBDDH
Contact : 01817721804

Sadarghat Branch

Address : Habib City Tower 49, Sadarghat Chittagong
Email : sdr@ucb.com.bd
Routing no : 245156635
SWIFT Code : UCBLBDDHAGB
Contact : 031-637027, 031-637029, 01847052273, 01966602244

Sandwip Branch

Address : Haji Lokman Plaza, Holding No:002700 Guptochora Road, Ward No: 08, PS: Sandwip Dist-Chattogram, Bangladesh
Email : sdb@ucb.com.bd
Routing no : 245156919
SWIFT Code : UCBLBDDH
Contact : +8801321-124373

Shantirhat Branch

Address : Kamal Centre (1st Floor), Chattogram-Cox's Bazar Highway, Shantirhat Bazar, Union-Kushumpura, PS-Patiya, District-Chattogram
Email : stb@ucb.com.bd
Routing no : 245157242
SWIFT Code : UCBLBDDH
Contact : 01844546449, 01713108781

Sharaf Bhata Branch

Address : Asma Bhaban (1st Floor), Union: Sharaf Bhata, PS: Rangunia, Chattogram
Email : sbh@ucb.com.bd
Routing no : 245150894
SWIFT Code : UCBLBDDH
Contact : 01844491070

Sitakunda Branch

Address : Didar Market (1st Floor). Holding No: 01, D.T. Road Ward No: 06, Pouroshova: Sitakunda, Police Station- Sitakunda, District: Chattogram
Email : bhb@ucb.com.bd
Routing no : 245151219
SWIFT Code : UCBLBDDHAGB
Contact : 01811486287

Sonaimuri Branch

Address : Motaleb Plaza, Eshak Miah Sarak, Ward No: 02, Sonaimuri Pourasava, PS: Sonaimuri, Noakhali
Email : smr@ucb.com.bd
Routing no : 245752234
SWIFT Code : UCBLBDDH
Contact : +8803227-51202

Station Road Branch

Address : A.G Tower, Holding No. 1541, 1542, Daulatganj Bazar Road, Ward No: 04, Pouroshova: Laksam, Cumilla
Email : str@ucb.com.bd
Routing no : 245157518
SWIFT Code : UCBLBDDHAGB
Contact : 01811481291

Laksam Branch

Address : A.G Tower , Holding No. 1541, 1542 Daulatganj Bazar Road , Ward No: 04 Pouroshova: Laksam, District: Cumilla
Email : lsb@ucb.com.bd
Routing no : 245192715
Contact : 01321124385 (HOB), 01844491075 (OM)

Matlab Uttar Branch

Address : Zamzam Tower, Holding No. 1258-00, Kalakanda Road, Ward No: 01, Pouroshova: Chengarchar, Police Station: Matlab Uttar, Dist. Chandpur
Email : mub@ucb.com.bd
Routing no : 245130306
Contact : 01321124386(BM), 01844491076(OM)

Sylhet Division

Ambarkhana Branch

Address : Airport Road, Amborkhana, Sylhet
Email : amb@ucn.com.bd
Routing no : 245910047
SWIFT Code : UCBLBDDH
Contact : 0821718181 ,01711883751

Beani Bazar Branch

Address : Shahab Mension Main Road, Beanibazar, Sylhet-3170
Email : bbz@ucb.com.bd
Routing no : 245910313
SWIFT Code : UCBLBDDH
Contact : 01711883750

Biswanath Branch

Address : Al-Burak Shopping Center Biswanath Bazar, Vill, P.O & P.S: Biswanath, District: Sylhet
Email : bis@ucb.com.bd
Routing no : 245910434
SWIFT Code : UCBLBDDH
Contact : +8808224-56189, +8801966602219

Barolekha Branch

Address : Mouvibazar, P.O & P.S: Barolekha District: Moulvibazar
Email : brl@ucb.com.bd
Routing no : 245580101
SWIFT Code : UCBLBDDHSYL
Contact : 02996685040

Derai Branch

Address : 2nd Floor of Sen Market Thana Road, Derai, Sunamganj
Email : drb@ucb.com.bd
Routing no : 245900257
SWIFT Code : UCBLBDDH
Contact : 01894924637, 01322890080

Goala Bazar Branch

Address : P.O Goalabazar, P.S Balagonj, Sylhet
Email : gob@ucb.com.bd
Routing no : 245911541
SWIFT Code : UCBLBDDH
Contact : +88 01711883752

Kulaura Branch

Address : Asaddor Palace, Holding No.239, Ward No. 05, Kulaura, Pourasava, P.S: Kulaura, District: Moulvibazar
Email : kul@ucb.com.bd
Routing no : 245580943
SWIFT Code : UCBLBDDH
Contact : 01951146465, 01708126235

Lamabazar Branch

Address : Ali Complex, 14 Chayatoru, Lama Bazar, Sylhet
Email : lbb@ucb.com.bd
Routing no : 245912511
SWIFT Code : UCBLBDDH
Contact : 01713436187

Madhabpur Branch
Address : Amir Complex (1st Floor), Dhaka-Sylhet Highway Road, Ward No: 07, Madhabpur Bus Stand, Madhabpur, Habiganj
Email : mpb@ucb.com.bd
Routing no : 245360884
SWIFT Code : UCBLBDDH
Contact : 01713108766, 01844546431

Moulvi Bazar(S) Branch
Address : Central Road, Chowmohona Moulvibazar-3200, Sylhet
Email : mbs@ucb.com.bd hob.mbs@ucb.com.bd
Routing no : 245581184
SWIFT Code : UCBLBDDH
Contact : +8801711881059 (HOB), +8801833102705 (OM)

Nabigonj Branch
Address : Tahsin Plaza, Holding: 0183-00, Osmani Road (Traffic Point), Ward: 02, Pouroshova: Nabigonj, Police Station: Nabigonj, District: Habigonj
Email : hob.nbj@ucb.com.bd
Routing no : 245361096
SWIFT Code : UCBLBDDH
Contact : 01711-883754

Shahjalal Upashahor Branch
Address : Rose View Complex (2nd Floor), Mouza: Sadipur Plot: 597,598, Block-D, Shahjalal Upashahar, Thana: Kotually, Sylhet City Corporation
Email : ups@ucb.com.bd
Routing no : 245913257
SWIFT Code : UCBLBDDH
Contact : 01730334185, 01819412620

Sherpur (Syl) Branch
Address : Union: Sadipur, P.O: Aurangapur, P.S: Osmani Nagar (New) District: Sylhet.
Email : srp@ucb.com.bd
Routing no : 245913310
SWIFT Code : UCBLBDDH
Contact : +88 01966602235; 01711922479

Shibgonj Branch
Address : Union: Tuitikar, Sadar Thana Sylhet District: Sylhet
Email : shb@ucb.com.bd
Routing no : 245913402
SWIFT Code : UCBLBDDH
Contact : 01847092006

Sreemangal Branch
Address : Sufia Complex, Holding: 0208-00, Moulvibazar Road, Ward:09, Pouroshova: Sreemangal, Police Station: Sreemangal, District: Moulvibazar
Email : slb@ucb.com.bd
Routing no : 245581726
SWIFT Code : UCBLBDDH
Contact : BM: 01322914804, OM: 01896016674

Subid Bazar Branch
Address : Silver Star Tower Doyal-1 Sylhet: Sunamgonj Sarak Subid Bazar, Sylhet City Corporation
Email : sbs@ucb.com.bd
Routing no : 245913499
SWIFT Code : UCBLBDDH
Contact : +8801714167432, 01833102706

Sylhet Branch
Address : Laldighirpar, Sylhet-3100
Email : syl@ucb.com.bd
Routing no : 245913552
SWIFT Code : UCBLBDDHSYL
Contact : 01811481294

Zinda Bazar(S) Branch
Address : 1683/A, Zindabazar, Sylhet
Email : znb@ucb.com.bd
Routing no : 245914151
SWIFT Code : UCBLBDDHSYL
Contact : +88029966319, 01966602239

Rajshahi Division

Baneshwar Branch
Address : Haowa Plaza, Baneshwar, PS: Puthia Rajshahi
Email : bnr@ucb.com.bd
Routing no : 245810226
SWIFT Code : UCBLBDDH
Contact : 0178767590

Bogra Branch
Address : 221, Jhawtola, Pashari Mansion Bogra: 5800
Email : bgr@ucb.com.bd
Routing no : 245100378
SWIFT Code : UCBLBDDHBGR
Contact : +8801711881066

Chapainawabgonj Branch
Address : 4-5, Gudagari Road, Chapainawabgonj
Email : cpn@ucb.com.bd
Routing no : 245700257
SWIFT Code : UCBLBDDH
Contact : 02588893037, 01711436595

Enayetpur Branch
Address : Dishari Plaza, Vill:-Enayetpur, Union: 1 No. Sadia Chandpur, P.S. Enayetpur, Dist: Sirajgonj.
Email : ena@ucb.com.bd
Routing no : 245880827
SWIFT Code : UCBLBDDH
Contact : +8801708126234

Joypurhat Branch
Address : Sowdagar Bazar, Amtoli, Joypurhat
Email : jyp@ucb.com.bd
Routing no : 245380406
SWIFT Code : UCBLBDDH
Contact : 01955515478 Ex-815002

Kashinathpur Branch
Address : Khan Plaza (1st Floor) Union: Kashinathpur, PS- Santhia, Pabna
Email : knb@ucb.com.bd
Routing no : 245761333
SWIFT Code : UCBLBDDH
Contact : 01713108762, 01844491073

Naogaon Branch
Address : 379, Tula Patty (1st floor) Naogaon: 6500
Email : ngn@ucb.com.bd
Routing no : 245641187
SWIFT Code : UCBLBDDH
Contact : +8801711809728

Natore Branch
Address : Union: Harishapur, Patuapara, Natore
Email : ntr@ucb.com.bd
Routing no : 245691090
SWIFT Code : UCBLBDDH
Contact : +8801711809721, +8801966602238

Pabna Branch
Address : Al-Monsur Super Market (1st Floor), 407, Abdul Hamid Road, Pabna
Email : pbn@ucb.com.bd
Routing no : 245761788
SWIFT Code : UCBLBDDH
Contact : +8802588842331

Rajshahi Branch
Address : 70/71, Miah Para (1st Floor) Shaheb Bazar, Natore Maha Sarak, Rajshahi- 6100
Email : rjh@ucb.com.bd
Routing no : 245811933
SWIFT Code : UCBLBDDHRJH
Contact : +88025-88853367

Sirajgonj Branch
Address : 720, S.S.Road P.O: Sirajgonj District: Sirajgonj
Email : srj@ucb.com.bd
Routing no : 245881871
SWIFT Code : UCBLBDDH
Contact : +8801711888362, 8801951123233

Ullapara Branch
Address : Mizan Mansion 807, Joydev Sarak , Ward No: 03, Sirajganj
Email : ulp@ucb.com.bd
Routing no : 245882238
SWIFT Code : UCBLBDDH
Contact : +8801787670979, 8801915479134

Khulna Division

Chuadanga Branch
Address : 147, Barobazar, Chuadanga
Email : cdg@ucb.com.bd
Routing no : 245180198
SWIFT Code : UCBLBDDH
Contact : 01711883763

Fakirhat Branch
Address : Talukder Market (1st Floor) Union, Fakirhat, PS: Fakirhat, Bagerhat
Email : fhb@ucb.com.bd
Routing no : 245010468
SWIFT Code : UCBLBDDH
Contact : 8802-47775-488, Mobile: +88 01713-108760, 01844-491072

Gangni Branch
Address : Mondal Super Complex Holding No: 196, Gangni Bus Stand Para, Ward No: 04 PS: Gangni District: Meherpur
Email : gnb@ucb.com.bd
Routing no : 245570229
SWIFT Code : UCBLBDDH
Contact : +8801894924631

Jashore Branch
Address : 36, M.K Road, Jashore
Email : jsr@ucb.com.bd
Routing no : 245410947
Contact : 01711-883758

Jhenaidah Branch
Address : 129, Shere Bangla Road, Jhenaidah
Email : jhn@ucb.com.bd
Routing no : 245440641
SWIFT Code : UCBLBDDH
Contact : 01711883760, 01966602201

Khan Jahan Ali Road Branch
Address : Haji Hanif Complex (1st Floor) Holding No: 12&13 Khan Jahan Ali Road Khulna
Email : khj@ucb.com.bd
Routing no : 245471481
SWIFT Code : UCBLBDDH
Contact : 01711883762, 01915477758

Khulna Branch
Address : Samabay Bank Bhaban, Holding:07 K.D Ghosh Road, Ward: 21, Police Station: Khulna Sadar, Khulna City Corporation, Khulna
Email : kln@ucb.com.bd
Routing no : 245471544
SWIFT Code : UCBLBDDHKLN
Contact : 02477733636, 02477720522, 02477720502

Kushtia Branch
Address : 4, Bar Waritala Road, Kushtia
Email : kst@ucb.com.bd
Routing no : 245500949
SWIFT Code : UCBLBDDH
Contact : 01711881058, 01966602223

Noapara (Jashore) Branch
Address : Noapara Bazar P.S: Avoynagor, Jashore
Email : npj@ucb.com.bd
Routing no : 245411667
SWIFT Code : UCBLBDDH
Contact : 01711883761/01833312426

Satkhira Branch
Address : Arif Super Market, Holding No.: 0699-00, Abul Kashem Sarak, Ward No. 8, Paurashava, Satkhira District: Satkhira
Email : stk@ucb.com.bd
Routing no : 245871094
SWIFT Code : UCBLBDDH
Contact : 01847350508

Rangpur Division

Boda Branch
Address : Khodeza Super Market Holding No: 275/O, Ward No:7, Upazila: Boda District: Panchagarh
Email : bdb@ucb.com.bd
Routing no : 245770137
SWIFT Code : UCBLBDDH
Contact : HOB: 01711250560
OM: 01847350506

Dinajpur Branch
Address : Maldahpalty, Dinajpur-5200
Email : dnj@ucb.com.bd
Routing no : 245280672
SWIFT Code : UCBLBDDH
Contact : 02589924042,02589923266, 02589923327, 01711436596, 01847092008

Gaibandha Branch
Address : P.C. Saha Plaza Circular Road, Das Bakery More Gaibandha Sadar, Gaibandha
Email : gbb@ucb.com.bd
Routing no : 245320529
SWIFT Code : UCBLBDDH
Contact : 01322890073

Hatibandha Branch
Address : Alhaj Khatib Uddin Shopping Complex Vill: Purbo Sindurna, Union: 05 No. Sindurna PS: Hatibandha District: Lalmonirhat
Email : hbb@ucb.com.bd
Routing no : 245520095
SWIFT Code : UCBLBDDH
Contact : +88 01322 890075, 01894924632

Kurigram Branch
Address : Bohor Uddin Plaza, Holding No: 0018-00, Kurigram Road, Ward No: 05, Pouroshova: Kurigram Sadar, Police Station: Kurigram, District: Kurigram
Email : kub@ucb.com.bd
Routing no : 245490404
SWIFT Code : UCBLBDDH
Contact : 01322-914802 (Head of Branch)

Nilphamari Branch
Address : Toyez Uddin Plaza, Holding No: 4895, Hazi Mohsin Sarak, Paurashava: Nilphamari, District: Nilphamari
Email : npb@ucb.com.bd
Routing no : 245730735
SWIFT Code : UCBLBDDH
Contact : 01711250559 01847350505

Rangpur Branch

Address : Shahid Shopping Complex, Jahaj Company More Municipal holding No. 11013 Rangpur
Email : rng@ucb.com.bd
Routing no : 245851456
SWIFT Code : UCBLBDDHRNG
Contact : +88025899 62117, +88025899 66057

Thakurgaon Branch

Address : Abdullah Centre, Shahid Mohammad Ali Sarak Ward No: 08, Pouroshova: Thakurgaon, P.S:Thakurgaon, District: Thakurgaon
Email : tgb@ucb.com.bd
Routing no : 245940970
SWIFT Code : UCBLBDDH
Contact : 01321124376

Barishal Division

Barguna Branch

Address : Rafiq Tower, Holding No: 107 Sadar Road, Ward No: 07 Barguna, Bangladesh
Email : bgb@ucb.com.bd
Routing no : 245040133
SWIFT Code : UCBLBDDH
Contact : 01321124374

Barisal Branch

Address : 87-88 Hamayet Uddin Road, Barisal
Email : bsl@ucb.com.bd
Routing no : 245060289
SWIFT Code : UCBLBDDH
Contact : 01847-454079/02478863144

Bhola Branch

Address : Mukhles Complex, Holding No: 888, 887 887/1, Sadar Road, Ward No: 06, Paurashava:Bhola, P.S: Bhola District: Bhola
Email : bho@ucb.com.bd
Routing no : 245090109
SWIFT Code : UCBLBDDH
Contact : 01971-160084/01708-451983

Charfasson Branch

Address : Mozibol Hoq Super Market (1st & 2nd floor), Janata Road, Ward No: 04, PS: & Pouroshova: Charfassion, District: Bhola
Email : cfb@ucb.com.bd
Routing no : 245090220
SWIFT Code : UCBLBDDH
Contact : Telephone:049-2374044, Mobile: 01844546430, 01713108796

Indurhat Branch

Address : Hazi Ashmat Ali Tower, Sohagdol, Nesarabad, Pirojpur
Email : ihb@ucb.com.bd
Routing no : 245790067
SWIFT Code : UCBLBDDH
Contact : +8801322890076/01894924633

Jhalakathi Branch

Address : Ma Hazera Commercial Complex, Holding No: 18, Kapuria Patri, Ward No: 04, PS: Jhalakathi Sadar Jhalakathi
Email : jkb@ucb.com.bd
Routing no : 245420062
SWIFT Code : UCBLBDDH
Contact : 01847350501

Subidkhali Branch

Address : Sikder Market, College Road Subidkhali, Mirzaganj, Patuakhali, Bangladesh
Email : sbk@ucb.com.bd
Routing no : 245781276
SWIFT Code : UCBLBDDH
Contact : 01321124375-01844546434

Mymensingh Division

Jamalpur Branch

Address : Akanda House, Holding No: 0944-00, Station Road, Ward No: 05, Pouroshova: Jamalpur Police Station: Jamalpur Sadar, District: Jamalpur
Email : jpb@ucb.com.bd
Routing no : 245390854
SWIFT Code : UCBLBDDH
Contact : Hob: 01322914801, OM: 01896016671

Kendua Branch

Address : Khonikaloy (1st Floor), Shantibag Road, Union: Kandiura, Ward No: 08, PS: Kandua, District: Netrokona
Email : kdb@ucb.com.bd
Routing no : 245720466
SWIFT Code : UCBLBDDH
Contact : 01713108773

Mymensingh Branch

Address : 17, Chota Bazar, Mymensingh: 2200
Email : mns@ucb.com.bd
Routing no : 245611759
SWIFT Code : UCBLBDDH
Contact : 02996664345-7/ 01711881064/ 01847462059

Sherpur(Myn) Branch

Address : Sampad Plaza Limited, Holding No: 46, Ragunath Bazar Naraynpur, Sherpur
Email : spb@ucb.com.bd
Routing no : 245890554
SWIFT Code : UCBLBDDHSPB
Contact : 01955-515470, 01709-635951

Master Bari Branch

Address : Master Bari Plaza, Area: Jamirdia, Union: 10 No. Hobirbari, Police Station: Bhaluka District : Mymensingh
Email : mbb@ucb.com.bd
Routing no : 245610150
Contact : 01329738836(HOB) 01844491078 (OM)

REDRESSAL OF INVESTORS' COMPLAINT

UCB always upholds a good relation with investors who play a vital role in erection a sustainable brand image among all the stakeholders. We really overhaul our investors so that they may carry out the flag of UCB in front line which would help us to accomplish our vision. In this assessment, we have proper arrangement to hear the voice of investors. Investors have free access to communicate and can collect all product and service related published information. Company Secretariat is always prepared to meet the statutory requirement of investors. Any query received from investors is treated efficiently and impartially. Queries from investors are dealt with courtesy and in a timely manner.

How Do UCB Redress Investors' Complaints:

- Corporate website of UCB (www.ucb.com.bd) contains a complaint cell where respective officials contact numbers are given to attend to the investors' query and complaints.
- UCB has a designated email address (bsd@ucb.com.bd) where investors can send email regarding their complaint which is recorded on daily basis and the investors replies are made to in due time to the investors.
- Investors can also make a written complaint through letter which are taken care with sincerely and after sufficient investigation, proper actions are taken based on the merit of the complains.
- Based on the complaint received from the investors, responsible officials are being asked to explain regarding the complaint and the appropriate decisions and actions are taken so that such type of complaint can be addressed correctly.
- Serious complaints are referred to the Company Secretary and even to the Managing

United Commercial Bank PLC

Corporate Head Office, Plot # CWS(A)-1 Road # 34,
Gulshan Avenue, Dhaka-1212

NOTICE OF THE 42nd ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd Annual General Meeting (AGM) of United Commercial Bank PLC will be held on Thursday, July 31, 2025, at 9.00 A.M. physically at Kurmitola Golf Club, Dhaka Cantonment, Dhaka-1206 to transact the following Agenda:

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements along with the Auditor's Report and the Directors' Report of the Bank for the year ended December 31, 2024 .
2. To declare Dividend for the year ended December 31, 2024 as recommended by the Board of Directors.
3. To appoint the Statutory Auditor of the bank for the year 2025 and to fix their remuneration.
4. To appoint the Corporate Governance Compliance Auditor for the year 2025 and to fix their remuneration.

SPECIAL BUSINESS

1. To increase the Authorized Capital of United Commercial Bank PLC from Tk.2500,00,00,000 (Taka Twenty- Five Hundred Crore) divided into 250,00,00,000 (Two Hundred Fifty Crore) ordinary shares of Tk.10.00 (Taka Ten) each to Tk. 5000,00,00,000 (Five Thousand Crore) divided into 500,00,00,000 (Five Hundred Crore) ordinary shares of Tk.10.00 (Taka Ten) each and to make necessary amendments in the Memorandum and Articles of Association of the Bank subject to the approval of the shareholders and the regulatory bodies.

   Proposed Special Resolution:

   "Resolved that the Authorized Capital of United Commercial Bank PLC be increased from Tk.2500,00,00,000 (Tk. Twenty Five Hundred Crore) divided into 250,00,00,000 (Two Hundred Fifty Crore) ordinary shares of Tk. 10.00 (Taka Ten) each to Tk. 5000,00,00,000 (Five Thousand Crore) divided into 500,00,00,000 (Five Hundred Crore) ordinary shares of Tk.10.00 (Taka Ten) each and accordingly the following amendments be made in the Memorandum and Articles of Association of the Bank subject to the approval of the shareholders and regulatory bodies."

(i) Amendment of Clause 'VI' of the Memorandum of Association:

Existing Clause	Proposed Clause
VI. The authorized capital of the Company is Tk. 2500,00,00,000 (Taka Twenty-Five Hundred Crore) divided into 250,00,00,000 (Two Hundred Fifty Crore) ordinary shares of Taka 10.00 (Taka ten) each with the rights and privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with power to increase and reduce the capital of the Company in accordance with the Articles of Association of the Company and the law for the time being in force.	VI. The authorized capital of the Company is Tk. 5000,00,00,000 (Taka Five Thousand Crore) divided into 500,00,00,000 (Five Hundred Crore) ordinary shares of Taka 10.00 (Taka ten) each with the rights and privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with power to increase and reduce the capital of the Company in accordance with the Articles of Association of the Company and the law for the time being in force.

(ii) Amendment of Article '4' under the head of CAPITAL of the Articles of Association

Existing Clause	Proposed Clause
4. The Authorized Share Capital of the Company shall comprise Ordinary Shares of Tk. 2500,00,00,000/-	4. The Authorized Share Capital of the Company shall comprise Ordinary Shares of Tk. 5000,00,00,000/-

(Taka Twenty-Five Hundred Crore) divided into 250,00,00,00 (Two Hundred Fifty Crore) Ordinary Shares of Tk.10/- (Taka ten) each with the rights and privileges and conditions thereto as are provided by the Articles of Association of the Bank for the time being with the power to increase or reduce the capital of the Bank. The shares of the Bank may be subscribed for by Bangladeshi or foreign nationals or institutions or foreign institutions or by the Government of Bangladesh.	(Taka Five Thousand Crore) divided into 500,00,00,000 (Five Hundred Crore) Ordinary Shares of Tk.10/- (Taka ten) each with the rights and privileges and conditions thereto as are provided by the Articles of Association of the Bank for the time being with the power to increase or reduce the capital of the Bank. The shares of the Bank may be subscribed for by Bangladeshi or foreign nationals or institutions or foreign institutions or by the Government of Bangladesh.

2. To Issue Right Shares:

Proposed Resolution:

"Resolved that raising of capital of the bank by issuing right shares @ 2:1 i.e. one right share for every two existing shares held at Tk. 10/- each share on paid up capital subject to approval by the shareholders and regulatory authorities be approved."

3. To issue Fresh Shares to Strategic Investors:

Proposed Resolution:

"Resolved that the issuance of fresh shares to strategic investor(s) to further strengthen Bank's core capital be approved subject to approval by the shareholders and regulatory authorities under the following terms:

Particulars	Details
Proposed Capital to be Raised.	Equivalent to 50% of the Bank's audited paid-up capital as of December 31, 2024.
Offer Price.	To be determined through negotiation and disclosed in due course."

Dated: Dhaka
July 10, 2025

By order of the Board of Directors,



Pulak Chaudhuri
Company Secretary (Acting)

Notes:

a) The 'Record Date' in lieu of Book Closure was fixed on Sunday, June 29, 2025 to attend the AGM.

b) Members, whose names appeared in the Member Register of the Bank or in the Central Depository Bangladesh Limited (CDBL) on the Record Date which was declared by the Board of Directors of the Bank, will be eligible to attend the AGM.

c) A member, eligible to attend the AGM, may appoint a proxy to attend and vote on his/her behalf. The Proxy Form shall be duly signed and affixed by the members with a revenue stamp of Tk.100 must be submitted to the registered office of the Bank at least 72 hours before AGM. Members may download Proxy Form from the Bank's website (**i.e. www.ucb.com.bd**).

d) Members can download the Annual Report by scanning the QR Code given herein.

e) In Compliance with BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018 (amended up to 2023):

I. Annual Report, Attendance Slip, and Proxy Form along with the Notice are being sent to the Members' registered e-mail address linked with their respective BO ID on the Central Depository Bangldesh Limited (CDBL) as on record date.

II. The members, who don't have an e-mail address linked with their BO ID, are requested to send their respective e-mail address to **bsd@ucb.com.bd** to enable us to send the e-Annual Report 2024 or can download the same by scanning the QR Code given.

To Download Annual Report

III. Members, who want to collect the printed copy of the Annual Report-2024 from the Company Secretariat of the Bank, are requested to inform us in writing.

IV. The Annual Report is also available on the Bank's website which is linked with the websites of both Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC.

f) The concerned Brokerage Houses were requested to provide us with a statement with the details (Shareholders' name, BO ID number client-wise shareholding position) of their margin account holders (if any) who hold UCB shares, as on the 'Record Date' along with the name of the contact person in this connection, to the Company Secretariat of the Bank on or before July 15, 2025.

United Commercial Bank PLC
Corporate Head Office CWS (A)-1
Road No-34, Gulshan Avenue
Dhaka-1212

PROXY FORM

I/We.....

of.....

..... being a member of United Commercial Bank PLC do hereby appoint

Mr. /Ms. ..... as my/our PROXY to attend and vote for me/us and on my/our behalf at the 42nd AGM of the Bank to be held on July 31, 2025 (Thursday) at 9.00 A.M.at Kurmitola Golf Club Dhaka Cantonment, Dhaka-1206.and at any adjournment thereof.

Signature of Shareholder(s)
No. of Shares held.....

Signature of PROXY

Revenue Stamp of BDT 100

Folio No.	

or

BO ID No																

Note: A member entitled to attend at the General Meeting may appoint a PROXY to attend on his/her behalf. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Bank at least 72 hours before the time for the meeting.

Signature Verified

Authorized Signatory

United Commercial Bank PLC
Corporate Head Office CWS (A)-1
Road No-34, Gulshan Avenue
Dhaka-1212

SHAREHOLDER / PROXY ATTENDANCE SLIP

I hereby record my attendance at the 42nd AGM of the Bank to be held on July 31, 2025 (Thursday) at 9.00 A.M. at Kurmitola Golf Club Dhaka Cantonment, Dhaka-1206.

Name of the Shareholder	
No. of Shares	
Folio No.	
BO ID No.	
Name of the Proxy (if any)	

Signature of Shareholder/Proxy

Signature verified by

Notes: Please present this Slip at the Reception Desk. Children and non-Shareholders will not be allowed at the meeting.



GLIMPSE OF
LAST AGM

GLIMPSE OF UCB 41st ANNUAL GENERAL MEETING





UNITED COMMERCIAL BANK PLC | UCB

Plot-CWS (A)-1, Road No-34, Gulshan Avenue, Dhaka-1212
Phone: +88-02-55668070, Call center: 16419

UCB STOCK Brokerage Limited
UCB ASSET Management Limited
UCB INVESTMENT Limited
উপায়
UCB SINGAPORE