



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us



3rd SUSTAINABILITY REPORT

In this report, MTB has followed its compliance to the reporting framework of Global Reporting Initiative (GRI). Application level of the framework applied in this report is **GRI 4.0**





PREFACE

Mutual Trust Bank Ltd. (MTB) is presenting its **3rd Sustainability Report** for the period from January 2016 to December 2016.

In this report, MTB has followed its compliance to the reporting framework of Global Reporting Initiative (GRI). Application level of the framework applied in this report is **GRI 4.0**.

MTB is a compliant bank as per compliance standard set by regulatory bodies of the country (Bangladesh). MTB already follows the statutory and reporting guideline prescribed by regulatory bodies. Yet, present management of MTB envisions the bank to rise up to an international standard in all plausible dimensions and hence the management has decided to

bring out Sustainability Report regularly since the year 2014.

This report serves as a primary instrument of communication regarding the company's philosophy, governance, management, policies and CSR initiatives (Corporate Social Responsibility), resulting to sustainability of its business, the environment and the community.

Apart from its vision and mission MTB keeps a separate annual strategic focus. For the year 2016, it was crafted as **"Protect & Surge"**, Protect means to make banking transactions free from cyber-crime and money laundering activities. Surge means how efficiently bank can protect its interests as well as its

stakeholders by ensuring cyber security, governance, appointment of skilled human resources.

Feedback

We welcome any feedback on this Sustainability Report. For further information and comments, please contact Sustainability Reporting Team of the Bank through following addresses:

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ACRONYM

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ABB	Association of Bankers Bangladesh
ADB	Asian Development Bank
ADC	Alternate Delivery Channel
AfDB	African Development Bank
AGM	Annual General Meeting
AmCham	American Chamber of Commerce in Bangladesh
AML & CFT	Anti-money Laundering & Combating the Financing of Terrorism
BAB	Bangladesh Association of Banks
BACH	Bangladesh Automated Clearing House
BAFEDA	Bangladesh Foreign Exchange Dealer Association
BAMLCO	Branch Anti Money Laundering Compliance Officer
BAPLC	Bangladesh Association of Publicly Listed Companies
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank (The Central Bank of Bangladesh)
BDT	Bangladesh Taka
BFIU	Bangladesh Financial Intelligence Unit
BFRS	Bangladesh Financial Reporting Standards
BEFTN	Bangladesh Electronic Funds Transfer Network
BIBM	Bangladesh Institute of Bank Management
BRPD	Banking Regulation & Policy Department
BSEC	Bangladesh Securities and Exchange Commission
BTI	Banker to the Issue
CAMLCO	Chief Anti Money Laundering Compliance Officer
CAR	Capital Adequacy Ratio
CBS	Core Banking System / Core Banking Software
CCU	Central Compliance Unit
CNG	Compressed Natural Gas
CO2	Carbon Dioxide
CRISL	Credit Rating Information and Services Limited
CRR	Cash Reserve Ratio
CSE	Chittagong Stock Exchange
CSR	Corporate Social Responsibility
DCCI	Dhaka Chamber of Commerce & Industry
DESCO	Dhaka Electric Supply Company Limited
DOS	Department of Off-site Supervision
DSE	Dhaka Stock Exchange
EBRD	European Bank for Reconstruction and Development
EC	Executive Committee
ECAI	External Credit Assessment Institutions
EDD	Environmental Risk Due Diligence
EFT	Electronic Fund Transfer
EIB	European Investment Bank



EnvRR	Environmental Risk Rating
FBCCI	Federation of Bangladesh Chambers of Commerce and Industry
GRI	Global Reporting Initiative
HHK	Hybrid Hoffman Kiln
IBB	Institute of Bankers Bangladesh
IBRD	International Bank for Reconstruction and Development
ICAAP	Internal Capital Adequacy Assessment Policy
ICAB	Institute of Chartered Accountants of Bangladesh
ICC	Internal Control & Compliance
ICCB	International Chamber of Commerce Bangladesh Limited
ICT	Information and Communication Technology
IDB	Islamic Development Bank
IFC	International Finance Corporation
IISD	International Institute for Sustainable Development
i-Mail	Intranet Mail
LBTI	Lead Banker to the Issue
MANCOM	Management Committee
MCCI	Metropolitan Chamber of Commerce and Industry
MICR	Magnetic Ink Character Recognition
MoF	Ministry of Finance (Bangladesh)
MTB	Mutual Trust Bank Limited
MTB UK	MTB Exchange (UK) Limited
MTBCL	MTB Capital Limited
MTBSL	MTB Securities Limited
MTBTI	MTB Training Institute
N/A	Not Applicable
NBFI	Non-Bank Financial Institutions
NPL	Non-Performing Loan
NPSB	National Payment Switch Bangladesh
PCBs	Private Commercial Banks
PDBL	Primary Dealers Bangladesh Limited
PSD	Payment Systems Department
RBCA	Risk Based Capital Adequacy
REPO	Repurchase Agreement
RMG	Readymade Garments
RMP	Risk Management
RWA	Risk Weighted Assets
SMA	Special Mention Account / Slow Moving Accounts
SME	Small and Medium Enterprise
SWIFT	Society for Worldwide Interbank Financial Telecommunication
T_bill	Treasury Bill
T_bond	Treasury Bond
UNEPFI	United Nations Environment Program Finance Initiative
UNSCR	United Nations Security Council Resolution
VaR	Value at Risk



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KEY HIGHLIGHTS

BDT 400 million

financed in Effluent Treatment Plant (ETP)

BDT 33 million

financed in 2 Hybrid Hoffman Kiln (HHK) projects

BDT 30 million

invested in Disaster Management

389 bicycles

distributed amongst the underprivileged students across the country

BDT 4,225.86 million

financed in SME sector

17,468 number

of accounts are availing internet banking

226 ATMs and 110 branches

are operating online among which 09 branches and 09 ATMs are powered by solar energy

129,065 E-statements

instead of paper statements, delivered to customer

USD 191.27 million

foreign remittances received by households of rural and semi-urban areas through MTB's channel

1,659 Number of NRB

deposit accounts opened

46.97 Tons of paper

saved by using MTB intranet and internet



1.1 STRATEGY AND **ANALYSIS**

GRI Indicators <G4-01> to <G4-02>



STATEMENT OF MANAGING DIRECTOR & CEO

GRI Indicator <G4-01>



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Mutual Trust Bank Ltd.

you can bank on us

September 13, 2017

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

LETTER OF COMMITMENT

Please accept best compliments from Mutual Trust Bank Limited (MTB).

I am pleased to reaffirm that Mutual Trust Bank Limited (MTB) supports the ten principles of the Global Compact. With this communication, we express our intent to move on those principles within our spheres of impact. We are committed to making the Global Compact and its principles a part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects, which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals (SDGs).

The annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles is on the way to be uploaded at the UNGC website. The COP includes a description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the Global Compact principles in each of the four areas (human rights, labor, environment and anti-corruption) and a measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

In accordance to the declarations above, we are going to publish the Sustainability Reports for the year 2016.

Thank you.

Yours sincerely,

ANIS A. KHAN
MANAGING DIRECTOR & CEO

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KEY IMPACTS

- Earned Operating Profit of BDT 3,408 million which was 21.25% higher than that of previous year
- MTB receives Trade Finance facility of USD 5 million from Asian Development Bank, the first facility provided by a multinational organization
- Closed the second MTB Subordinated bond of BDT 3 billion, issued by RSA Capital
- Launched Real-Time Remittance Payment and Settlement System
- Net Profit After Tax (NPAT) stood at BDT 1,464 million in 2016, which was 7.13% higher than 2015 (BDT 1,366 million)
- MTB loans and advances increased to BDT 114,356 million including Offshore Banking Unit (OBU) and margin loans, which was 17.18% higher than 2015
- Return on average shareholder equity went up to 15.61% from the previous year
- MTB Customer liabilities increased to BDT 131,272 million in 2016 registering a growth of 10.87% over 2015
- Net Asset Value (NAV) per share increased to BDT 22.19 which was 9.93% higher than that was in 2015
- In 2016, MTB operated within all regulatory limits and there was no single instance of violation of regulation. This reflects MTB's commitment to operate as a compliant bank
- BDT 69.20 million provided for corporate social responsibility (CSR) events and activities in 2016 which was 171% higher than that of the previous year
- In 2016, MTB launched 10 MTB Agent Banking Centres in Comilla, Feni, Tangail, Pabna and Dhaka districts

Risks

- Number of branches of all banks in the country was 9503 in 2015, which rose to 9654 in 2016. Bank branches have been increased 1.59% in a year. This shows that business has become more competitive, which increases business risk for MTB

OPPORTUNITIES: MTB OUTLOOK 2017

Strategic Priorities

- Introduce cutting-edge technologies to improve the delivery channels and bringing the unbanked population under the banking umbrella
- Invest in advanced technology in order to make banking transactions more convenient
- Ensure cyber security governance for making banking transactions free from cyber-crime and money laundering activities
- Upgrade the infrastructure for Information & Technology Services (ITS) to develop new IT based products and services
- Establish a culture of empowerment and spirit along with appropriate remuneration, thereby attracting leaders to join and progress with the bank
- Continue to improve our funding and liquidity positions with the proviso of maintaining a high level of asset quality and lower provisioning
- Emphasize on safe banking transactions with a view to efficiently protecting the interests of the bank and its stakeholders
- Act as a socially responsible organization with the ultimate objective of improving the lives and lifestyles of the people and the economy of the country as a whole
- Maintain our high standards of compliance and governance keeping in mind increased sustainable business
- Leverage our human resources, technological know-how, financial capital and foresight to enhance shareholder returns while ensuring sustainable growth

SME BANKING DIVISION

Consolidation

- Knowledge: Exclusive Multiphase Certified Credit training is designed and implementation on process to consolidate knowledge, skill and performance
- Branch dedicated RM: Specific Assignment of Branch Relationship Management for one stop client service is introduced and to be improvised

Expansion

- Delivery Chanel: Utilization of MTB agent banking to expand the service of MTB SME beyond MTB Branch coverage
- Products: Increase the threshold of existing products, designing of Non Funded products and services for SME Client. Revise, improvise the parameters of existing products to meet the market demand

Innovation

- Process: Improvise internal operation process to serve the client with minimal time while ensuring all applicable rules and regulation
- Potentiality: To adopt international best practices through exposure to training and events

Protection

- Adhear prudent and dynamic credit policy
- Portfolio risk management on the basis of segment historical performance to minimize future risk
- NPL Management: Extensive Monitoring of loan A/Cs and management of NPL through Collection and business team



INTERNATIONAL TRADE

Over the last few years Bangladesh has invested substantially in the power and infrastructure sector. These invaluable initiatives in line with sound macroeconomic indicators and stable political environment are expected to make the country an attractive destination for foreign investors. These endeavors beckon huge potentiality in international trade and business.

MTB CARD DIVISION

MTB Card Division aims to continue with innovation in 2017 while ensuring the highest possible security standards. The division plans to significantly broaden and diversify its client base by acquiring new customers in priority industries and segments. MTB Card Division also aims to strengthen its card transaction facilities and launch co-branded cards with market leaders.

NON-RESIDENT BANGLADESHI (NRB)

- Expand MTB NRB network throughout the world to reach every Bangladeshi expatriate
- Ease operational procedures of inward remittance
- Enhance the safety of inward remittance
- Bring the still-unbanked Bangladeshis under MTB NRB network

MTB RETAIL BANKING DIVISION

In the year 2017, key priorities of MTB Retail banking division focuses on increasing company in payroll, providing client centric services and ensuring cross business relationship to enhance overall business portfolio.

MTB PRIVILEGE BANKING

- Establish a dedicated lounge at the Hazrat Shahjalal International Airport to cater to the need of the MTB Privilege Banking clients
- Concentrate in innovation towards meeting the ever increasing need of the clients
- Partner with relevant divisions/departments of the Bank to innovate retail lending products and high value card products, which will suit the requirements of the premium segment

MTB GROUP HUMAN RESOURCES

- To contribute to sustainable organizational performance
- To apply MTB's human capital expertise more vigorously to support the business divisions and operational functions
- To be a successful contributor to the control function of MTB for managing human capital risks
- To communicate and create a more open and transparent environment
- To foster reward culture based on performance and merit

1.2 ORGANIZATIONAL PROFILE

GRI Indicators <G4-03> to <G4-16>



NAME OF THE ORGANIZATION

Registered name of the company: **Mutual Trust Bank Limited**

GRI Indicator <G4-03>

PRIMARY BRANDS, PRODUCTS, AND SERVICES

GRI Indicator <G4-04>

MTB PRODUCTS AND SERVICES

• RETAIL BANKING

- Deposit Products
- Loan Products
- Card Products
- Payroll Banking



MTB RETAIL
BANKING
pleasure in life

Privilege
BANKING
Pleasure of Privilege

• PRIVILEGE BANKING

• WHOLESALE BANKING

- Term Finance
- Working Capital Finance
- Trade Finance
- Export Finance
- Import Finance
- Syndications & Structured Finance
- Off-Shore Banking
- Cash Management Services



MTB
Graduate

MTB SENIOR
Pleasure of Seniority!

MTB AUTO LOAN
pleasure of car ownership

• NRB BANKING (NRB stands for Non Residential Bangladeshi)

- NRB Saving Products
- NRB Remittance and Currency Exchange services



• SME BANKING

• ALTERNATE DELIVERY CHANNELS (ADC)

- Internet Banking
- SMS Banking
- ATM Services
- Contact Centre (24/7)



• AGENT BANKING



LOCATION OF THE ORGANIZATION'S HEADQUARTERS

GRI Indicator <G4-05>

Registered Office:

MTB Centre, 26 Gulshan Avenue, Gulshan 1
Dhaka 1212, Bangladesh

GLOBAL PRESENCE

GRI Indicator <G4-06>

MTB Exchange (UK) Limited (MTB UK)

Bangladesh Bank vide their letter No: BRPD (M) 204/25/2010-289 dated 19 August 2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on June 14, 2010 under the Companies Act 2006 of UK with the registration number 07282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London. The main activities of the exchange house 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 houses.

MTB successfully Strong correspondent relationships with different renowned banks of the world. Currently, our SWIFT Relationship Management Application (RMA) network has 520 renowned banks, of which 53 are local and 495 are foreign. MTB has also maintained 39 NOSTRO accounts with different correspondent banks abroad in US Dollars (USD), British Pounds (GBP), Euros (EUR), Japanese Yen (JPY), Swiss Francs (CHF), Singapore Dollars (SGD), Arab Emirates Dirham (AED) and Asian Clearing Union (ACU) Dollars & Euros. MTB has partnered with 28 exchange houses for channeling inward foreign remittance.



PARTNER EXCHANGE HOUSES:

COUNTRY	NUMBER OF EXCHANGE HOUSE
BAHRAIN	1
CYPRUS	1
KUWAIT	1
QATAR	4
RUSSIA	1
UAE	11
UK	2
GLOBAL	7
GRAND TOTAL	28

NATURE OF OWNERSHIP AND LEGAL FORM

GRI Indicator <G4-07>

The Company was incorporated as a Public Limited Company on September 29, 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each. The shares of the bank are listed with the Dhaka and Chittagong Stock Exchanges, as a publicly quoted company since 2003.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999.

MTB has three fully-owned subsidiaries - MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited.

MTB Securities Ltd.

MTB Securities Limited (MTBSL) has been incorporated on March 01, 2010 as a private limited company with the Registrar of Joint Stock Companies and Firms, Bangladesh under Companies Act, 1994 with the objective to carry out business related to capital market. As a fully owned subsidiary of Mutual Trust Bank Ltd, MTB Securities Limited has started its operation as a corporate member of Dhaka Stock Exchange Limited (Member No. 197) since September 23, 2010.

MTB Capital Ltd.

MTB Capital Limited (MTBCL) is a fully owned subsidiary of Mutual Trust Bank Limited and a full-fledged Merchant Banker, licensed by

COMPANY REGISTRATION NO:

C38707 (665)/99 on September 29, 1999

BANGLADESH BANK PERMISSION NO:

BRPD (P) 744(78)/99-3081 on October 5, 1999

SWIFT CODE:

MTBL BD DH

LISTING INFORMATION:

Listed with DSE: July 12, 2003

Listed with CSE: July 12, 2003

TRADE CODE: MTB

the Bangladesh Securities and Exchange Commission (BSEC) on December 6, 2010 under Bangladesh Securities and Exchange Commission act, 1993. MTBCL has started its operation since April 17, 2011.

MTB Exchange (UK) Ltd.

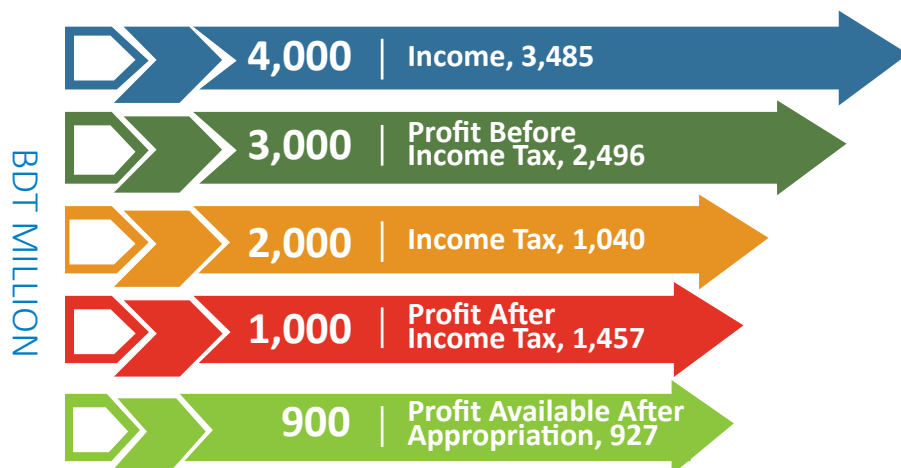
Bangladesh Bank vide their letter No: BRPD (M) 204/25/2010-289 dated 19 August 2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on June 14, 2010 under the Companies Act 2006 of UK with the registration number 07282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London.



FINANCIALS AT A GLANCE

GRI Indicator <G4-08>

MTB FINANCIALS-2016 AT A GLANCE



SL	Financial Indicators	2016	2015	2014
1	Earnings per Share (BDT)	3.30	3.08	2.60
2	Net Asset Value (NAV) per share (BDT)	22.15	20.15	22.00
3	Market Value per Share (BDT)	23.10	19.50	19.80

Location wise Loans and Advances

	Geographical Location wise Loans and Advances		Amount in BDT
Inside Bangladesh	2016	2015	2014
Urban			
Dhaka Division	79,178,134,280	68,265,987,623	50,775,018,126
Mymensingh Division	562,111,203	492,995,033	N/A
Chittagong Division	22,474,593,473	18,511,541,543	17,028,696,234
Rajshahi Division	3,908,852,578	3,704,740,334	2,761,838,552
Sylhet Division	845,476,356	742,930,912	729,344,021
Khulna Division	1,177,172,773	1,302,235,100	1,131,320,514
Rangpur Division	2,269,236,684	1,720,922,849	1,302,313,353
Barisal Division	209,242,417	80,882,877	49,896,262
	110,624,819,764	94,822,239,272	73,778,427,062
Rural			
Dhaka Division	2,103,806,136	1,472,451,542	1,158,247,886
Mymensingh Division	2,103,806,136	63,642,233	N/A
Chittagong Division	2,103,806,136	1,157,934,713	734,786,316
Rajshahi Division	-	-	-
Sylhet Division	128,908,916	72,507,930	35,770,528
Khulna Division	-	-	-
Rangpur Division	-	-	-
Barisal Division	-	-	-
	3,730,943,078	2,766,536,418	1,928,804,729
Outside Bangladesh	-	-	-
Total	114,355,762,842	97,588,775,690	75,707,231,791

SCALE OF THE ORGANIZATION

GRI Indicator <G4-09>

GROWTH OF MTB IN TERMS OF HUMAN RESOURCES

2016 ■ 1889

2015 ■ 1708

2014 ■ 1493

2013 ■ 1285

2012 ■ 1223



• Growth of MTB in terms of Income

	BDT Million		
Income Summary	2016	2015	2014
Income (Revenue)	3,408	2,811	2,603
Year on Year % change	21.25%	7.99%	-

• Growth of MTB in terms of Capital, Assets and Liability

		BDT Million				
SL	Items	2016	2015	2014	2013	2012
1	Authorized Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
2	Paid up Capital	4,431.79	3,693.00	3,078.00	2,798.00	2,543.00
3	Shareholder's Equity	9,818.26	8,929.20	6,770.00	5,449.00	4,834.00
4	Total Capital	13,725.13	12,412.59	8,712.00	8,137.00	6,981.00
5	Total Assets	165,370.69	146,059.30	116,301.00	101,464.00	93,162.00
6	Total Liabilities	155,552.30	137,129.99	109,530.00	96,014.00	88,328.00
7	Total Deposits	131,272.33	118,404.76	96,065.00	84,373.00	75,140.00

• Growth of MTB in terms of Quantity of Products or Services provided

	BDT Million				
Current Deposits & Other Accounts	2016	2015	2014	2013	2012
Current Deposits & Other Accounts	12,301	9,580	8,224	7,014	5,756
Bills Payable	1,751	1,253	1,284	780	1,814
Savings A/C	23,710	17,908	14,384	11,098	9,224
Fixed Deposits	55,803	55,708	7,997	4,495	3,295
Deposits-Products	26,060	20,272	49,412	48,281	45,301
Foreign Currency Deposits	11,646	13,683	14,764	12,704	9,750
Total Deposits	131,272	118,405	96,065	84,373	75,140

Note: Total number of customers served, is a business sensitive information and hence total figure is not disclosed.



Employee Information

GRI Indicator <G4-10>

Towards Attracting and Retaining Most Qualified and Talented People

MTB, aspiring to be a world-class bank, ensures the inclusion of all cultures along with diversity of employees, clients and communities. It aims to attract, develop and retain the most capable employees from all beliefs, backgrounds and experiences. Assortment in the workforce is central to MTB's culture and MTBians are expected to foster an inclusive and reverential working environment, where all employees can contribute their best and flourish based on merit.

MTB views human resources as fundamental to the success of its business. They are the lifeline to delivering excellent customer care and high quality products and services, and without them, the bank cannot run smoothly. MTB is a melting-pot of people from a diverse mix of backgrounds, cultures and gender. The bank's quest is to upgrade its human resources pool with talented, dynamic, proactive and committed people who possess the drive to excel and help MTB achieve its vision and mission. At the end of 2016, total number of employees was reported as 1889.

• Human Resource at MTB by Employment Type and Gender in 2016

	Male	Female	Total
Number of Employee	1533	356	1889

• Human Resource at MTB by Employment Level and Gender in 2016

Employment Level	Male	Female	Total
Entry Level	982	275	1257
Mid-Level	456	78	534
Senior Management	95	03	98
Total	1533	356	1889

• Human Resource at MTB by Executive vs. Non-Executive and Gender in 2016 (by employees and supervised workers and by gender)

	Male	Female	Total
Executives	242	09	251
Non Executives	1291	347	1647
Total	1533	356	1889

• Human Resource at MTB by Region and Gender in 2016

Place of Posting	Male	Female	Total
Dhaka	1104	310	1414
Chittagong	258	28	286
Rajshahi	53	05	58
Rangpur	38	02	40
Khulna	21	02	23
Sylhet	44	09	53
Barisal	15	00	15
Total	1533	356	1889



Collective bargaining agreements

GRI Indicator <G4-11>

Not Available

Supply chain

GRI Indicator <G4-12>

Third party agencies are providing office supplies.

Significant changes in size, structure, ownership, or its supply chain

GRI Indicator <G4-13>

- a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties: Nil
- b) Shareholding by MTB:

i) Shareholding Distribution by MTB Directors:

Sl No.	Name	Designation	No. of Share		% of Share	
			2016	2015	2016	2015
1	M. A. Rouf, JP	Chairman	8,880,142	7,400,119	2.00%	2.00%
2	Md. Hedayetullah	Vice Chairman	8,868,675	7,390,563	2.00%	2.00%
3	Syed Manzur Elahi	Director	16,341,942	13,618,285	3.69%	3.69%
4	Arif Dowla (Representing Advanced Chemical Industries Ltd.)	Director	14,772,607	12,310,506	3.33%	3.33%
5	Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Director	22,158,936	18,465,780	5.00%	5.00%
6	Md. Abdul Malek	Director	8,948,278	7,456,899	2.02%	2.02%
7	Md. Wakiluddin	Director	8,871,672	7,393,060	2.00%	2.00%
8	Khwaja Nargis Hossain	Director	8,863,849	7,386,541	2.00%	2.00%
9	Anjan Chowdhury (Representing ASTRAS Ltd.)	Director	11,079,433	9,232,861	2.50%	2.50%
10	Q. A. F. M Serajul Islam (Representing Pioneer Insurance Company Ltd.)	Director	30,949,932	25,979,110	6.98%	7.03%
11	Anwarul Amin	Independent Director	Nil	Nil	Nil	Nil
12	Sultan Hafeez Rahman	Independent Director	Nil	Nil	Nil	Nil
Total			139,735,466	116,633,724	31.53%	31.58%



ii) Shareholding Distribution by MTB Management:

		No. of Share		% of Share	
		2016	2015	2016	2015
1	Managing Director & CEO	4,633	3,861	0.0010%	0.0010%
2	Company Secretary	Nil	Nil	Nil	Nil
3	Chief Finance Officer	Nil	Nil	Nil	Nil
4	Head of Internal Control & Compliance	Nil	Nil	Nil	Nil

iii) Shareholding by other Executives

		2016	2015	2016	2015
1	Additional Managing Director	25,439	21,224	0.0057%	0.0057%

MTB Shareholdings Structure

The breakup of Issued, Subscribed and Paid-up Capital is as follows:

Particulars	No. of shares		Values of Shares in BDT		% of holding	
	2016	2015	2016	2015	2016	2015
Sponsors/ Directors	164,784,063	165,046,155	1,647,840,630	1,650,461,550	37.18%	44.69%
Financial Institutions	99,362,178	94,154,131	993,621,780	941,541,310	22.42%	25.49%
General Shareholders	179,032,919	110,115,681	1,790,329,190	1,101,156,810	40.40%	29.82%
Total	443,179,160	369,315,967	4,431,791,600	3,693,159,670	100%	100%

Branch and ATM Expansion

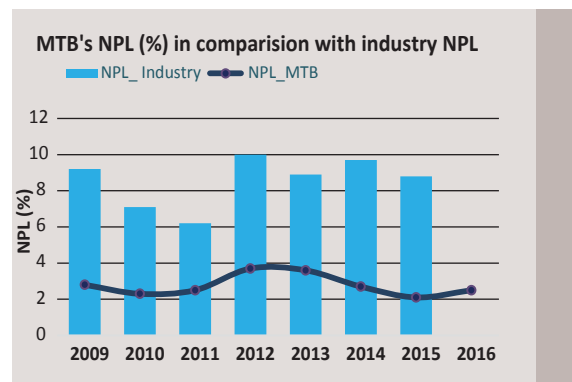
	2016	2015	2014	2013	2012
No. of Branches	110	106	103	92	86
No. of ATM	226	198	193	170	150

PRECAUTIONARY APPROACH TO RISK MANAGEMENT

GRI Indicator <G4-14>

Robust Risk Management System

MTB faces varied and wide range of risks in its day to day business operations, side by side it handles risks judiciously to ensure optimum return on asset and equity. At strategic level, MTB Board of Directors through Board Risk Management Committee (BRMC) & senior management, sets up risk governance structure & risk philosophy, endorses risk strategies, reviews & approves risk policies as well as the threshold limits of risks that maybe taken in line with bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. At managerial level, policies and strategies formulated by Board of Directors are implemented by mid level management or units devoted to risk reviews.



Over the years, MTB has been maintaining a lower Non Performing Loans (NPL) than that of industry (Financial stability Report of Bangladesh bank, 2014) which reflects the effectiveness of MTB's risk management system and endeavors. In managing NPLs, MTB complies with the regulatory guidelines of Bangladesh Bank (BB).

Risk Management Levels at MTB

STRATEGIC LEVEL

- At strategic level, MTB Board of Directors defines the risk appetite and approves overall risk policies, procedures, and guidelines for the bank
- The Executive Committee (EC) reviews risk management policies, and recommends to the Board of Directors; approves loans and investments, and administers various functions assigned by the Board
- The Board Risk Management Committee (BRMC) sets up risk governance structure, and risk philosophy to ensure adequate capital, and appropriate capital adequacy assessment process to accommodate the present, and future business operation. This committee also reviews risk policies and recommends to the Executive Committee
- The Audit Committee (AC) is responsible for reviewing the adequacy of the Bank's risk management processes, policies, and the effectiveness of implementation of the risk management system
- All Risk Committee (ARC) continuously monitors policies, and the threshold limits of risks, that may be taken in line with bank's risk appetite



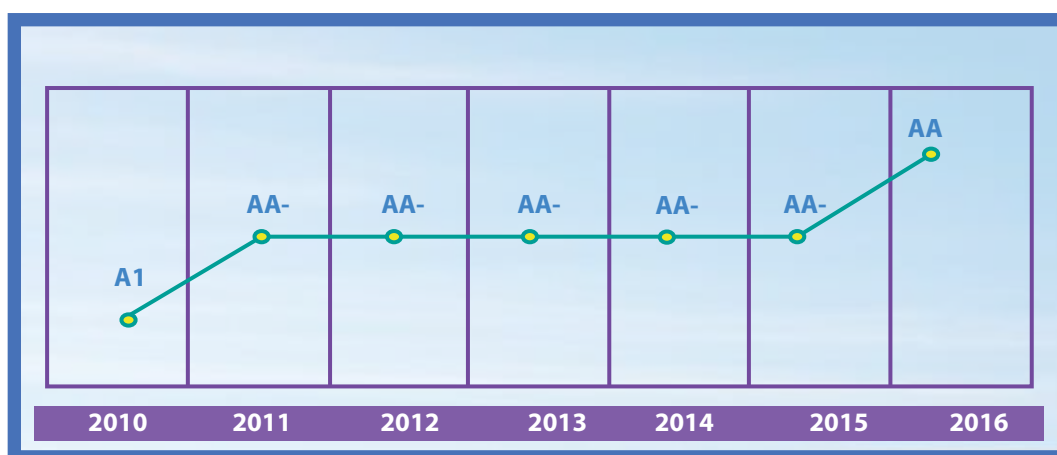
- At managerial level, the policies and the strategies formulated by the Board of Directors are implemented by the management
- The Credit Evaluation Committee (CEC) reviews and evaluates the credit proposals
- The Assets-Liability Committee (ALCO) works for managing market price risk, liquidity risk and interest rate risk

- Operational level encompasses on-the-line risk management, where risks arise from front office, or from credit desk of the bank. At this level, MTB, with the various divisions and officers, is working rigorously to combat those risks
- MTB established Credit Risk Management Division (CRM), Credit Administration Department (CAD), Internal Control and Compliance Division (ICCD), and Risk Management Division (RMD) to mitigate risks
- MTB also has Branch Anti Money Laundering Compliance Officer (BAMLCO) for every Branch under dedicated Chief Anti Money Laundering Compliance Officer (CAMLCO) to manage money laundering risks

Risk Management Policies:

Bank has put in place various Board approved Risk Management Policies viz. (i) Credit Policy with Credit Risk Management Guidelines (ii) Asset Liability Management Manual (iii) MTB ICC Policy (iv) AML & CFT Policy guideline of MTB (v) Foreign exchange Risk Management Policy & Guideline (vi) Mutual Trust Bank ICT Policy (vii) Wholesale Borrowing and Funding Guidelines (viii) Liquidity Contingency Plan (ix) Management Action Trigger (x) Fraud Detection and Management Process (xi) Valuation Methodology of Collateral (xii) Internal Capital Adequacy Assessment Process (ICAAP).

Credit Rating of MTB (2010-2016)



Risk Management Practice Aligned with Basel Accord

As a Basel compliant bank, MTB follows international best practices in risk management as per Basel norms, which makes its capital more risk sensitive and resilient. Basel Committee on Banking Supervision (BCBS) has transitional arrangements to implement the Basel III standard, which is an improved version of Basel II, to ensure that, the banking sector can meet the higher capital and liquidity standards through retention of reasonable earnings and raising capital, while optimally supporting the credit needs of the economy. In line with the Basel framework, Bangladesh Bank has issued guideline on transitional arrangements for Basel III implementation in Bangladesh. The phase in arrangements for Basel III implementation in Bangladesh, introduced by Bangladesh Bank, is being and will be followed by MTB. MTB is in the process to fully implement Basel III from January 2020. MTB's capital structure is governed by the 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' issued by Bangladesh Bank (BB). RBCA guidelines encompass risk management framework of the bank by Pillar-I (Minimum Capital Requirement, MCR), Pillar-II (Supervisory Review Process, SRP) and by Pillar- III (Market disclosures).

MTB has been successfully maintaining capital above the minimum capital requirement against credit risks, market risks, and operational risks. In 2016, capital to risk weighted asset ratio of MTB at consolidated level was 11.11% at the end of March, 11.80% at the end of June, 11.75% at the end of September and 11.29% at the end of December. MTB has appropriate organizational structure, procedures, and strategies in place for proper and prompt risk management. To comply with the Pillar-II norms (Supervisory Review Process) of Basel III, MTB follows its Board approved policy on the Internal Capital Adequacy Assessment Process (ICAAP), which covers identification and measurement of risks other than the risks under pillar I (Credit Risk, Market Risk and Operational Risk).

MTB Risk Management Practice as per Six Core Risk Areas:

MTB conducts its operations by ensuring compliance with the Core Risk Management Guidelines which covers the following risks: Credit risk, Asset Liability risk, Foreign exchange risk, Internal Control and Compliance risk, Money laundering risk and Information and Communication Technology risk.

Credit Risk Management

The instruments and tools, through which MTB manages credit risks, are Exposure ceilings, Review/renewal, Risk rating model, Risk based scientific pricing, Portfolio management and Credit audit/Loan review mechanism.

Credit Policies and Credit Administration

MTB's credit functions are conducted in a compliant manner under strict, judicious and rational credit policies and principles in conformity with Credit Risk Management (CRM) guidelines of Bangladesh Bank. MTB's credit disbursement and administration functions are strictly handled by the Credit Administration Department (CAD). MTB Credit Monitoring Department (CMD) monitors the asset (loan) portfolio of the Bank.



Non-performing Loan (NPL) Management

Despite all out efforts by the CMD, if any loan becomes classified, Special Asset Management Division (SAMD) with any less of time comes into action. SAMD operates independently to prepare and implement overall action plan and recovery strategies. The tools and strategies for NPL management as applied by SAMD are designed in a manner to keep the NPL much below the critical level as per recognized/ institutional standard.

Asset - Liability Risk Management

Asset Liability Management (ALM) is considered as a key Balance Sheet Risk Management discipline, which mainly focuses on Liquidity Risk, Interest Rate Risk and Exchange Rate Risk of the Bank. As per Bangladesh Bank guideline, MTB has a fully functional Asset Liability Committee (ALCO) for prudent Balance Sheet Risk Management. To address and mitigate various risks involved in the business, ALM desk of the MTB Treasury prepares ALCO (Asset Liability Committee) paper as per the guidelines of Bangladesh Bank in each month and conducts monthly ALM meeting where global & economic outlooks as well as financial fundamentals of the Bank are highlighted.

Foreign Exchange Risk Management

Foreign Exchange Risk is related to the fluctuations in the earnings duo to change in market prices. As per Exchange risk management guidelines of Bangladesh Bank, MTB has Board approved different risk limits for Foreign Exchange dealing operations and generally, all the deals are done meticulously within Board approved limits. MTB has a well-defined internal approval, and reporting procedures to report on foreign exchange business activities on a regular basis to the senior management.

Internal Control and Compliance Risk Management

MTB has a structured Internal Control and Compliance (ICC) Division with three distinct units headed by a senior level executive, Audit and Inspection unit, Compliance unit and Monitoring unit. The mission of MTB's compliance function is to promote the culture and practice of compliance of legal and regulatory requirements, and the Bank's ethical standards.

Money Laundering Risk Management

MTB has its own Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) compliance program. It has been designed considering the size and range of activities, complexity of operations, the nature and degree of Money Laundering & Terrorist Financing risks faced by the bank. Certainly, it is designed as per the prevailing laws, i.e. Money Laundering Prevention Act, 2012 (Amendment 2015), The Anti-Terrorism Act, 2009 (Amended- 2012 & 2013), Money Laundering Prevention Rules 2013, Anti-Terrorism Rules 2013, BFIU guidelines (i.e. Money Laundering and Terrorist Financing Risk Management Guidelines), circulars & instructions and international standards. MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the national regulations and international standards.

Information and Communication Technology (ICT) Risk Management

Against the backdrop of an increased reliance on complex IT systems and operations in the financial sector, there is heightened risk of cyber-attacks and system disruptions as well. In this regard MTB has continued to deepen their technology risk management capabilities and is ready to handle IT security incidents and system failures.

An integral part of MTB's risk management endeavor is its strong "IT Security Policy" and its adherence to these principles. These policies define responsibilities and requirements for protecting information and information systems.

Cyber Security Management

Constant change, unpredictability, and uncertainty has made cyber security everyone's responsibility. Therefore, continuous awareness program for everyone, employees and clients, about cyber security goes round the years in MTB. The Bank reminds the employees about security in every possible ways as a continuous process.

Cyber security has become imperative to our business process. Practice in building walls in an attempt to block out all malware, and making organization cyber-resilient is going on side by side. In practice, a handful of initiatives including firewalls, perimeter security, vulnerability testing, and intrusion-prevention is in place to check, and strengthen the preventive measures against cyberattacks.

State of the Art Data Centre

As a part of effective risk management, a state of the art data centre has been established at MTB's own premise at "MTB Tower", while the previous Data Centre located at Dilkusha, has been shifted to the aforesaid location. This Data Centre is equipped with sophisticated data replication technology to protect loss of customer sensitive information, and their transaction in case of failure of primary data centre due to any disaster.

Vulnerability Test

Apart from strengthening ICT infrastructure platform, the bank also focused on identifying its security risks by conducting penetration, and vulnerability tests on its existing services. The core firewall of the bank is in the process of being replaced by the state of the art latest firewall to screen, and to nip the external threats in the bud from entering the bank's core network channels. This will also restrict the internal users from visiting the suspicious and harmful websites, and the incoming emails for spam and scam links.

EMV Chip Based Card Products and Alternate Delivery Channels

In 2016, the Bank has adopted the most recent advancement to combat fraud, and protect sensitive payment data in the card with EMV (Europay, MasterCard, Visa) technology, also called chip-and- PIN technology. MTB did it because chip-enabled card is more secured than magnetic stripe card. Data from a traditional magnetic stripe card can be easily copied or skimmed which can reproduce a counterfeit card. However, it is so tough in case of EMV and chip based card as, verification by the point of sales device ensures authenticity of the transaction.



To provide 24/7 service and saving time of the customers giving convenience, as well as to reduce pressure of human transit in the branches, the Bank has improved automation and alternate delivery channels on a praiseworthy position.

Disaster Recovery Site

As an important and foresighted pre-management of any disaster (natural and man-made), the Bank's all data is preserved in a secured site. This is known as Disaster Recovery Site from which it would be possible to bring, and restore data in post-disaster period for normalizing the bank's operations.

IT Audit Team

Following the Bangladesh Bank's (BB) guidelines, MTB has formed an IT Audit Team in its IT Division. The members of the team audit the branches and various divisions of Head Office, report to the authority, and suggest necessary actions.

Charters, principles, or initiatives

GRI Indicator <G4-15>

Global Compact and COP Policy

MTB Board of Directors on its 185th meeting, held on November 08, 2015 resolved that MTB will be publishing a Sustainability Report annually. In accordance to that, MTB Managing Director & CEO on November 11, 2015 declared vide a letter to the Secretary General of the United Nations that MTB supports the ten principles of the Global Compacts and its COP (Communication on Progress) Policy.

Environmental Due Diligence & Risk Rating

In line with the Credit Risk Management (CRM) guidelines of Bangladesh Bank, MTB Board of Directors approved first 'Policy Guidelines of Credit Risk Management' on Dec 13, 2005. The Board of Directors approved the latest "Credit Policy with Credit Risk Management Guideline 2014" on Dec 07, 2014.

Upon receiving the proposals for financing, Marketing/Relationship Management has to conduct a preliminary environmental risk review, using Environmental Due diligences (EDD) checklists. There is a General EDD checklist and ten Sector specific EDD checklists and a Guidance Matrix. Potential borrowers have to submit various documents to the DOE (Department of Environment, Government of Bangladesh) for obtaining the Environmental Clearance Certificate. Management has to obtain copies of these documents as the background for completing the EDD checklists. However, discussions with the potential borrower should form the basis for administering the EDD checklists.

EDD & ERR -2016

EDD & ERR -2016

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	
1	No. of Proposals received applicable for Environmental Due Diligence (EDD)	107	102	107	106	422	
	No. of Proposals qualified EDD	78	80	79	76	313	
2	No. of Proposals Rated (Environmental Risk Rating)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	
	Low	63	70	65	62	260	
	Moderate	14	10	14	14	52	
	High	1	0	0	0	1	
3	Rated Projects financed		Total Amount Sanction (BDT in million)				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
			Total Amount Disbursed (BDT in million)				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
		With Low Risk Rating	3289.79	4914	6248.72	4975.02	19427.53
		With Moderate Risk Rating	2163.62	1137.03	1579.63	3337.68	8217.96
		With High Risk Rating	0.07	0	0	0	0.07
		Loan classification as of Quarter end					
			UC	SMA	SS	DF	BL
		No. of projects	76	0	0	0	0
		Amount (BDT in Million)	8312.7	0	0	0	0
	NOTES:						
EDD = Environmental Due Diligences							
ERR = Environmental Risk Rating							
UC = Unclassified							
SMA = Special Mention Account							
SS = Sub Standard							
DF = Doubtful							
BL = Bad/Loss							

NOTES:

EDD = Environmental Due Diligences
 ERR = Environmental Risk Rating
 UC = Unclassified
 SMA = Special Mention Account
 SS = Sub Standard
 DF = Doubtful
 BL = Bad/Loss

Memberships with Chambers and ASSOCIATIONS

GRI Indicator <G4-16>

- Institute of Bankers, Bangladesh (IBB)
- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Association of Banks (BAB)
- Association of Bankers, Bangladesh Limited (ABB)
- Bangladesh Foreign Exchange Dealer's Association (BAFEDA)
- Bangladesh Money Market Dealers Association (BAMDA)
- Primary Dealers Bangladesh Limited (PDBL)
- Dhaka Stock Exchange Limited (DSE)
- Chittagong Stock Exchange Limited (CSE)
- Bangladesh Association of Publicly Listed Company (BAPLC)
- Metropolitan Chamber of Commerce & Industry (MCCI)
- Dhaka Chamber of Commerce & Industry (DCCI)
- American Chamber of Commerce In Bangladesh (AMCHAM)
- International Chamber of Commerce Bangladesh (ICCB)
- Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
- Reed Business Info Limited, UK
- Society for Worldwide Interbank Financial Telecommunication (SWIFT)



1.3 IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

GRI Indicators <G4-17> to <G4-23>



SUBSIDIARIES AND OTHER ENTITIES

GRI Indicator <G4-17>

Subsidiaries and entities mentioned at consolidated financial statements of the bank are listed below. However, the same list of subsidiaries are excluded from the scope of this sustainability report.

- MTB Securities Ltd. (MTBSL)
- MTB Capital Ltd.
- MTB Exchange (UK) Ltd.

These subsidiaries are further described in this report under GRI Indicator G4-07

DEFINING THE REPORT CONTENTS ASPECT BOUNDARIES AND IMPLEMENTATION

GRI Indicator <G4-18>

GRI REPORTING FRAMEWORK

The year 2016 reporting is MTB's third sustainability report based on GRI reporting framework G4 guidelines. This report describes the economic, environmental and social impacts originating from our business process, together with our key sustainability initiatives over the last 12 months, our plans for the future and helps us to share our experiences with our customers, our people and the community.



We believe that being transparent around how we are working to be a sustainable business, and the role we play in the wider community, is an essential part of how we do business.

This Report, following the GRI G4 reporting guidelines, has chosen the level of adherence to the G4 guidelines as "In accordance – Core" and goes some way towards the comprehensive level, making MTB as one of the financial institutions in Bangladesh to report at this level. The Report also addresses the G4 Financial Services Sector Disclosures.

The Purpose and Scope of This Report

This report addresses the economic, environmental and social impacts resulting from Mutual Trust Bank's activities in the financial year 2016. We aim to fully inform our stakeholders about all of the actions that we have committed to undertake as we seek to minimize any potential unexpected impacts which could result from any of our activities. Our stakeholders can now follow the ways of measuring, monitoring and improving required to be made in our sustainability report.

At this third sustainability report of MTB, there is no significant difference in contents compared to than that of the report in last year.

The sustainability report will be prepared once in a year describing activities and achievements throughout the year in compliance with Global Reporting Initiative's Sustainability Reporting Guidelines (G4).



1.4 ENGAGEMENT OF STAKEHOLDERS

GRI Indicators <G4-19> to <G4-27>



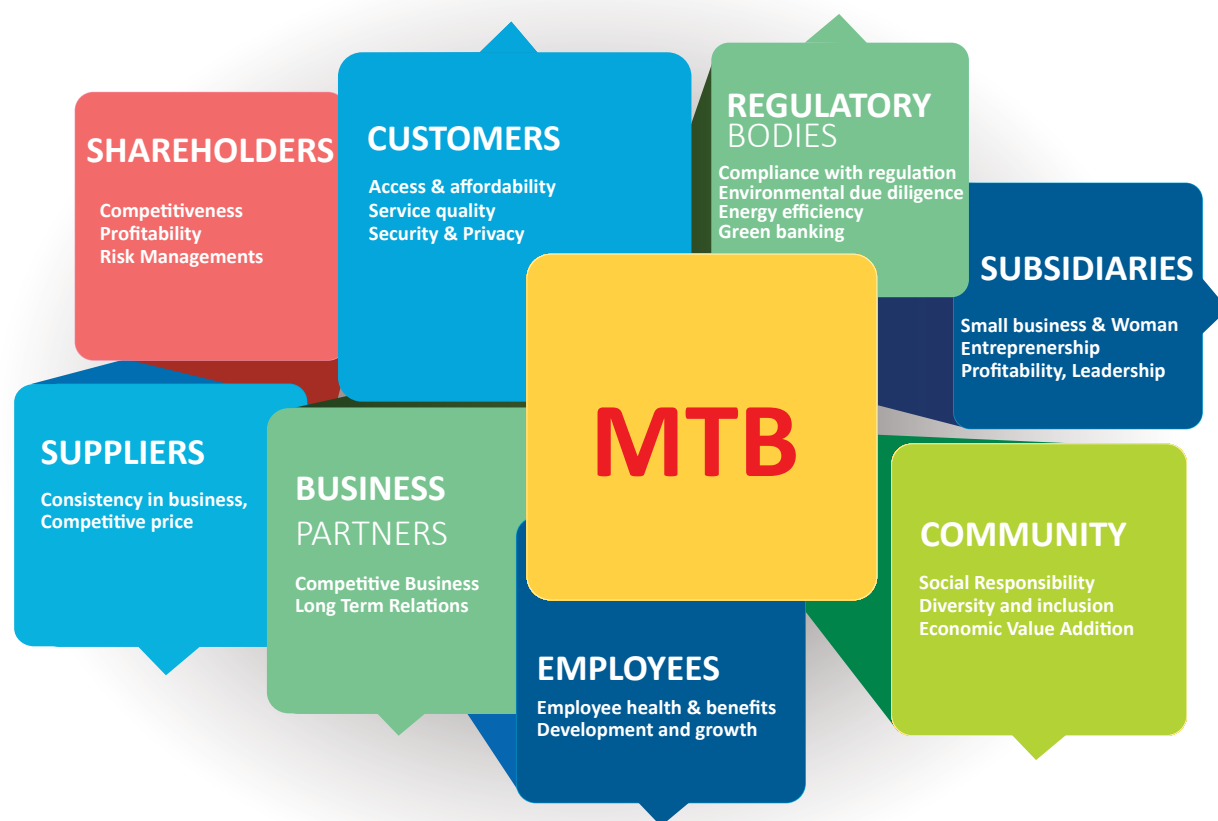
MATERIAL ASPECTS AND MATERIALITY MAPPING

GRI Indicators <G4-19 to G4-27>

MATERIALITY ISSUES THROUGH ENGAGEMENT OF STAKEHOLDERS

“Materiality” means different things to different organizations. Issues about which MTB stakeholders are concerned and those may have sound impact on business of MTB are the “materiality” issues to MTB. In order to define materiality for MTB, we conducted a materiality analysis engaging all stakeholders. In the process, we obtained information from the stakeholders to learn what issues they think matter most to the business of MTB and how much concerned they are about that particular issue.

MTB ticked off the list of issues material to the stakeholders derived from the feedback of different stakeholder groups. The explored issues are as follows:



Materiality Issues

To identify the materiality issues, we went through a rigorous process of listing, ranking, mapping, and finally arrived at an exhaustive list of sustainability issues that are the most relevant to MTB. We used semi-structured questionnaire in order to obtain feedback from stakeholders. Through a rigorous analysis of the feedback of stakeholders, issues are categorized into more homogenous themes and thus are grouped into 04 (four) major themes of materiality. MTB ticked off the list of issues material to the stakeholders derived from the feedback of different stakeholder groups. The explored issues are as follows:



Highlights from feedback:

- Employee motivation
- Awareness building about drug money laundering and terror financing
- Increase visibility of the brand in media
- Strengthen R&D

Specific issues under the aforementioned 04 (four) major themes of materiality are as follows:

1. Environment

- 1.1 Energy efficiency
- 1.2 Green banking

2. Social Capital

- 2.1 Access & affordability (Inclusive –finance)
- 2.2 Data security and customer privacy
- 2.3 Corporate Social Responsibility

3. Human Capital

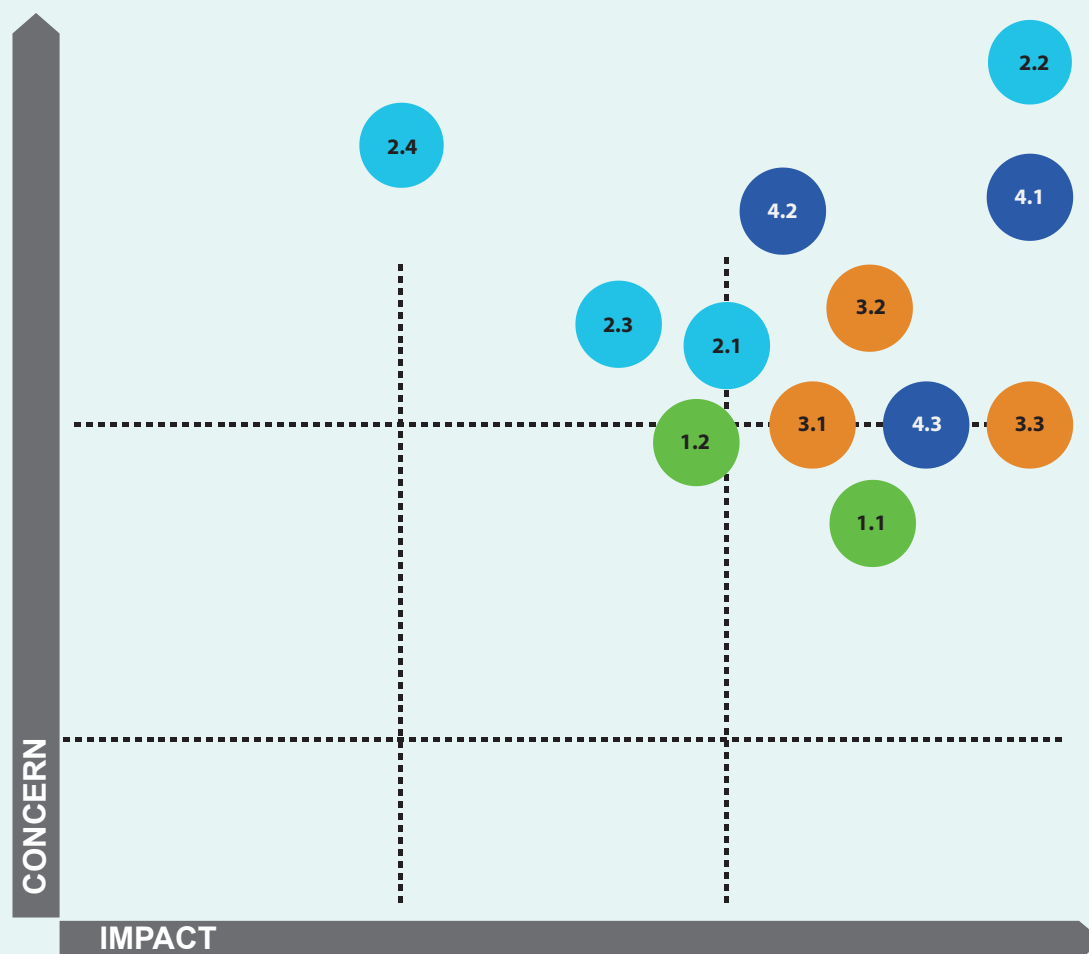
- 3.1 Employee health and benefits
- 3.2 Diversity and inclusion
- 3.3 Development and growth

4. Regulatory Compliance

- 4.1 Compliance and regulatory requirements
- 4.2 Special care for Small Business & Women Entrepreneurs
- 4.3 Environmental due diligence check (prescribed by BB)
- 4.4 Risk management

MATERIALITY MAPPING

The selected materiality issues were ranked in terms of concerns of stakeholders and impact of the issues on MTB. Putting the impact on X-axis and concerns on Y-axis following Materiality Mapping has been accomplished.



Environment

Social Capital

Human Capital

Regulatory Compliance

1.1 Energy Efficiency

1.2 Green Banking

2.1 Access & affordability
(Inclusive finance)

2.2 Data security and
customer privacy

2.3 Corporate Social
Responsibility

2.4 Service and its quality

3.1 Employee health and
benefits

3.2 Diversity and inclusion

3.3 Development and
retention

4.1 Compliance and
regulatory requirements

4.2 Special care for Small
Business & Woman
Entrepreneurs

4.3 Environmental due
diligence check



1.5 REPORT PROFILE

GRI Indicators <G4-28> to <G4-33>



GRI Indicators <G4-28> to <G4-33>

Reporting period	GRI Indicator <G4-28>	Date of most recent previous report	GRI Indicator <G4-29>
January 1, 2016 to December 31, 2016		Sustainability Report 2015 Date: January 12, 2017	
Reporting cycle	GRI Indicator <G4-30>	Contact point regarding the report	GRI Indicator <G4-31>
Reporting cycle: Annual		We welcome any feedback on this sustainability report. For further information and comments, please contact Sustainability Reporting Team of the Bank through following addresses: e-mail: sustainability@mutualtrustbank.com	
GRI 'in accordance' option	GRI Indicator <G4-32>		
		<ul style="list-style-type: none"> In this report, MTB has complied with the reporting framework of Global Reporting Initiative (GRI). Application level of the framework applied in this report is GRI 4.0. 	
External Assurance	GRI Indicator <G4-33>		
		<ul style="list-style-type: none"> External Assurance is under consideration by management. External Assurance Report: Nil 	

Endorser logo ("We Support the Global Compact")

- Approval received on February 23, 2016

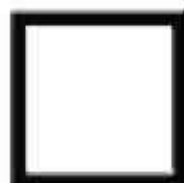
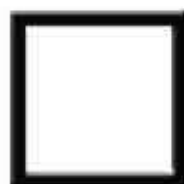


WE SUPPORT



1.6 GOVERNANCE

GRI Indicators <G4-34> to <G4-55>

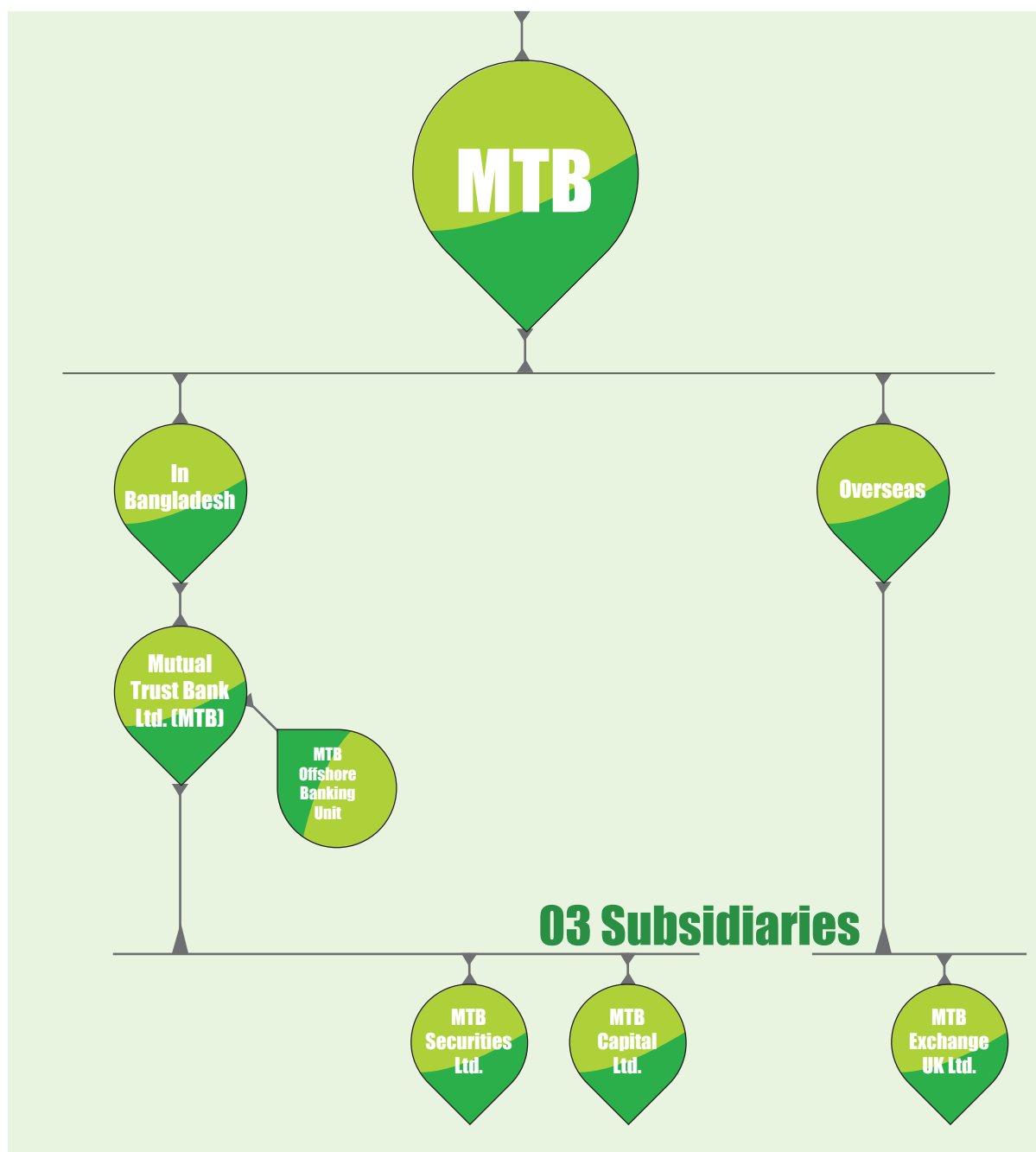


GOVERNANCE STRUCTURE AND THE COMMITTEES

GRI Indicator <G4-34>

> GOVERNANCE

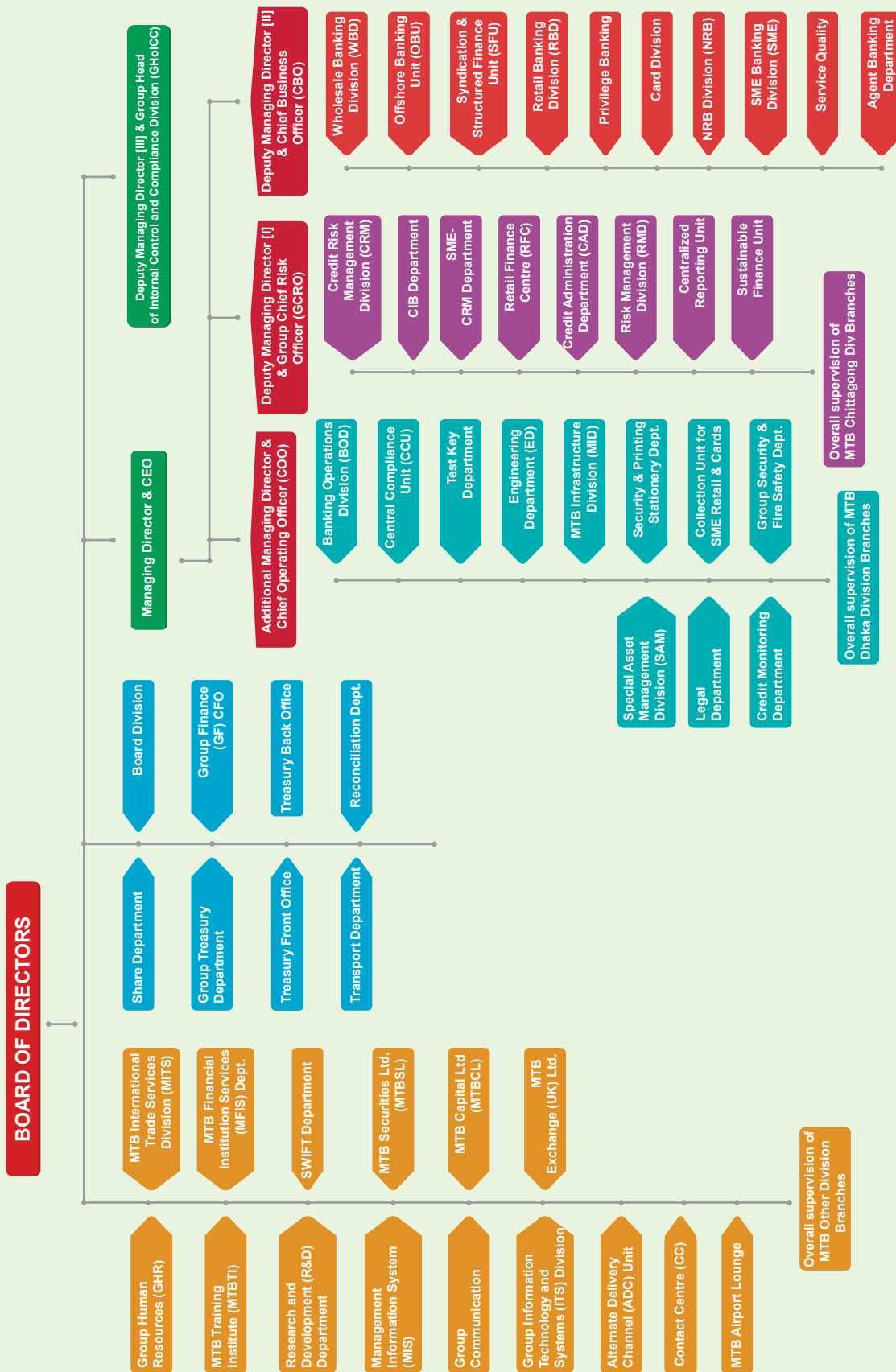
Sustainability
REPORT 2016
MTB



MTB is now a group of financial institutions offering diversified financial services as to the need of its target customers. MTB, the bank is the centre of this group. MTB Offshore Banking Unit, a part of the group offers financing at offshore accounts. The group has three (03) subsidiaries, two is inside the country and one is working at the United Kingdom. The domestic subsidiaries are MTB Securities Ltd. and MTB Capital Ltd. MTB Exchange UK, an exchange house, is the overseas unit of MTB Group.



MTB Group Organogram



> GOVERNANCE

Sustainability
REPORT 2016
MTB

MTB Corporate Governance Process

Following flow chart describes the corporate governance process of MTB:



Governance structure and the COMMITTEES

GRI Indicators <G4-35> to <G4-38>

All members of the highest governance body of MTB are executive. All of them are highly educated esteemed professional and/or successful businessman with long experience in banking industry. All members of governance body are professionals in management law and business.

**Executive
or non-executive**

Independence

The number of Directors is 12 (twelve) out of whom 02 (two) are Independent Directors and one is a female Director

Directors:	10
Independent Directors:	02

- Tenure on the governance body is two (02) years.
- The numbers of Board members are 12 out of whom one female Director
- There is no member at the governance body as of date, from under-represented social groups

Tenure

Gender

**Membership of
under- represented
social groups**



Competences relating to ECONOMIC, ENVIRONMENTAL and SOCIAL impacts

In establishing its governance body MTB conforms to appropriate guidelines of Bangladesh Bank (The Central Bank of the country), Bangladesh Securities and Exchange Commission, and The Companies Act, 1994.

Members of the governance body are also known as Directors of the Board. All of the MTB directors are successful entrepreneurs and have their investments in diversified portfolios. Therefore it is assumed that they possess a high level of skills, experience and knowledge to set directions and oversee the overall activities of the bank relating to economic, environmental and social impacts.

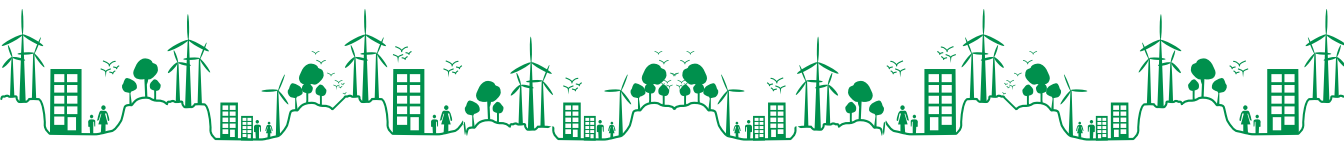
MTB Board of Directors approves the bank's budget and business plan and reviews those on quarterly basis so as to give directions as per changing economic, environmental and social environments. The board reviews the policies and manuals of the various businesses and processes in order to establish effective risk management in credit and other key areas of operations. It is the responsibility of MTB Board of Directors to endorse the organization's strategy, develop directional policy, appoint and supervise senior executives and to ensure accountability of the organization to its owners and regulatory authorities.

Stakeholder representation

General shareholders participate in AGM (Annual General Meeting) every year and share their views on banking activities. They participate in different decision making issues.

MTB Board Audit Committee

The bank formed its first Audit Committee (AC) on January 18, 2003. Thereafter, lastly it is reconstituted on March 16, 2014, comprising 04 (four) members of the Board including two independent directors, one of whom, chaired the meetings, as per prevailing rules/regulations of BB and BSEC. The AC plays an effective role in building a bridge among the board and management, shareholders, depositors and other stakeholders and helps in ensuring efficient, safe and sound banking practices. The key role of the committee is to assist the Board in fulfilling its oversight responsibilities. The Committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. The Committee ensures conformity of the Financial Statements with the regulations and standard practices. Further the AC reviews process of Audit, effectiveness of Internal Control system & its Compliance thereof, recovery from non-performing assets and any other oversight functions as desired by the Board of Directors i.e. within the purview of its Terms of Reference set by the Board in the light of BB guidelines. During the year 2016, 5 (five) meetings of the MTB Board Audit Committee were held.



Composition of Board Audit Committee

Name	Rank and / or Functional Designation	Committee Designation
Anwarul Amin	Independent Director	Chairman
Rashed Ahmed Chowdhury	Director (Former Chairman)	Member
Khwaja Nargis Hossain	Director	Member
Dr. Sultan Hafeez Rahman	Independent Director	Member

Major Agenda covered in Audit Committee in 2016

- The Committee reviewed the Internal Audit Observations and advised the management to remove the irregularities and lapses mentioned in the report
- The Committee reviewed compliance status on various issues raised by Internal Auditors and Bangladesh Bank's Inspection Team, respectively, and advised the concerns to rectify those immediately
- The Committee reviewed external Auditors' observations on the financial statements of MTB
- The Committee reviewed the compliances and implementation status of the decisions taken by the Committee at its last meeting
- The Committee reviewed unaudited quarterly financial statements of the Bank.
- Any other matter, as deemed fit/expedient

MTB Board Risk Management Committee

To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, the MTB Board Risk Management Committee (MBRMC) was formed comprising 5 (five) members of the Board. The Committee takes various steps to identify risks, which are related to the lending foreign exchange, internal control & compliance, money laundering and other trading and operating activities of the bank. The Committee evaluates risk on a comprehensive basis including, among others, balance sheet management, capital adequacy, credit and operational risk. Five MBRMC meeting were conducted in the year 2016.

Composition of MBRMC

Name	Rank and / or Functional Designation	Committee Designation
Dr. Arif Dowla	Director (Representing Advanced Chemical Industries Ltd.)	Chairman
Md. Abdul Malek	Director	Member
Q.A.F.M. Serajul Islam	Director (Representing Pioneer Insurance Company Ltd.)	Member
Md. Hedayetullah	Director and Vice Chairman of the Board of Directors	Member
Anis A. Khan	Managing Director & CEO	Member



MTB Management Committee (MANCOM)

MTB has a Management Committee (MANCOM) consisting Twenty Two (22) members from senior management. MANCOM is responsible for the overall management of MTB's operations. It consists of the Managing Director, Additional Managing Director, Deputy Managing Directors and Heads of the Divisions. MANCOM reviews all the policies of the Bank. It ensures optimum utilization of three key resources of the bank namely (a) Human Resources (b) Financial Resources and (c) System Resources. MANCOM appraises the Bank's financial data, position in the sector, profitability of business units, and new business developments. Head of Human Resource Division is the member secretary for MANCOM. The MANCOM Meeting held 12 times in 2016, once a month.

Composition of MANCOM

Name	Rank and / or Functional Designation	Committee Designation
Anis A. Khan	Managing Director & CEO	Chairman
Md. Hashem Chowdhury	Additional Managing Director & COO	Member
Md. Zakir Hussain	Deputy Managing Director & GCRO	Member
Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
Md. Nurul Islam	SEVP & GHoHR	Member Secretary
Syed Rafiqul Hossain	SEVP & HoMTB Dhaka Division Branches	Member
Md. Khurshed Ul Alam	SEVP & HoMTB Ctg. Division Branches	Member
Swapan Kumar Biswas	SEVP & HoBOD	Member
Tarek Reaz Khan	SEVP and HoSME & Retail	Member
Sayed Abul Hashem	SEVP & GCFO	Member
Azad Shamsi	SEVP & HoMTB Other Division Branches	Member
Nurul Maruf Khan	EVP & HoCRM	Member
Md. Shah Alam Patwary	EVP & GCIO	Member
Md. Bakhteyar Hossain	EVP & HoMITS	Member
Md. Nazrul Islam Mazumder	EVP & CEO, MTB Securities Limited	Member
Khairul Bashar Abu Taher Mohammed	EVP & CEO, MTB Capital Limited	Member
Md. Shamsul Islam	EVP & GHoT	Member
Malik Muntasir Reza	EVP & GCS	Member
Mohammad Anwar Hossain	SVP & HoCards & ADC	Member
Azam Khan	SVP & GCCO	Member
Iqbal Mahmud	VP & HoRMD	Member

Major Agenda covered in MANCOM in 2016

- To be more compliant in respect of core risk management activities, so that respective risk management rating may improve in the upcoming assessment
- To inform the management time to time on the position of both reconciled and un-reconciled issues against NOSTRO Accounts and report to Bangladesh Bank once a month on the update of NOSTRO Accounts reconciliation
- To implement Advance Persistent Threat (APT) as suggested by Bangladesh Bank and cover the implementation of latest firewalls in the Disaster Data Recovery (DR) i.e. near Data Centre (DC)
- To conduct inspection more frequently, effectively and in a more detailed manner in every aspect in order to prevent any possible fraud-forgeries and irregularities and to show zero tolerance in respect of honesty and integrity
- To get approval for MTB Record Retention and Destruction Policy based on the suggestions and feedback of the Heads of other Divisions, Departments and Units

MTB FATCA Compliance Committee

MTB FATCA Compliance Committee consists of Ten (10) members. MTB Additional Managing Director & Chief Operating Officer is the chairman of the committee. During the year 2016 one meeting was conducted.

Composition of FATCA Compliance Committee

Name	Rank and / or Functional Designation	Committee Designation
Md. Hashem Chowdhury	Additional Managing Director & COO	Chairman
Md. Zakir Hussain	Deputy Managing Director	Co-Chairman
Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
Md. Nurul Islam	SEVP & GHoHR	Member
Swapan Kumar Biswas	SEVP & CAMLCO	Member Secretary
Md. Shah Alam Patwary	EVP & GCIO	Member
Md. Bakhteyer Hossain	EVP & HoMITS	Member
Amitav Kaiser	SVP & HoMID	Member
Iqbal Mahmud	VP & HoRMD	Member
Mohammad Kamruzzaman	SAVP and Head of Legal	Member



Major Agenda covered in FATCA Compliance Committee in 2016

- To be more compliant in respect of core risk management activities, so that respective risk management rating may improve in the upcoming assessment
- To inform the management time to time on the position of both reconciled and un-reconciled issues against NOSTRO Accounts and report to Bangladesh Bank once a month on the update of NOSTRO Accounts reconciliation
- To implement Advance Persistent Threat (APT) as suggested by Bangladesh Bank and cover the implementation of latest firewalls in the Disaster Data Recovery (DR) i.e. near Data Centre (DC)
- To conduct inspection more frequently, effectively and in a more detailed manner in every aspect in order to prevent any possible fraud-forgeries and irregularities and to show zero tolerance in respect of honesty and integrity
- To get approval for MTB Record Retention and Destruction Policy based on the suggestions and feedback of the Heads of other Divisions, Departments and Units

MTB ICC Evaluation Committee

ICC Evaluation Committee reviews the Internal Control Structure in the Bank, which will assign clear responsibility, authority and reporting relationship. The Committee monitors the adequacy and effectiveness of the internal control system based on the Bank's established policy and procedure. The Committee reviews the overall Internal Control System of the Bank on quarterly basis and they report the same to the Managing Director & CEO. The Committee reviews on a yearly basis the overall effectiveness of the control system of the organization and provides a certification on a yearly basis to the Board on the effectiveness of internal control policy, practice and procedure. The committee comprised of Nine (09) members. One meeting was conducted during the year 2016.

Name	Rank and / or Functional Designation	Committee Designation
Anis A. Khan	Managing Director & CEO	Chairman
Md. Hashem Chowdhury	Additional Managing Director & COO	Member
Md. Zakir Hussain	Deputy Managing Director & GCRO	Member
Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
Goutam Prosad Das	Deputy Managing Director & GHOICC	Member Secretary
Md. Nurul Islam	SEVP & GHOHR	Member
Swapan Kumar Biswas	SEVP & CAMLCO	Member
Sayed Abul Hashem	SEVP & GCFO	Member
Md. Shah Alam Patwary	EVP & GCIO	Member

Major Agenda covered in ICC Evaluation Committee in 2016

- Monitor the adequacy and effectiveness of the Internal Control system based on the bank's established policy and procedure.
- Review the overall effectiveness of the control system of the bank for the year 2015 and provide a certification to the Board of Directors on the effectiveness of Internal Control policy, practice and procedure.

MTB IT Risk Management Committee

MTB IT Risk Management Committee is governing overall IT risks and relevant mitigation measures. The committee defines the Risk Appetite in terms of combinations of frequency and magnitude of a risk to absorb loss e.g., financial loss, reputation damage. It reviews and approves risk appetite and tolerance change over time; especially for new technology, new organizational structure, new business strategy. This committee consists of Ten (10) members. One meeting was conducted during the year 2016. The member secretary of the committee had placed the IT Risk Management Framework to the committee.

Composition of IT Risk Management Committee

Name	Rank and / or Functional Designation	Committee Designation
Md. Zakir Hussain	Deputy Managing Director & GCRO	Chairman
Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
Swapan Kumar Biswas	SEVP & HoBOD	Member
Sayed Abul Hashem	SEVP & GCFO	Member
Md. Bakhteyar Hossain	EVP & HoMITS	Member
Md. Shah Alam Patwary	EVP & GCIO	Member Secretary
Monwar Hossain	SVP, New CBS Team	Member
Iqbal Mahmud	VP, RMD	Member
Suvash Chandra Biswas	VP & Head of IT Operations	Member

MTB IT Security Committee

MTB IT Security Committee is formed on March 2016 to ensure development and implementation of ICT security objectives, ICT Security related policies and procedures. This committee provides ongoing management support to the Information security processes and ensures continued compliance with the business objectives, regulatory and legal requirements related to ICT security. This committee also supports to formulate ICT risk management framework/ process and to establish acceptable ICT risk thresholds/ ICT risk appetite and assurance requirements. This committee is consists of Twelve (12) members. During the reporting period two (02) meeting were held.

Composition of MTB IT Security Committee:

Name	Rank and / or Functional Designation	Committee Designation
Md. Hashem Chowdhury	Additional Managing Director & COO	Chairman
Md. Zakir Hussain	Deputy Managing Director & GCRO	Member
Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
Syed Rafiqul Hossain	SEVP & HoMTB Dhaka Division Branches	Member
Swapan Kumar Biswas	SEVP & HoBOD	Member
Tarek Reaz Khan	SEVP and HoSME & Retail	Member
Md. Shah Alam Patwary	EVP & GCIO	Member Secretary
Monwar Hossain	SVP, New CBS Team	Member
Iqbal Mahmud	VP, RMD	Member
Suvash Chandra Biswas	SVP & Head of IT Operations	Member
Mohammad Ikramul Ghani Khan	VP & HoGS	Member
Muhammad Shams-ul-Arifin	VP, ITS Division	Member



Major Agenda covered in MTB IT Security Committee in 2016

- To identify information security risks
- To prepare comprehensive plans to fight against cyber threat
- To conduct more awareness program
- To setup IT Security Department
- To identify information security risks
- To prepare comprehensive plans to fight against cyber threat
- To conduct more awareness program
- To setup IT Security Department
- To setup 24x7 Information Security Operation Center (SOC) etc.
- To ensure time bound Internet Access
- To update IT Security Policy of MTB
- To take measures to prevent Zero-Day attacks and Advanced Persistent Threat (APT) attacks

MTB Disciplinary Action Committee (MDAC)

MTB Disciplinary Action Committee (MDAC) examines the explanations asked for/Charge Sheet framed and replies of the accused Executives/Officers. The Committee reviews the findings of the Enquiry Officer. The Committee recommends for action to be taken/initiated against the accused executives/Officers. MDAC is consisting of four (04) members. During the reporting year three (03) meeting were held by the committee.

Composition of MDAC:

Name	Rank and / or Functional Designation	Committee Designation
Md. Hashem Chowdhury	Additional Managing Director & COO	Chairman
Md. Zakir Hussain	Deputy Managing Director & GCRO	Member
Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
Nurul Maruf Khan	EVP & HoCRM	Member Secretary

Major Agenda covered in MDAC in 2016:

- Disciplinary action recommended to GHR against Mahbubur Rahman, Ex-manager Gournadi Branch
- Disciplinary action recommended to GHR against Md. Abdul Ahad Miah, Sylhet Branch
- Disciplinary action recommended to GHR against Nineteen (19) Manager and other grade officers of CHO SME and SME Branches for Bungling involving adhesive stamp purchased
- Disciplinary action recommended to GHR against Shah Kamal Bakhtier, AO of Sree Nagar Branch for finical misfeasance
- Disciplinary action recommended to GHR against Md. Haider Chowdhury, manager of Cox's Bazar Branch

Eighteen (18) numbers of incidents of non-compliance with discipline, code of conduct etc., occurred during the year 2016.

Measures taken: Issuance of warning letters, strong warning letters, caution letters, forfeiture of 1 (one) annual increment and employees' release based on their resignation upon maintaining compliance.

Chair of the highest governance body

GRI Indicator <G4-39>

Chair of the highest governance body is the Chairman of the Board of Directors. Chairman is elected among the members of the Board every two (02) years. Chairman does not take part into day-to-day business of the bank. Chairman presides over the monthly meeting of the Board of Directors and provides strategic guidelines and directions for the business of the bank.

Nomination and selection of the HIGHEST GOVERNANCE body

GRI Indicator <G4-40>

Directors Appointment

Appointment of a new director is made with the consent of all directors at the immediate Annual General Meeting (AGM). A detailed biography, a declaration of his or her non-engagement with other financial institutions and that he/ she is not a loan defaulter is required to be submitted to Bangladesh Bank.

Retirement and Re-election of the Directors

According to the Articles of Association of the bank and the Companies Act 1994, each Director other than Managing Director & CEO, retires by rotation once every three years and is required to stand for re-election by shareholders at the AGM.

Independent Directors

Two Independent Directors at the Board of Mutual Trust Bank Ltd. have been appointed in compliance with the Bank Companies Act 1991 (Amended 2013) by the Central Bank.

Selection of MANCOM and ALCO members

Management Committee (MANCOM) and Asset-Liability Committee (ALCO) members are comprised of senior members of the management and headed by the Managing Director & CEO of the Bank. Additional Managing Director, Deputy managing Directors, Heads of different departments are the member of the committees.

- The highest governance body of the bank is MTB Board of Directors (mentioned as "Board" hereafter). The Board itself does not interfere into the day-to-day business of the bank. However, it sets directions and oversee the overall activities of the bank



- The Board approves the bank's budget and business plan and reviews those on quarterly basis. Further the Board reviews the policies and manuals of the various businesses and processes in order to establish effective risk management in credit and other key areas of operations. The Board also appoints and supervises senior executives and formulates ToR for different committees that work on behalf of the Board in mitigating the risk and maximizing the returns
- The Board has constituted MTB Executive Committee (EC) in order to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. MTB Board Audit Committee is constituted by the Board for reviewing financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. MTB Board Audit Committee also reviews process of Audit, effectiveness of Internal Control system & its Compliance thereof, recovery from non-performing assets
- The Board has constituted MTB Board Risk Management Committee (MBRMC) that takes various steps to identify risks, which are related to the lending foreign exchange, internal control & compliance, money laundering and other trading and operating activities of the bank. The Committee evaluates risk on a comprehensive basis including, among others, balance sheet management, capital adequacy, credit and operational risk

Ensuring conflicts of interest are avoided and MANAGED

GRI Indicator <G4-41>

Conflicts with General Shareholders

The annual report including financial statements and the notice of the meeting are sent to shareholders at least 14 clear days prior to the AGM. The primary means of communication between the bank and shareholders are the MTB annual report and the AGM. Required information is received by the shareholders prior to the AGM, which gives them an opportunity to exercise their prerogative to raise any business-related issues, either verbally or in writing at the AGM. The Directors remain present at the AGM to answer any queries of the shareholders

Role of the highest governance body

GRI Indicator <G4-45>

The highest governance body plays a key role in corporate governance. It is their responsibility to endorse the organization's strategy, develop directional policy, appoint and supervise senior executives and to ensure accountability of the organization to its owners and regulatory authorities. The highest governance body approves the bank's budget and business plan and reviews those on quarterly basis so as to give directions as per changing economic, environmental and social environment.

Highest GOVERNANCE body's role in REVIEWING RISK MANAGEMENT

GRI Indicator <G4-46>

- The highest governance body of the bank is MTB Board of Directors (mentioned as "Board" hereafter). The Board itself does not interfere into the day-to-day business of the bank. However, it sets directions and oversee the overall activities of the bank. The Board approves the bank's budget and business plan and reviews those on quarterly basis. Further the Board reviews the policies and manuals of the various businesses and processes in order to establish effective risk management in credit and other key areas of operations. The Board also appoints and supervises senior executives and formulates ToR for different committees that work on behalf of the Board in mitigating the risk and maximizing the returns
- The Board has constituted MTB Executive Committee (EC) in order to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. MTB Board Audit Committee is constituted by the Board for reviewing financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. MTB Board Audit Committee also reviews process of Audit, effectiveness of Internal Control system & its Compliance thereof, recovery from non-performing assets
- The Board has constituted MTB Board Risk Management Committee (MBRMC) that takes various steps to identify risks, which are related to the lending foreign exchange, internal control & compliance, money laundering and other trading and operating activities of the bank. The Committee evaluates risk on a comprehensive basis including, among others, balance sheet management, capital adequacy, credit and operational risk

Frequency of the Highest GOVERNANCE body's REVIEW

GRI Indicator <G4-47>

The highest governance body of the bank is MTB Board of Directors. Meeting of the Board of Directors is usually held once in a month at the premises of MTB Centre, MTB Corporate Head Office.

Highest Committee or POSITION Approving SUSTAINABILITY REPORT & Material Aspects

GRI Indicator <G4-48>

After the senior management has decided to publish Sustainability Report and its Material Aspects, it submitted a proposal to MTB Board of Directors. The Board approved the decision regarding the preparation and publication of Sustainability Report annually at the 185th meeting of the Board of Directors held on Sunday, November 08, 2015.



Process for **COMMUNICATING** critical concerns to the highest **GOVERNANCE BODY**

GRI Indicator <G4-49>

MTB has defined process of communication with the concerned authority. The process and reporting authority are specified in organogram. The primary process of communicating with the highest governance body is through the line manager of every department/division/branch. The line manager will transfer the critical concern of the organization according to the organogram. Besides, Customers can reach their concerning issues through email or feedback box located at the MTB premises.

Communication between the bank and general shareholders is arranged in every Annual General Meeting (AGM). Required information is received by the bank from the shareholders at the AGM, which gives them an opportunity to exercise their prerogative to raise any business-related issues, either verbally or in writing at the AGM. The directors remain present at the AGM to answer any queries of the shareholders.

Critical concerns communicated to the highest governance body & the mechanism(s) used to address and resolve

GRI Indicator <G4-50>

No such critical concern is recorded in this year.

Remuneration policies for the highest governance body and senior executives

GRI Indicator <G4-51>

MTB follows the remuneration guideline provided by Bangladesh Bank, the central bank of the country for any remuneration or fees to be payable to the Directors of the Board.

Remuneration of the Directors and Managing Director

The directors do not receive any type of remuneration or incentives. The board members only receive fees as prescribed by Bangladesh Bank for attending each Board and Committee meeting. The remuneration package of the Managing Director is determined by the Board duly approved by Bangladesh Bank. Managing Director is entitled for incentive bonus as per central bank's guidelines.

Disclosure of Directors' Remuneration

The law requires the disclosure of information related to the remuneration paid to the Managing Director and Directors of the Board.

Retirement and Re-election of the Directors

According to the Articles of Association of the bank and the Companies Act 1994, each Director other than Managing Director & CEO, retires by rotation once every three years and is required to stand for re-election by shareholders at the Annual General Meeting.

Process for determining REMUNERATION

GRI Indicator <G4-52>

The Directors of the Board do not receive any type of remuneration or incentives. The remuneration package of the Managing Director and CEO is determined by the Board duly approved by Bangladesh Bank.

Employee remuneration is overseen by MTB Group Human Resources Division (GHRD) in consultation with Deputy Managing Directors, Additional Managing Director and Managing Director & CEO. GHRD defines pay scale (remuneration packages) based on market information as well as adjustment of cost of living that is subsequently approved by the Board of Directors.

There is no variable remuneration at MTB. There exists an incentive Bonus to which all employees are entitled of subject to their annual performance as recommended by respective line managers, which is defined based on Board approved "Incentive Bonus Policy". Line managers send the recommendations for incentive bonus to Regional Heads and / or Divisional Heads and subsequently the recommendations are submitted a "Bonus Committee". The Bonus Committee after scrutiny and evaluation send its recommendations to the Managing Director and CEO who may review it and stamp the final approval.

Stakeholders' VIEWS ON remuneration policies and proposals

GRI Indicator <G4-53>

Not applicable

Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country

GRI Indicator <G4-54>

Not applicable

Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country

GRI Indicator <G4-55>

Not applicable



1.7 ETHICS AND INTEGRITY

GRI Indicators <G4-56> to <G4-58>



Organization's codes of conduct and CODES OF ETHICS

GRI Indicator <G4-56>

Code of Conduct

As an employee of MTB, one must observe the highest standards of impartiality, integrity, objectivity and honesty in relation to the work s/he undertakes at all times. The Code of Conduct provides guidance to employees on how to ensure that their actions and behavior are consistent with both MTB's values and its high standards of conduct required to maintain banking compliance.

Code I: Our Vision

Our code of conduct is in alignment with the bank's Vision MTB3V!

Code II: Uphold organizational mission

We aspire to be one of the most admired banks in the nation and be recognized as an innovative and client focused company, enabled by cutting-edge technology, a dynamic workforce and a wide array of financial products and services.

Code III: Adhere to the highest ethical standards

We ensure that our employees act with integrity, competence, dignity, and in an ethical manner when dealing with customers, prospects, colleagues, agencies and the public.

Code IV: Compliance with the laws & regulations

We maintain knowledge of and comply with all applicable laws, rules and regulations of any government, governmental agencies, regulatory organizations, licensing agencies, or professional associations governing the employee's professional activities.

Code V: Relationship with & responsibilities to MTB

We prioritize the bank's interest above personal interest. As an objective, employees are required to: Disclose the conflicts of interest including beneficial relationship with customers of any of its associates; State only MTB's view and not her/his own, when speaking in a forum in which audiences would reasonably expect that s/he is speaking as a representative of MTB.

Code VI: Relationship with & responsibilities to customer

Deliver service professionally, respect customers and treat them courteously and consistently; Respect the confidentiality and privacy of customers, or anybody with whom they do business. Code VII: Protecting business assets & information. We are responsible and accountable for using the goodwill and assets of MTB and its customers, whether tangible, intangible, intellectual or electronic, in a manner both responsible and appropriate to the business and only for legal and authorized purposes.



Code VIII: Respecting others

We treat colleagues, customers and anyone with whom we do business, with respect, dignity, fairness and courtesy; we commit to maintain a work environment that is free from discrimination or harassment based on race, religion, creed, sex, disability, age or any other relevant category.

Code IX: Misconduct

We commit to avoid any professional conduct involving dishonesty, fraud, deceit or misrepresentation or carry out any act that reflects adversely on our honesty, trustworthiness or professional competence; we also commit to support international and local efforts to eliminate corruption and financial crime.

Code X: Insider trading

We are committed to not utilize position for personal gain or for gain of another person. All of us must ensure that any information in our possession that is not publicly available and may have a material effect on the price or value of objectives is not provided to anyone who may be influenced to subscribe, buy or sell shares or conduct any other business transactions with another person including family and friends.

Code XI: Control

The Code is designed to provide practical assistance in performing our daily tasks and resolving situations, which may present potential ethical conflicts. Our Code of conduct has eleven core elements supporting a self-regulatory approach to the way we do business. Also, the Management monitors the compliance of the code of conduct.

The Association for Investment Management and Research (AIMR) has developed the Code of Ethics and Standards of Professional Conduct for their members. Most of them are relevant for persons working in a bank or a financial institution. MTB has adopted the relevant part from the Code of Ethics and Standards of Professional Conduct of AIMR.

Internal and external COMMUNICATION MECHANISMS (Helplines or advice lines)

GRI Indicator <G4-57>

24/7 Contact Centre

MTB has a 24/7 state-of-the-art Contact Centre for any help and support for the customers.



Complaint Management

At MTB, we believe in providing the best of services to our customers. We provide customers with easy access to information, products and services, as well as the means to get their grievance redressed. Customers are welcome to contact MTB Complaint Cell.





Email Address: complaint@mutualtrustbank.com

Customers can also lodge complaints directly from MTB's website through the link: <http://www.mutualtrustbank.com/customer-complaint-lodgement-form/>

Further, they can call MTB Contact Centre 24/7 for any problem related to product and services.

MTB has dedicated Complaint Management Desk (CMD) which is supervised by Complaint Management Cell (CMC). CMD deal with all the complaints directly received from the customers either in written form or over telephone. It will also give patient hearing to those customers who physically appear before the desk with complaints. They also -

- reply to the customer-service related queries of the customers
- maintain two separate registers to record the written and telephonic complaints

Complaint Management Cell (CMC) deals with the complaints received directly from customers and from Branch Level Customer Service (BLCS) & CMD (in applicable cases). They also monitor the activities of the BLCS & CMD under their region. Complaint Management Cell (CMC) also maintain:

- Liaison with the CCS & CMC and respond to any query of that cell
- A register of the complaints, received from customers directly or through BLCS & CMD



MTB Customer Charter

Customer Charter of MTB is a general statement of commitments for providing world class banking services and necessary information to customers. The main objective of the "Customer Charter" is to make the customers conscious about their general rights, obligations, grievance approach process and thereby help customers to take their own decision.

Customers' Rights

- The customer has a right to know the bank's rates of deposits and advances which is displayed in the notice board of the respective branches and is available at the bank's website www.mutualtrustbank.com
- The customer has a right to know the latest schedule of charges, fees and commission of the bank which is displayed in the notice board of the respective branches and is available at the bank's website www.mutualtrustbank.com
- Before implementing any value added services, such as, internet banking, SMS banking, ATM services, etc., Customer's written consent are obtained from respective branch
- The customer has a right to know about the buying and selling rates of foreign currencies, financial statements, banking hours and holidays

Customers' Obligations

- Customers shall follow the banking norms, practices, functional rules, etc.
- Customers shall abide by the terms and conditions prescribed for each banking product and service
- Customers shall maintain disciplinary arrangement at the customer service points
- Customers shall convey their grievances to the bank in proper way or in prescribed form
- Customers shall convey the bank any changes in their address, contact numbers, Know Your Customer (KYC) & Transaction Profile (TP)
- Customer shall not try to show unreasonable persistence, demand, argument & behavior
- Customers generally shall ask any query at prescribed desk such as Customers' Service Desk, Help Desk, Information Desk or Enquiry Desk at first instance
- Customer should avoid misunderstanding as far as possible

Internal and external mechanisms for reporting concerns on whistleblowing mechanisms or hotlines

GRI Indicator <G4-58>

Customers can send complain or feedback to any MTB branch, this feedback is generally processed by respective department/division. The unethical/unlawful matters of MTB employees are managed as per the MTB Code of Conduct.

M.J. Abedin & Co. one of the leading Chartered Accountancy (CA) firms of the country, and an Independent Member Firm of Moore Stephens International Ltd., is the External Auditor of MTB and acts as the external whistle blower.

Besides, MTB has a full-blown ICC Department (Internal Control and Compliance) which deals with control and compliance issues. ICC acts as the internal whistleblower of the bank. ICC has 03 units, namely, as Audit and Inspection, Compliance and Monitoring Units, which are well-equipped with experienced bankers and system auditors.



SPECIFIC STANDARD DISCLOSURES

2.1 CATEGORY: **ECONOMIC**

< G4-EC1> to < G4-EC9>

2.2 CATEGORY: **ENVIRONMENT**

<G4- EN1> to <G4- EN34>

<G4- FS1> to <G4- FS11>

2.3 CATEGORY: **SOCIAL**

SUB CATEGORY:

2.3.1 LABOR PRACTICES AND DECENT WORK

<G4- LA1> to <G4- LA13>

2.3.2 HUMAN RIGHTS

<G4- HR1> to <G4- HR7>

2.3.3 SOCIETY (COMMUNITY)

<G4-SO1> to <G4- SO11>

2.3.4 PRODUCT RESPONSIBILITY

<G4- PR1> to <G4- PR9>





2.1 Category **ECONOMIC:** < G4-EC1> to < G4-EC9>

Aspect: **Economic PERFORMANCE**

Aspect: **Market PRESENCE**

Aspect: **Indirect ECONOMIC IMPACTS**

Aspect: **Procurement PRACTICES**

Aspect: Economic Performance

<G4-EC1 to G4-EC9>

Economic Value Addition

GRI Indicator <G4-EC1>

Economic Value Addition (EVA) by the bank has been estimated at BDT 3,197.91 million for the reporting year. EVA includes payments to Suppliers, Employees and Shareholders (investors).



Total Economic Contribution

Total Economic Contribution by the bank has been estimated at BDT 5,445.74 million for the reporting year. This includes EVA, total payments to the government and Social investments.

Economic Value Addition



Suppliers

BDT 83.18m

Employees

BDT 2,273.51m

Shareholders' dividend
(Cash equivalent)

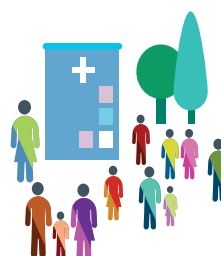
BDT 841.23m

Total Payments to Government



Income taxes &
other payments
to Government

Social Investments (CSR)



Total Economic Contribution

BDT 3,197.91m **BDT 2,178.63m** **BDT 69.20m** = **BDT 5,445.74m**

Statement of Market Value Addition:

Market Value Addition (MVA) is estimated by the difference between the current market value of the bank and the capital contributed by investors. As of end of reporting year, Market Value Addition is estimated BDT 5805.65 million which was BDT 3,508.50 million in the previous year.

				BDT Million
Particulars	Number of Shares	Value per share		Total Value
Market Value	443,179,160	BDT	23.10	10,237.44
Book Value	443,179,160	BDT	10.00	4,431.79
Market value added		BDT	13.10	5,805.65



Financial implications and other risks and opportunities for the organization's activities due to climate change

GRI Indicator <G4-EC2>

Not reported

Coverage of the organization's benefit plans

GRI Indicator <G4-EC3>

a) Provident Fund: Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. The fund is operated by a Board of Trustees, consisting of 5 (five) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the fund. The Bank also contributes equal to that of the employees'. Interest earned from the investment is credited to the members' account on yearly basis.

b) Gratuity: MTB Employees' Gratuity Rules is first approved in 2000, and then amended as MTB Employees Gratuity Scheme on June 03, 2008 by the Board of Directors of the bank. The fund is governed by the scheme and managed by a Trustee Board, of 7 (seven) members. All employees who have continuously served MTB for a minimum of 5 (five) years would be considered entitled for gratuity. Employees who are in contractual service at the Bank and have completed a minimum of 05 (five) years' service, are also entitled to gratuity benefit at the time of termination of contract/resignation.

c) MTB Employees' Welfare Fund: MTB Employees' Welfare Fund is subscribed for a monthly contribution by the employees. The Bank also contributes to the fund from time to time. The fund has been established to provide a token of appreciation or financial assistance to the employees and their family members for education, funeral function, etc. The fund is governed and administered by a Board of trustees consisting of four (04) members.

d) MTB Employees' Medical Assistance Fund: MTB Employees' Medical Assistance Fund is subscribed for a monthly contribution by the employees. The Bank also contributes to the fund from time to time. The fund has been established to provide medical assistance to the employees in need. The fund is governed and administered by a Board of trustees consisting of four (04) members.

e) MTB Employees' Death Benefit Plan: MTB Employees' Death Benefit plan has been formed to provide financial support to the bereaved family of a deceased employee. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by a Board of trustees consisting of four (04) members. In case of death of an employee while in active service, Death benefit is paid to the nominee of the deceased employee at a predefined amount ranging from 0.3 (three) million to 1 (one) million.

f) Incentive Bonus: MTB has started an incentive bonus scheme for its employees. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually.

Financial Assistance from Government

GRI Indicator <G4-EC4>

Not Applicable

Aspect: Market Presence

GRI Indicator <G4-EC5>

Standard entry level wage by gender compared to local minimum wage at significant locations of operation

MTB's wages do not vary by gender or location of operation.

Proportion of senior management hired from the local community at significant locations of operation

GRI Indicator <G4-EC6>

MTB offers equal opportunity to all employees irrespective of location of operation.

Aspect: Indirect Economic Impacts

<G4-EC7> to <G4-EC8>

Development and Impact of Infrastructure Investments and Services Supported

During the year 2015, through financing the existing and new clients MTB has created economic impact in the three dimensions:

- Job Creation
- Contribution to economic growth
- More revenue to the national exchequer from growth of businesses of MTB and its clients

	Amount in BDT	
Concentration of Loans and Advances	2016	2015
Agriculture	2,875	2,128
SME loans	1,351	1,572
Loan to Other Industries (Total, excluding Agri & SME)	4,226	3,699

SME investment by MTB

Keeping rural development in mind, MTB has developed a strong footprint in financing Women Entrepreneurs, providing collateral free loans to SMEs and financing rural SMEs in Bangladesh.

SME Financing in 2016 (Jan-Dec)

Concentration of Loans and Advances (Outstanding)	BDT Million	
	2016	2015
Agriculture	7,771	5,319
SME loans	2,681	3,376
Total	10,452	8,694

Total MTB disbursement in SME and Agriculture has increased by 14% to 4,226 million and outstanding has increased by 20% to 10,452 million.





SME Women Entrepreneur



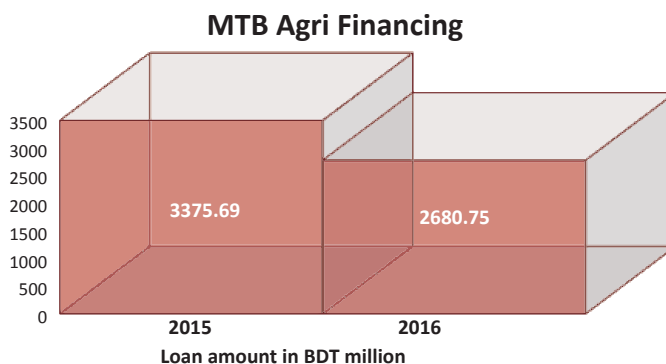
SME Finance Industry

MTB SME Products

MTB SME Banking Division serves clients through a wide array of products. The products are designed to fulfill the different needs of the cottage, micro, small and medium enterprises as well as extend support to agriculture and inclusive banking.



MTB Agri Financing and Inclusive Banking



MTB over achieved its targets assigned by Bangladesh Bank for financing in the agri sector. It has a dedicated agri cell through which the bank provides financial support to the farmers at preferential rate assigned by Bangladesh Bank time to time. As recognition of agri support, MTB received appreciation letter from Bangladesh Bank for achieving agri loan disbursement target for the FY 2014-2015.

Financial Inclusion: Financial Services for farmers/ RMG workers / pro-poor

	2016	2015
Number of 10 tk. (for farmers) account opened in	4,257	2,947

Inclusive Finance to marginal communities

MTB financed marginal farmers from Shantal Community in Tangail area. Here in MTB, we believe the benefit of inclusive financing must reach marginal people who are capable of potentially bringing benefit out of this financing. Mr. Atul Simsang, a marginal farmer from Santal Community, is seen receiving a cheque of BDT 1,00,000 disbursed as credit under MTB Lauhati Bazar Agent Banking Centre from MTB Senior Management Team and local dignitaries.



SME Financing: Sector Specific Disbursement

SL.	Sector	2016 (Jan - Dec, 2016) BDT Million		2015 (Jan - Dec, 2015) BDT Million	
		Disbursement	Outstanding	Disbursement	Outstanding
1.	Crops	734.35	1234.23	755.02	1421.907
2.	Fisheries	144.22	303.81	159.20	370.117
3.	Livestock	219.9	665.66	336.63	925.643
4.	Irrigation Tools	57.82	49.87	28.47	32.67
5.	Agricultural Tools	28.39	110.15	96.90	115.982
6.	Crop storage	17.26	28.64	23.91	31.782
7.	Poverty Alleviation	69.03	221.07	95.65	352.156
8.	Spices & others	0.7	1.83	0.00	1.04
9.	Others	79.54	65.49	75.88	124.39
	Total	1351.21	2680.75	1,571.66	3375.69

Award Winning MTB SME Client: QVC BD Ltd.



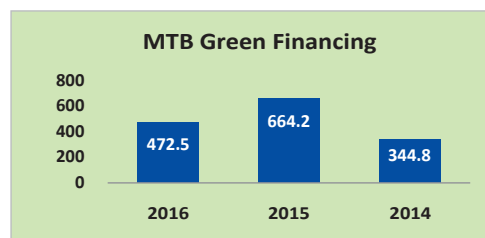
QVC BD Ltd. Received the “National SME Entrepreneur Award-2016” under category of Best entrepreneur (Male) - Medium Segment category at the 4th National SME Fair 2016 on April 03-07, 2016 organized by SME Foundation. MTB started financing the company in its startup phase in 2013 while they approached with innovative idea of first ever bicycle chain manufacturing factory in Bangladesh.

Significant indirect economic impacts

GRI Indicator <G4-EC8>

Green Financing through MTB Green Energy

As a commitment towards developing sustainable energy finance the bank has developed a dedicated product called **MTB Green Energy** loan. This is an environment friendly Green Credit product that enables the customers to set up renewable energy projects and any other potential renewable plants and help reduce the carbon footprint in the country. Different stake holders are planning and implementing larger scale Mini Solar Grid based electricity services, earlier which was pre dominated by individual solar home system. MTB SME Banking Division's Green Energy loan has a good growth over the years.



Smart Technology for Protecting Environment Pollution

Traditional brick fields are one of the sources of environment pollution. Government, International Agencies and Bangladesh Bank are working for introducing new, environment-friendly technology for manufacturing of bricks, called Hybrid Hoffman kiln. In the reporting year MTB financed BDT 33 million in Hybrid Hoffman kiln.

Green Energy: Financing Renewable and Sustainable Energy Efficiency

	Total Disbursement
	BDT Million
Green Projects	2016
Hybrid Hoffman Brick Field (Environment friendly technology)	33
Solar Home System	0
Solar irrigation Plant	0
Effluent Treatment Plant (ETP)	400
Production of Burnable Oil from waste Tire by the Process of Pyrolysis	0
Other Projects (Green Energy)	39.52
Total	472.52

Other Green Banking Initiatives at MTB

	2016	2015
1. Automated Banking		
▪ Number of ATM	226	204
▪ Number of branches with Online banking	110	106
▪ Number of internet banking users	17,468	14,086
▪ Number of MTB App user	5,286	4,669
2. Number of branches powered by solar energy	9	9
3. Number of ATM booths powered by solar energy	9	9

Aspect: Procurement Practices

< G4-EC9>

Proportion of spending on local suppliers at significant locations of operation

GRI Indicator <G4-EC9>

MTB's spending do not vary subject to suppliers' locality.

2.2 Category: ENVIRONMENT

<G4- EN1> to <G4- EN34>

<G4- FS1> to <G4- FS11>

Aspect: Materials

Aspect: Energy

Aspect: Water

Aspect: Biodiversity

Aspect: Emission



Aspect: Materials

<G4-EN1> to <G4-EN2>

GRI Indicator <G4-EN1>

Materials used by weight or volume

- Paper is the most widely used material in producing the bank's services. Consumption of paper is estimated at <G4-EN7>
- Other materials are not reported in this report. Material usage reporting will be widened gradually in upcoming reports

Percentage of materials used that are recycled input materials

GRI Indicator <G4-EN2>

- Currently no material except water is recycled in the process
- MTB has water recycling process partially in some premises however the data tracking has not yet started

Aspect: Energy

<G4-EN3> to <G4-EN7>

Energy Consumption within the Organization

GRI Indicator <G4-EN3>

The bank consumed **10.69 million mega joules** of energy in the year 2016 by using fuels, natural gas and electricity. The table below shows the detail:

Fuel / Source Type	Total Unit	Mega Joules
Electricity (KWH)	2297351	8,270,120.26
Diesel (LTR)	14,709.05	563,214.00
Octane (LTR)	55,403.94	1,860,390.74
Kerosene (LTR)	0	-
Natural Gas (m ³)	0	-
Total	-	10,693,725.00
Conversion source: http://www.epa.gov/cmop/resources/converter.html and http://www.convertworld.com/en/		

The car pool of the bank has 28 cars and 03 motor bikes that consumed 3409 litres of diesel, and 55,404 litres of octane for running a total of 340,475 KM in the year 2016.

Energy Consumption outside of the organization

GRI Indicator <G4-EN4>

In banking business, there is no scope as of date to consume energy outside of the organization's premises.

Energy consumption outside of the organization	Total Unit	Mega Jules
	0	0



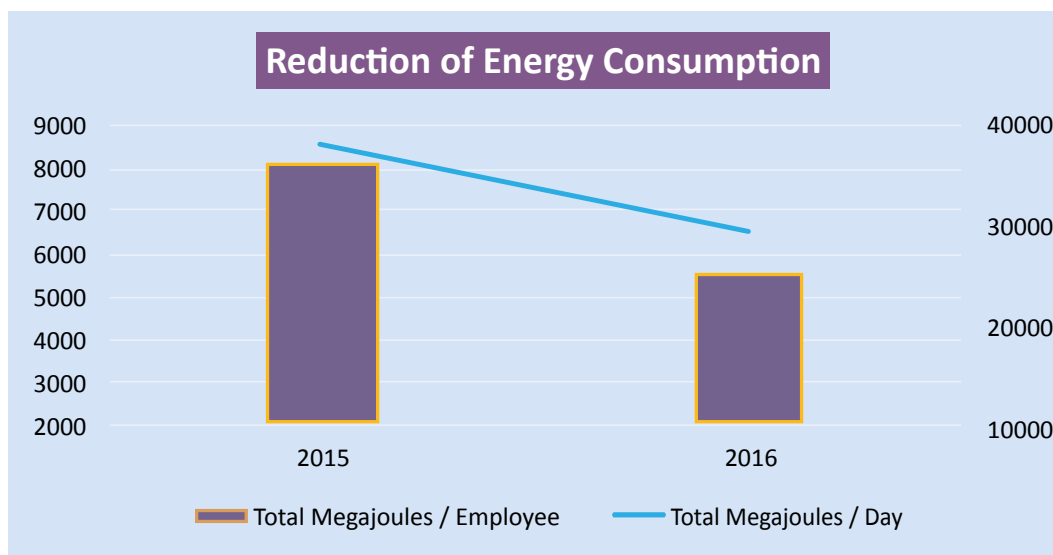
Energy Intensity

GRI Indicator <G4-EN5>

Fuel / Source Type	Mega Joules		Per employee* power consumption in 2016 (mega joules)		Per day* power consumption in 2016 (mega joules)	
	2016	2015	2016	2015	2016	2015
Electricity (KWH)	8,270,120.26	11,664,072.00	4,378.04	6,828.80	22,657.86	31,955.04
Diesel (LTR)	563,214.00	1,286,947.20	298.15	351.88	1,543.05	1,646.60
Octane (LTR)	1,860,390.74	565,060.68	984.85	790.65	5,096.96	3,699.83
Natural Gas (m ³)	0.00	169,877.69	-	100.78	-	471.59
Total	10,693,725	13,685,957.57	5,661.05	8,072.11	29,297.88	37,773.05

Reduction of Energy Consumption

GRI Indicator <G4-EN6>



Corporate Head Office Premises

For ensuring a greener and an environmental friendly bank in true sense, MTB Centre, MTB Tower, Corporate Head Offices of the bank have been designed as truly green buildings with motion censored lighting. No human intervention is needed to turn lights off and on.

Solar power & Rain water

Solar Power and rain water harvesting systems are installed on the roof top of MTB Centre and MTB Tower. Eco-friendly carpets, a carpet made of natural-fibers without any chemical treatments, are used in both the building premises. Total environment is designed in a way that can reduce energy consumption significantly. MTB has installed 09 (nine) solar powered branches and 09 (nine) solar powered ATMs which save energy consumption significantly compared to other conventional banking outlets.

M-Net the communication hub

The bank has an exclusive and very effective intranet system, called as M-Net which is one of the best solutions for internal communication, information sharing, employee education and electronic recording process. It has features like e-notice board, online leave management facility, e-dispatch, and e-attendance for the employees. All the Bangladesh Bank (BB) and MTB circulars are instantly circulated through i-mail. Most of the communications within the bank has become absolutely online. Electronic communication substantially reduces paper consumption thereby reduce deforestation.

To further reduce paper consumption, various information is posted on the intranet with the aim to increase employee awareness on the subject. All MTB outlets across the country send e-cards on festivals, e-statement, electronic format of vouchers and other necessary documents through e-mails. MTB encourages its clients to communicate and to send documents through e-mails with a view to avoid papers.

MTB Green Initiatives

In compliance with Bangladesh Bank's guidelines, MTB has formed Green Banking Cell aiming to develop green banking policies, planning and overseeing the overall green banking activities of the bank. To ensure Green Banking practices in the bank, MTB has introduced "Green Banking Policy" as instructed by Bangladesh Bank.



GRI Indicator <G4-EN7>

Reductions in Energy Requirements of Products and Services

Banking through SMS

MTB offers SMS Banking services to customers that offers basic banking services to customers for a very little use of energy. In this year, total 18,221 text messages were sent by MTB in response to customer's balance checking and 4199 text messages were sent in response to checking transactions, though push-pull service. This enabled MTB and its customers to get their account information by using little energy compared to traditional way of visiting a branch.

	2016	2015
Number of B/L check messages sent	18,221	8,039
Number of Transaction check messages sent	4,199	2,666

Internet banking facilities

MTB proactively promotes use of internet banking that enables reduced energy consumption. This year the total number of internet banking account has increased by 24% over previous year to 17,468.



MTB SMART BANKING App for Android and iPhones

MTB has its own App to be used for Internet banking at smart phone or similar devices that run on android OS or OSX. The App is freely available for download at Google play store and iTunes. Apart from fund transfer, the App enables the customer to pay bills and recharge mobile balance, which reduces energy consumption remarkably compared to traditional methods. Use of the App involves few energy compared to conventional banking. This year the total number of MTB App user has increased by 13% over previous year to 5,286.



> Category: ENVIRONMENT

Sustainability
REPORT
2016

MTB

MTB's Solar Power Capacity

MTB has installed solar power panels at its Corporate Head Offices, branches and ATM booths. By 2016, total capacity installed is 44.6 KW of solar panel that reduces total power consumption by the bank.

	2016
Name of the Branch	Solar Power Capacity (KWH)
MTB Centre	5000 W
MTB Tower	36000 W
MTB Ishwardi SME / Agri Branch	720 W
MTB Belkuchi SME / Agri Branch	720 W
MTB Hasnabad SME / Agri Branch	720 W
MTB Sarulia SME / Agri Branch	720 W
MTB Syedpur SME / Agri Branch	720 W
Total	44600 W = 44.6 KW

Enhancement of the Corporate Intranet (MNet) has reduced Energy Consumption

The internal web-portal for communication and information sharing was revived this year (2016) as 'MNet', and it has seen a number of enhancements in the year. This home-grown system is used as the most convenient tool for knowledge management, communication across its various constituents for better sharing of information, user empowerment and system intelligence. MTB Corporate Intranet was officially launched on 21 Aug 2007 and holds various applications like:

▪ MTB Circulars with trackers	▪ E-Attendance
▪ Bangladesh Bank Circular	▪ MTB News
▪ Training Management	▪ MTB Notice-board
○ E-Nomination	▪ External News (RSS integrated)
○ Training Calendar	▪ Staff News
○ Training Attendance	▪ Event Photo Albums
○ Training Invitation	▪ Department Homepages
○ Training MIS	▪ Branch Homepages
▪ Leave management	▪ Dictionaries
▪ Online Requisition	▪ E-Signature Booklet
▪ Business Card Requisition	▪ Forex-Rates
▪ Auxiliary Staff Bill Management	▪ MTB Trivia (Quiz)
▪ AML & CFT Screening	▪ MTB E-Learning
▪ E-Requests with documentation	▪ Branch Reporting with monitoring
○ Core Banking S/W User Management	▪ iMail with message readability tracking
○ Lien Marking	▪ Employees Salary Statement, Tax Statement, PF Statement, A/C Statement, Engagement statistics etc.
○ Interest Rate Change	▪ Dashboards (Staff Anniversary, Staff on Leave, BACH-EFT Dashboard, EFT Pending, etc.)
▪ Performance Management System (Objectives settings & Acceptance, Midyear Review, Yearly Review & ACR Management)	▪ Deposit Contribution Tracker
▪ Participation: Naming Competitions	▪ Contractual Staff Management
▪ ATM/ POS Register	▪ Deposit Dash Board
▪ ATM Low Cash Alert	<i>and many more...</i>

MNet saved a large number of paper works equivalent to 3,802,726 sheets or 7,605.45 reams of A4 paper. Saving 7,605.45 reams of A4 paper is equivalent to saving 137.66 MWH of embodied energy and 85.90 tons of associated CO2 emissions.

Reductions in Energy Requirements of Products and Services

	2016	2015	
Automation in Services saved Paper by	46.97	35.02	Tons
Total Embodied Energy in KWH of the paper saved	340,079.78	253,517.18	KWH
Tonnes of carbon dioxide (CO2) Saved in producing the above energy	212.21	158.19	M. Tons of CO2
Total Paper saved by Automation, equivalent to	162.99	121.51	tons of woods
Total Paper saved by Automation, equivalent to	1,140.96	850.54	trees
Total Paper saved by Automation, equivalent to	1,817.83	1,355.13	btu energy

	2016	2015
Land & Forest Ecological Footprint		<i>gha</i>
Saved Land Equivalency Factor	56.45	42.08
Saved Forest Footprint	538.58	401.50
Total Ecological Footprint	595.03	443.58
	<i>gha=The global hectare</i>	



Aspect: Water

<G4-EN8> to <G4-EN10>

Total water withdrawal by source

GRI Indicator <G4-EN8>

Banking business does not require water withdrawal for producing products and services like manufacturing units. Therefore, this indicator is Not Applicable for MTB.

Water sources significantly affected by withdrawal of water

GRI Indicator <G4-EN9>

Banking business does not require water withdrawal for producing products and services like manufacturing units. Therefore, this indicator is Not Applicable for MTB.

Water Recycled and Reused (Percentage and Total Volume)

GRI Indicator <G4-EN10>

There are water recycling systems in two of the premises at MTB. Data tracking process has not yet started in those two water recycling systems. Both the systems collect rain water and feed into the main water supply.

Aspect: Biodiversity

<G4-EN11> to <G4-EN14>

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

GRI Indicator <G4-EN11>

Not Applicable

Description of significant impacts of activities, products, and services on biodiversity

GRI Indicator <G4-EN12>

Not Applicable

Habitats protected or restored

GRI Indicator <G4-EN13>

Not Applicable

IUCN red list species and national conservation list species with habitats in areas affected by operations

GRI Indicator <G4-EN14>

Not Applicable



Aspect: Emissions

<G4-EN15> to <G4-EN21>

Direct greenhouse gas (GHG) EMISSIONS (scope 1)

GRI Indicator <G4-EN15>

Metric Tonnes of CO2 or CO2 e emitted		
	2016	2015
Electricity (KWH)	1,615.04	2,277.73
Diesel (LTR)	39.37	42.01
Octane (LTR)	130.07	94.42
N Gas (meter-cube)	-	8.66
Total	1,784.48	2,422.82
Conversion Standards: http://www.epa.gov/cmop/resources/converter.html http://www.convertworld.com/en/		

Indirect greenhouse gas (GHG) EMISSIONS (scope 2)

GRI Indicator <G4-EN16>

Not Reported

Other Indirect greenhouse gas (GHG) EMISSIONS (scope 3)

GRI Indicator <G4-EN17>

Not Reported

Greenhouse gas (GHG) EMISSIONS INTENSITY

GRI Indicator <G4-EN18>

Greenhouse gas (GHG) emissions			
	2016	2015	% Change
M Tons of CO2 / Employee	0.94	1.42	-33.8%
M Tons of CO2 / Day	4.89	6.64	-26.4%





Reduction of greenhouse gas (GHG) emissions

GRI Indicator <G4-EN19>

	Per Employee GHG Emissions (CO ₂ Tonnes)		
	2016	2015	Change %
Electricity (KWH)	0.85	1.33	-36.1%
Diesel (LTR)	0.02	0.02	0.0%
Octane (LTR)	0.07	0.06	16.7%
N Gas (meter-cube)	-	0.01	-100.0%
Total	0.94	1.42	-33.8%

Emissions of ozone-depleting substances (ODS)

GRI Indicator <G4-EN20>

Not Applicable

NOX, SOX and other significant air emissions

GRI Indicator <G4-EN21>

Not Applicable

Aspect: Effluents and Waste

< G4-EN22> to < G4- EN26>

Banking business does not produce effluents and waste similar to manufacturing units. Therefore, this indicator is not applicable for MTB.

Total water discharge by quality and destination

GRI Indicator <G4-EN22>

Not Applicable

Total weight of waste by type and disposal method

GRI Indicator <G4-EN23>

Not Applicable

Total number and volume of significant spills

GRI Indicator <G4-EN24>

Not Applicable

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the basel convention² annex i, ii, iii, and viii, and percentage of transported waste shipped internationally

GRI Indicator <G4-EN25>

Not Applicable

Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff

GRI Indicator <G4-EN26>

Not Applicable

Aspect: Products and Services

< G4-EN27> to < G4- EN28>

Extent of impact mitigation of environmental impacts of products and services

GRI Indicator <G4-EN27>

Not Reported

Percentage of products sold and their packaging materials that are reclaimed by category

GRI Indicator <G4-EN28>

Not Applicable

Aspect: Compliance

< G4- EN29>

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

Not Reported

Aspect: Transport

< G4- EN30>

Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce



Aspect: Overall

< G4- EN31>

Total environmental protection expenditures and investments by type

Not Reported

Aspect: Supplier Environmental ASSESSMENT < G4-EN32> to < G4- EN33>

Percentage of new suppliers that were screened using environmental criteria

GRI Indicator <G4-EN32>

Not Reported

Significant actual and potential negative environmental impacts in the supply chain and actions taken

GRI Indicator <G4-EN33>

Not Reported

Aspect: Environmental Grievance MECHANISMS

< G4- EN34>

Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms

Not Reported

Aspect: Product responsibility disclosures for the financial services sector

<G4-FS1 to G4-FS5>

Policies with specific environmental and social components

These issues are discussed under indicator G4-45 in this report.

Portfolio for Business Lines by Specific Region, Size and Sector

GRI Indicator <G4-FS6>



Loans and Advances by Business Size

	Amount in BDT	
Concentration of Loans and Advances	2016	2015
a) Loans to Institutions in which the Directors of the Bank have interest		-
b) Advances to Managing Director & other Senior Executives	667,505,850	600,621,927
c) Advances to Industries & Sectors		
Agriculture	3,069,895,369	2,504,645,545
RMG	11,901,638,990	6,086,855,000
Textile	9,781,370,446	7,792,550,000
Ship Building	1,254,822,262	1,029,400,000
Ship Breaking	1,790,274,575	894,160,640
Other Manufacturing industry	24,250,084,620	20,210,598,574
SMEs	15,260,841,835	12,304,687,229
Construction	1,156,184,500	1,243,350,000
Power, Gas	1,870,790,000	2,721,400,000
Transport, Storage and Communication	418,359,000	997,440,000
Trade Service	15,228,568,023	12,481,955,100
Commercial real estate financing	7,364,841,229	5,324,469,550
Residential real estate financing	869,250,138	821,410,000
Consumer credit	2,180,839,432	1,562,181,642
Capital Market (brokerage or merchant banking)	3,866,214,348	3,789,762,809
d) NBFIs	4,985,274,312	5,797,660,000
e) Others	8,439,007,914	11,425,627,674
Total Loans and Advances	114,355,762,842	97,588,775,690

Products and Services delivering social benefits broken down by purpose

GRI Indicator <G4-FS7>

MTB School Banking

MTB has designed its school banking products for the students. MTB organizes school banking campaigns in different local school throughout the year.

At the program, kids can open a bank account and have a hands-on banking experience and can learn about the habit for savings.



School Banking Campaign in 2016	
	Number of Schools
Dhaka Division	33
Chittagong Division	27
Other Division	38
Total	98

MTB SME Financing for Women Entrepreneur

MTB has taken a comprehensive plan for increased credit lines with special focus on potential women entrepreneurs as per policy guidelines of Bangladesh Bank. MTB Bhagyabati and MTB Gunabati, (ভাগ্যবতী ও গুণবতী) the two innovative financial products for Women Entrepreneurs have strong presence in the country's credit market for their unique features and easy access to financing. MTB has established Women Entrepreneur Development Unit (WEDU) to help the women in business and bring them under credit access.

In 2016 MTB disbursed loan BDT 263.368 million to Women Entrepreneurs.

	BDT Million	
	2016	2015
Outstanding of Women Entrepreneurs	435.64	365.34
Disbursement of Women Entrepreneurs	263.37	221.10

SKY NEER: The Best Entrepreneur of the year 2015 (awarded by Citi Foundation)



Ms. Hasina Islam started her entrepreneurial journey, with 2 embroidery machines and very small capital with a dream to open an outlet in Dhaka in 2012. Her husband, Mr. Amirul Islam, left his job to support her by selling the embroidered products. He carried the products in a suitcase at the back of his motorcycle and went door to door. MTB

financed their initiative SKY NEER, with a sum of BDT 7.5 lac in 2014 under 'MTB Bhagyaboti' scheme. They successfully utilized the fund for growth. In 2016, MTB SME financed them with a tailored solution combined of multiple products; and SKY NEER opened their showroom in Banani area. Their factory, located at Maradia area of Khilgaon, equipped with 20 machines now creates employment of 25 persons, mostly female.

Their struggles and success were recognized at 11th Citi Micro Entrepreneur Awards Ceremony. She won the runner up award in the category for the Best Entrepreneur of the year 2015.

MTB SME is proud to be a partner.

Products and Services delivering social benefits broken down by purpose

GRI Indicator <G4-FS8>

Use of IT based Infrastructure to provide automated service:

MTB provides online banking service through its core banking system. Now banking is paperless and faster. MTB Internet banking allows customers pay bills and transfer funds none of which generates any paper receipts. MTB ATM machines offer 24/7 services to the customers. Alternative Delivery Channels like ATM, Debit/Credit Card, Internet Banking, SMS Banking etc. are ensuring modern banking facilities. MTB thrives to be ahead of technology to offer services and protect environment.

Use of IT based Infrastructure to provide automated service:

Total Saved by Automated Services		
	2016	
Total CO2 reduction saved	212.21	M Tons
Total Woods saved	162.99	tons of Wood
Total number of Trees saved	1,140.96	trees
Total Ecological Footprint saved	595.03	gha=The global hectare

Under Green Financing, “MTB Green Energy” is a green financing product for specialized projects that focus on renewable energy sources. MTB Green Energy is designed for financing installation of solar power plant, bio-gas plant and other renewable energy plants.



	BDT Million		
	2016	2015	2014
Hybrid Hoffman Brick Field (Environment-friendly)	33	no breakdown	no breakdown
Effluent Treatment Plant (ETP)	400		
Other Projects (MTB Green Energy)	39.52		
Total	472.52	664.17	344.8



Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures

GRI Indicator <G4-FS9>

The frequency of audits depends on the risk vulnerabilities of the branches. Usually low-risk branches are audited once in a year and the riskier the branches are, the more frequent the audit is. Environmental risk assessment is performed at the time of sanctioning credit facilities to the individual units, which may pollute the environment in many ways. However, strict compliance with the directives of the governments' Directorate of Environment is ensured by spot visit before extending of any finance is decided by MTB.

Companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues

GRI Indicator <G4-FS10>

Not Applicable

Percentage of assets subject to positive and negative environmental or social screening

GRI Indicator <G4-FS11>

Not Applicable



2.3 Category: **SOCIAL**

2.3.1 SUB-CATEGORY: LABOR PRACTICES
AND DECENT WORK

2.3.2 SUB-CATEGORY: HUMAN RIGHTS

2.3.3 SUB-CATEGORY: SOCIETY (COMMUNITY)

2.3.4 SUB-CATEGORY: PRODUCT RESPONSIBILITY



2.3.1 Sub-Category: **LABOR PRACTICES AND DECENT WORK**

<G4- LA1> to <G4- LA13>

Aspect: **Employment**
Aspect: **Labor/Management Relations**
Aspect: **Occupational Health and Safety**
Aspect: **Training and Education**
Aspect: **Diversity and Equal Opportunity**
Aspect: **Equal Remuneration for Women and Men**

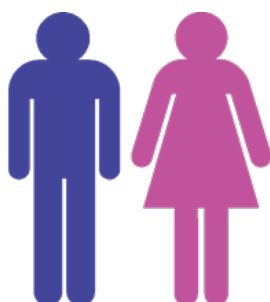


Aspect: Employment

<G4-LA1> to < G4- LA3>

Demography of total Employees hiring and turnover

GRI Indicator <G4-LA1>



Total New Recruitment in 2016 by Gender

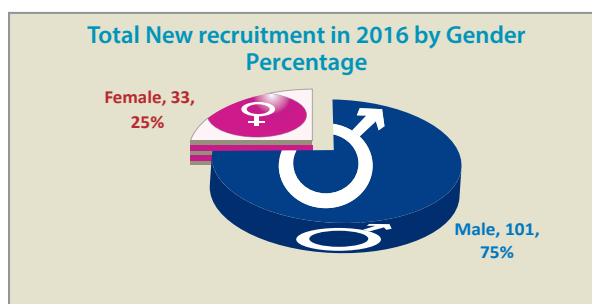
New Recruitment	Male	Female
Number of Employee	101	33
Percentage	75.38%	24.62%
Total	134	

Total New Recruitment in 2016 by Gender, Age group

Age Group	Male	Female	Total	Percentage
Below 30 years	118	43	162	58.91%
30 years to 40 years	78	14	92	33.45%
40 years to 50 years	16	02	18	6.55%
50 years and above	04	00	04	1.45%
Total	216	59	275	100.00%

Total New Recruitment in 2016 by Region (of posting)

Place of Posting	Male	Female	Total	Percentage
Dhaka	86	29	115	85.82%
Chittagong	13	02	15	11.19%
Rajshahi	00	00	00	0.00%
Rangpur	01	00	01	0.75%
Khulna	01	00	01	0.75%
Sylhet	02	02	02	1.49%
Barisal	00	00	00	0.00%
Total	101	33	134	100%



Total Number of employees in 2016 by Age group & Managerial position

Total employees	Executive		Non-Executive		Total		Percentage of Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Below 30 years	0	0	305	110	305	110	20%	31%
30 years to 40 years	58	6	851	196	909	202	59%	57%
40 years to 50 years	127	3	126	41	253	44	17%	12%
50 years and above	57	0	9	0	66	0	4%	0%
Total	242	9	1291	347	1533	356	100%	100%

Total Number of employees in 2016 by Gender & Region of posting

Region of posting	Male	Female	Total	Percentage
Dhaka	1104	310	1414	74.85%
Chittagong	258	28	286	15.14%
Rajshahi	53	5	58	3.07%
Rangpur	38	2	40	2.12%
Khulna	21	2	23	1.22%
Sylhet	44	9	53	2.81%
Barisal	15	0	15	0.79%
Total	1533	356	1889	100%

Benefits exclusively provided to full-time employees by locations

GRI Indicator <G4-LA2>

Compensation and Benefits:

MTB offers core long-term health offering including preventive medical examinations for its employees. All relevant fields of prevention: medicine, mental health, fitness and nutrition are covered in the examinations. Reports show that the examinations contribute to improvements in physical fitness, nutrition habits and so on. In 2016, MTB has extended financial support of BDT 71, 66,524 (BDT seventy one lac sixty six thousand five hundred and twenty four) to its employees as medical facility.

Employee's length of company service as of December 31, 2016

Length of Service	No. of Employees
Up to 4 years	824
4 years to 10 years	773
More than 10 years	292

MTB has fixed salary structure approved by authority and a job applicant has the bargaining power to negotiate during the recruitment session. The benefits to the full time employee are equal for everyone irrespective of location. MTB does not employ part time employee.

Apart from monthly salary employees are entitled to following benefits:

• Employee House Building Loan	• Gratuity Scheme
• Employee Car Loan	• Reward to Employees' Meritorious Children
• Medical Assistance Fund	• Day-Care facilities to Employee Children
• Employee Provident Fund	• Incentives for IBB Diploma Holders
• Mandatory Medical Checkup	• Rewards for Good Deeds in Terms of Integrity
• MTB Employee Death Benefit Plan	• MTB Welfare Fund



MTB Employees' Service Benefit Fund-2016

Name of the Funds	No. of employees benefited	Total disbursement in BDT
Employees' Provident Fund	51	21,636,602
Employees' Gratuity Fund	24	15,442,500
Employees' Welfare Fund	19	777,850
Employees' Medical Assistance Fund	333	7,134,324
Employees' Death Benefit Plan	1	500,000
MTB Foundation	32	13,467,702
Total	460	58,958,978

MTB Employees' Other Perks & Benefits

• Company car for Top Level Executives	• Employee loan at reduced interest rate
• Car loan scheme for Executives	• Mobile phone allowance (handset & tariff)
• Car maintenance allowance	• Festival bonus
• Employee Provident Fund	• Reward to Employees' Meritorious Children
• Employee House Building Loan Scheme	• Leave fare assistance

Retention rates after parental leave, by gender

GRI Indicator <G4-LA3>

Parental Leave at MTB-2016	Female
Number of employees that were entitled to parental leave	45
Number of employees that took parental leave	45
Number of employees who returned to work after parental leave ended	45
Tentative percentage of employees who were still employed 12 months after their return to work	NA

Aspect: Labor/Management Relations

<G4- LA4>

Minimum notice periods regarding operational changes,
including whether these are specified in collective agreements

GRI Indicator <G4-LA4>

Transfer of employees from one location to another is a common task for following compliance. The usual notification period of this transfer is 30 days, unless a requirement arises otherwise.

Joint management-worker health and safety
committees and occupational health and safety
programs

GRI Indicator <G4-LA5>

Bank employees are not usually exposed to work-related injury and occupational hazards because of its operating nature. Nevertheless, MTB also remains cautious so that hazardous work conditions can be avoided by standard procedures and its policies.

MTB has formed a rescue team comprised of members from every floor at the head office premises. The team works in line with MTB's Group Security & Fire Safety Department. Fire drill takes place twice a year. MTB has:

First Aid Team	04
Fire Wardens	10
Deputy Fire Wardens	15
Rescue Team Members	30
Fire Marshal (Group Chief Security Officer)	01

Fire Fighting & Security & Emergency situation management		
	2016	2015
No. of training program conducted on Fire Fighting And First Aid	1	1
No. of participants	40	45
Number of fire drills	3	2
No. of employees received formal training on security & emergency situation management	85	45
Report if the training required third party security personnel	The training was conducted by Training Team of Bangladesh Fire Service and Civil Defence	





**MTB conducted Fire Fighting and Evacuation Drill on April 04, 2016
at MTB Centre, Gulshan, Dhaka**

Health and Safety Policy

Name of Policy	Approved on/ Signed on
MTB Security Policy	March 25, 2013
MTB Fire Safety and Firefighting Policy	February 12, 2013
Earthquake Emergency Procedure	April 24, 2013

Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

GRI Indicator <G4-LA6>

Not applicable

Workers with high incidence or high risk of diseases related to their occupation

GRI Indicator <G4-LA7>

Not applicable

Health and safety topics covered in formal agreements with trade unions

GRI Indicator <G4-LA8>

Not applicable

Aspect: Training and Education

<G4-LA9> to <G4-LA11>

Average hours of training per year per employee by gender,
and by employee category

GRI Indicator <G4-LA9>

Average hours of training undertaken
by Employee (by gender) 2016

Employee Category	Gender	Average hours of training per Employee
Executive	Male	3.63 hours
	Female	7.33 hours
Non-Executive	Male	1.52 hours
	Female	4.45 hours

Programs for skills management and lifelong learning that support
the continued employability of employees and assist them in
managing career endings

GRI Indicator <G4-LA10>

Trend of Training Program

MTB Training Institute (MTBTI) provides in-house trainings. MTB also arranges domestic and foreign trainings for employees.

Training & Learning	2016	2015	2014	2013	2012
MTBTI Training	113	131	74	70	52
Outsourced Training (Local)	140	80	70	66	33
Outsourced Training (Foreign)	10	18	13	3	5
No. of Participations	1626	1530	1467	1187	858

Expenses for Training Program in BDT

	2016	2015	2014	2013	2012
Total Training Expenses (BDT)	21,578,459	10,244,364	12,534,198	7,785,898	12,051,178
Per Employee Cost (BDT)	7067.95	5,688	7,903	5,650	9,150
Per Employee Profit Earning	1,845,148	1,560,675	1,641,336	1,470,146	1,011,641



Performance and career development reviews,
by gender and by employee category

GRI Indicator <G4-LA11>

Group Human Resource Division (GHRD) of MTB has a vigorous Performance Management System (PMS) for evaluating employees in terms of performance and instill a performance-based culture within the organization, for all employees irrespective of gender. This is applicable for all full time employees.

In order to reduce carbon emission, increase efficient usage of time, and eliminate the complexity and MTB has automated the entire performance appraisal process.

Aspect: Diversity and Equal Opportunity

<G4- LA12>

Composition of governance bodies and employees by
demographics, diversity & category

GRI Indicator <G4- LA12>

Gender diversity among members
of the Board of Directors, MTB in 2016

Gender	Number	Percentage
Male	11	91.66%
Female	1	8.34%
Total	12	100.00%

Aspect: Equal Remuneration for Women and Men

<G4- LA13>

Ratio of basic salary and remuneration of women to men

GRI Indicator <G4- LA13>

MTB is an equal opportunity employer. MTB does not discriminate based on gender, religion or job location.

2.3.2 Sub-Category HUMAN RIGHTS

G4-HR1 to G4-HR7

Aspect : Investment
Aspect : Non-discrimination
Aspect : Freedom of Association
and Collective Bargaining
Aspect : Child Labor
Aspect : Forced or Compulsory Labor
Aspect : Security Practices





Aspect: Investment

<G4-HR1> to < G4- HR2>

Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

GRI Indicator <G4-HR1>

Not Applicable

Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

GRI Indicator <G4-HR2>

Not Applicable

Aspect: Non-discrimination

< G4- HR3>

Total number of incidents of discrimination and corrective actions taken

No such discriminatory event occurred in this year.



Aspect: Freedom of Association and Collective Bargaining

< G4- HR4>

We do not have Collective Bargaining Association (CBA) as per the norms of the banking industry.

Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk and measures taken to support these rights

GRI Indicator < G4- HR4>

Not Applicable

Aspect: Child Labor

< G4- HR5>

Incidents of child labor

GRI Indicator <G4-HR5>

MTB does not allow child labor.

Aspect: Forced or Compulsory Labor

< G4- HR6>

Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor

GRI Indicator <G4-HR6>

MTB as a bank does not have forced or compulsory labor.

Aspect: Security Practices

< G4- HR7>

Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations

GRI Indicator <G4-HR7>

Not Applicable



2.3.3 Sub-Category SOCIETY

<G4-SO1> to < G4-SO11>

- Aspect : Local Communities
- Aspect : Anti-Corruption
- Aspect : Public Policy
- Aspect : Anti-Competitive Behavior
- Aspect : Compliance
- Aspect : Supplier Assessment for Impacts on Society
- Aspect : Grievance Mechanisms for Impacts on Society



Aspect: Local Communities

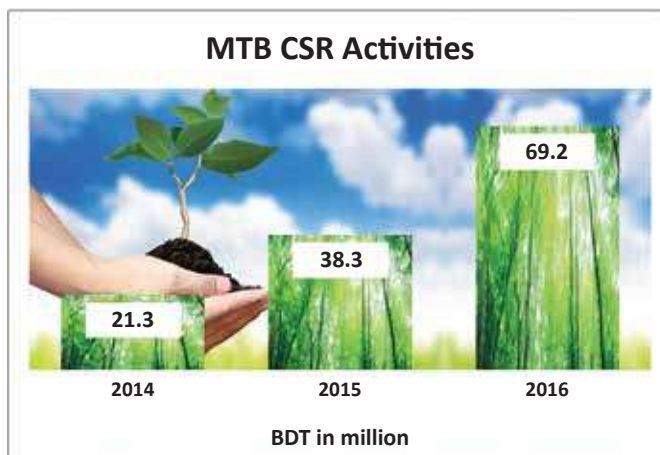
<G4-SO1> to < G4- SO2>

Local community engagement, impact assessments and development programs

GRI Indicator <G4-SO1>

List of MTB CSR Projects in 2016

- Swapno Sarathi
- Blankets Distribution
- Rewarding Bangladesh U-16 National Women's Football Team
- Mangrove Children Project of Bizcare
- Project at Char Patila at Char Kukri Mukri of Bhola District by Management and Research Development Initiative (MRDI)
- MTB bravery award to Mr. Sharowar Howlader and Mr. Akter Mia for saving 4 young men from drowning
- Promoting Knowledge by distributing The Daily Star among university students
- The Daily Prothom Alo ia distributed in different areas under Egiye Jao, Egiye Dao
- Char Montaz Primary School in Potuakhali by Actionaid
- Prime Minister's Relief Fund
- Mobile phone repairing training arranged by Southern Socio-economic Development Program (SSDP)
- Endowment of BDT 400,000 to Assistance for Blind Children (ABC)
- Project of Faridpur Muslim Mission
- TaalGoal-Football for Change by Dhaka Hub, Global Shapers Community, World Economic Forum
- Scholarship for 10 students at Ulipur
- Scholarship for 10 students at Faridpur
- Door to Door project in Chittagong



> Sub-Category: SOCIETY

Sustainability
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MTB

Initiatives in value, Category-wise in 2016:

Description of initiatives	Amount	No. of Beneficiaries
i. Education	13,522,617	3,600
ii. Health	14,370,142	6,020
iii. Disaster Management	29,723,981	18,100
iv. Environment	1,000,000	Not assessed
v. Sports	2,808,549	1,650
vi. Art & Culture	4,301,250	10,700
vii. Others	3,474,475	15,200
Total	69,201,014	55,270

MTB CONTRIBUTES TO THE PRIME MINISTER'S RELIEF FUND



MTB Chairman M. A. Rouf, JP, along with MTB Director, Md. Abdul Malek is seen with the Honorable Prime Minister of Bangladesh, Sheikh Hasina after handing over a cheque of BDT 15 million for the Prime Minister's Relief Fund at a simple ceremony held at Gana Bhaban in Dhaka on June 26, 2016.



MTB Director Md. Abdul Malek is seen handing over a cheque of BDT 7.5 million to the Honorable Prime Minister of Bangladesh, Sheikh Hasina for the Prime Minister's Relief Fund to help the flood affected people of the country, at a simple ceremony held at Gana Bhaban in Dhaka on August 09, 2016.

Swapno Sarathi (স্বপ্ন সারথী)

"Swapno Sarathi" (স্বপ্ন সারথী) is a brand for MTB's CSR campaign of bicycle distribution amongst the underprivileged students, first Inaugurated by the then Bangladesh Bank Governor on October 25, 2015. Since the first distribution of bicycles at former enclaves in Garati, Panchagarh, MTB has crossed the milestone of 1000 bicycle distribution across the country in 2016. The campaign aims at motivating students, mainly female, with the motto "School-e jete durotto jeno badha na hoy" (which means, Distance should not be a barrier to school) by providing them with bicycles with a view to facilitating their movement to and from school.



	2016	2015
Number of bicycles	389	698
Total Cost in BDT	2,797,718	4,866,825

Winter Clothes Distribution 2016



MTB Chairman (on that date) Rashed A. Chowdhury along with Managing Director and CEO, Anis A. Khan, and other officials are seen handing over blankets to the poor and cold affected people of Jessore at the MTB Jessore Branch premises on January 25, 2016.



MTB donated five hundred (500) blankets for distribution amongst the cold-affected people of different regions of the country through the Cadet College Club Limited on December 25, 2016 at Cadet College Club premises.

> Sub-Category: SOCIETY

Sustainability
REPORT
2016

MTB

MTB BRAVERY & COURAGE AWARD 2016



MTB presented the “MTB Bravery & Courage Award 2016” to Akter Mia and Late Sharowar Howlader (posthumous) for rescuing four young men from drowning at Badda, Dhaka at a simple ceremony held on October 09, 2016 at MTB Centre, Dhaka. MTB Chairman, M. A. Rouf, JP handed over the awards in the presence of MTB Directors. Anis A. Khan, Managing Director & CEO along with other senior bank officials were also present at the occasion. The bank has introduced this award in 2012 and has been recognizing outstanding acts of bravery since then.

MTB CONTRIBUTES BDT 1 MILLION TO DNCC FOR CCTV SURVEILLANCE PROJECT



MTB Chairman (on that date) Rashed A. Chowdhury, Director Md. Wakiluddin and Managing Director & CEO Anis A. Khan are seen handing over a cheque of BDT One Million to DNCC Mayor Annisul Huq for the CCTV surveillance project at the office of the Mayor on February 16, 2016 in Gulshan, Dhaka.

MTB FINANCES “THE MANGROVE CHILDREN” PROJECT AT SUNDARBAN AREA



MTB in partnership with BizCare, a CSR research & consultancy firm in Bangladesh, has financed “The Mangrove Children” project at the Sundarbans Area. This project is intended to support the children of the remote localities at the edge of the Sundarbans to know about the mangrove forest, echo-system, its usefulness, sustainability, climate change, climate change hazards and disaster risk reductions.

INAUGURATION OF FIRST ECO-LIBRARY AT THE SUNDARBANS ORGANIZED BY MTB & BizCare



MTB, in collaboration with BizCare, has commissioned an Eco-Library at Nekjania High School at Shyamnagar upazila in Satkhira district on June 04, 2016. The library, with solar powered learning tools and environment related books, the first of its kind in the country, is intended to help children of the remote villages located at the edge of the Sundarbans to know about the mangrove forest, its usefulness, sustainability, climate change and disaster risk reductions.

SCHOLARSHIP DISTRIBUTION TO MERITORIOUS STUDENTS

MTB has been supporting meritorious and underprivileged students of the various area of the country as part of the bank’s CSR activities.



Tariq Abul Ala, Mayor, Ulipur and Rashed A. Chowdhury, former Chairman of MTB are seen distributing scholarship to meritorious students of Ulipur Area on the occasion of inauguration of MTB Ulipur Branch on December 15, 2016.



Q. A. F. M. Serajul Islam, Director, MTB, is seen distributing scholarship to meritorious students of Faridpur area on the occasion of inauguration of MTB Faridpur Branch on November 29, 2016.

Significant actual and potential negative impacts on local communities

MTB does not approve any action that may have negative impacts on local communities.

GRI Indicator <G4-SO2>



Aspect: Anti-corruption

<G4-SO3> to < G4- SO5>

Total number and percentage of operations assessed for risks related to corruption and the significant risks identified

GRI Indicator <G4-SO3>

Not reported

Communication and training on anti-corruption policies and procedures

GRI Indicator <G4-SO4>

MTB, as a compliant bank, is firmly determined not to let money launderers and terrorists or perpetrators to use it as a channel to launder money or finance terrorism in any possible way. Hence, MTB has its own Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) compliance program which is designed considering the size & range of activities, complexity of operations and the nature & degree of Money Laundering & Terrorist Financing risks faced by the bank.

Prevailing laws and rules considered at MTB AML and CFT Policy

- Money Laundering Prevention Act, 2012 (Amended 2015)
- The Anti-Terrorism Act, 2009 (Amended 2012 & 2013)
- Money Laundering Prevention Rules, 2013
- Anti-Terrorism Rules, 2013
- Money Laundering and Terrorist Financing Risk Management Guidelines by BFIU
- Other international standards

MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the national regulations and international standards. Some of the initiatives undertaken in the year 2016 as a part of its rigorous AML & CFT compliance program are as follows:

- a. MTB has revised its policy guideline in line with the Money Laundering & Terrorist Financing Risk Management Guidelines, prevailing laws of the land and BFIU circulars and instructions
- b. MTB has revised its own ML & TF Risk Assessment Guideline entailing the ML & TF Risk Register in line with the BFIU guideline
- c. Every year, the Managing Director & CEO of the bank issues a statement of commitment in writing to all the employees of the bank. The statement clearly sets forth MTB's policy against money laundering, terrorist financing and proliferation financing of weapons of mass destruction. In 2016, the Managing Director & CEO made two such statements, one of which was regarding strategy, action plan, compliance and consequence of non-compliance, while the other one was with special focus on being more aware and highly vigilant, so that MTB is not used as a channel to launder money or finance terrorism in any possible way
- d. It was in 2016 that MTB Central Compliance Unit (CCU) was further strengthened by engaging additional staff, having expertise in the field of general banking and information technology, taking the total headcount to 10 (ten)

- e. MTB revised its customer acceptance policy, which is approved by the Board and incorporates detailed customer due diligence procedure entailing policy for acceptance/rejection of customer and procedures to follow while opening different accounts and during the operation of such accounts along with indicative list of documents to open those accounts
- f. The CCU conducted inspection on AML & CFT compliance status of 30 (thirty) MTB branches
- g. MTB has further accelerated its monitoring endeavors with system based monitoring tools available at branch and CCU
- h. MTB further accelerated its monitoring endeavors with system-based monitoring tools, available at all the branches and the CCU
- i. MTB devised an automated sanction screening tool to perform screening against United Nations Security Council Resolution (UNSCR), Office of Foreign Assets Control (OFAC), adverse media and domestic sanction lists before establishing relationship with and offering service to a customer. MTB is also availing the Online Compliance facility of the Compliance Screening Solutions of ACCUITY for thorough screening against extensive sanction lists
- j. MTB has devised an automated sanction screening tool to perform screening against UNSCR, OFAC and domestic sanction list before establishing relationship and offering service to the customer
- k. MTB has submitted 10 (ten) Suspicious Transaction Report (STR) and Suspicious Activity Report (SAR) to BFIU during the year 2016
- l. MTB has arranged Branch Anti Money Laundering Compliance Officer (BAMLCO) Conference in 2016 for all MTB BAMLCOs to guide them through the compliance strategy and action plans therein
- m. MTB conducts day long AML & CFT workshops to train all staff member of the bank irrespective of their functional area. This year it arranged 17 (Seventeen) workshops on AML & CFT compliance wherein total 1157 MTBians availed the opportunity to enrich their knowledge on AML & CFT measures & compliance at their respective jurisdictions; Two (02) workshops on AML & CFT compliance were arranged for MTB agents. 37 participants, comprising agents and agent employees, from across the country attended the workshops. Apart from these, Four (04) workshops were arranged on “Account Opening & Operating Procedure”, where 211 account opening officials from 106 MTB branches and 8 Privilege Banking Centres were present
- n. Specialized training on “Error Free Cash Transaction Reporting to BFIU” were arranged for 112 reporting officials of 106 MTB branches
- o. MTB has extended its initiative to educate the mass people by displaying awareness banner on conspicuous place of the branch and aware its clients by distributing awareness leaflets



Development of Anti-Money Laundering (AML) Sanction Screening Software

Under the Bangladesh Bank AML & CFT guideline, for real-time screening of customers against UNSCR, OFAC and Domestic sanction lists MTB ITS Division developed a CBS integrated software titled as “Sanction Screening Server (3S)”. The software screens an online application against the sanction lists at opening. The system facilitates search options for all the branches and users from the concerned divisions.

Implementation of goAML

MTB has developed a solution with its own resources, which is well known as ‘goAML Middleware’ to produce Cash Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs) to Bangladesh Bank as per the guideline. goAML middleware is a web based application that can be accessed by the branches through a web browser. It generates XML files as required by Bangladesh Bank and uploads the data to the central bank.

Composition of Central Compliance Unit (AML Committee)

As per para (2), section 1.3 of Bangladesh Financial Intelligence Unit (BFIU) Circular no. 10 dated December 28, 2014, bank is required to set up a Central Compliance Unit (CCU) with senior executives including the Chief Anti Money Laundering Compliance Officer (CAMLCO) and DCAMLCO. Afterwards, BFIU issued Money Laundering & Terrorist Financing Risk Management Guidelines on September 10, 2015 wherein BFIU instructed (section 5.2.1) to establish CCU as a permanent setup with specific organogram like other department or division of a bank.

MTB formed Central Compliance Unit as a separate department at the organogram vide MTB Circular Letter # GHR/207/2015 dated November 03, 2015. The unit comprises of 10 members as under:

Name	Designation
Swapan Kumar Biswas	SEVP & CAMLCO
Md. Baker Hossain	SAVP & DCAMLCO
Israt Jahan	AVP
Touhid Imrose Khalidi	FAVP
Farhana Akhter	JAVP
Md. Safikul Islam	Officer
Md. Abdus Salam Talukder	Officer
Md. Arafat Choudhury	Officer
Mofizur Rahman Gazi	Officer
Sk. Mohidul Islam	Officer

Number of Meeting Held at Central Compliance Unit (AML Committee) in 2016

Meeting No.	Meeting Date
Meeting 1 (Quarterly)	29.03.2016
Meeting 2 (Quarterly)	29.06.2016
Meeting 3 (Quarterly)	29.09.2016
Meeting 4 (Quarterly)	27.12.2016

Highlights of the meetings

- a) Revise MTB Money Laundering & Terrorist Financing Risk Management Policy Guideline
- b) Prepare process manual of opening and operating account
- c) Develop and review remittance payment and monitoring procedure
- d) Review risk register parts of the PPGs of various products and services
- e) Revise existing account opening forms in line with BFIU prescribed format
- f) Design unique format of short KYC for bearer in Bengali and incorporate bearer information in deposit slip
- g) Ensure screening of existing MTB customers against UNSCR, OFAC, adverse media and domestic sanction list and preserve accordingly
- h) Perform on-site inspection on AML & CFT compliance status of branches
- i) Carry out off-site monitoring of branches regarding AML & CFT compliance status
- j) Perform off-site monitoring of transactions at CCU
- k) Identify the accounts of influential persons with MTB branches and arrange post facto approval to continue relationship with them
- l) Review and approve the KYC of correspondent banks while establishing/ maintaining relationship
- m) Conduct AML & CFT training for
 - i. New recruits
 - ii. Existing employees
 - iii. Account opening officials
 - iv. Cash transaction reporting officials
 - v. Agent and agent employees
- n) Arrange quiz as part of e-learning
- o) Review and update the awareness leaflet on Anti Money Laundering (AML) & Combating the Financing of Terrorism (CFT)
- p) Evaluate the overall compliance status of anti-money laundering and combating the financing of terrorism compliance position of MTB as per BFIU instruction

Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT) Training in 2016

No. of training on AML-CFT in 2016	17
------------------------------------	----

No. of employees received training by category	
Executive	96
Non- Executive	1061
Total	1157



Confirmed incidents of corruption and actions taken

No such incidence occurred in the reporting year.

GRI Indicator <G4-SO5>

Aspect: Public Policy

< G4- SO6>

Total value of political contributions by country and recipient/beneficiary

GRI Indicator <G4-SO6>

Not reported

Aspect: Anti-competitive Behavior

< G4- SO7>

Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes

GRI Indicator <G4-SO7>

Not reported

Aspect: Compliance

< G4- SO8>

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

GRI Indicator <G4-SO8>

Nil

Aspect: Supplier Assessment for Impacts on Society

<G4-SO9> to < G4- SO10>

Percentage of new suppliers that were screened using criteria for impacts on society

GRI Indicator <G4-SO9>

Not reported

Significant actual and potential negative impacts on society in the supply chain and actions taken

GRI Indicator <G4-SO10>

Not reported

Aspect: Grievance Mechanisms for Impacts on Society

< G4- SO11>

Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms

GRI Indicator <G4-SO11>

Not reported



2.3.4 Sub-Category PRODUCT RESPONSIBILITY

G4-PR1 to G4-PR9

Aspect : Customer Health and Safety
Aspect : Product and Service Labeling
Aspect : Marketing Communications
Aspect : Customer Privacy
Aspect : Compliance



Aspect: Customer Health and Safety

Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

Not reported

<G4-PR1> to < G4-PR2>

GRI Indicator <G4-PR1>

Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

GRI Indicator <G4-PR2>

No such incidence of non-compliance occurred during the reporting year.

Aspect: Product and Service Labeling

Product and service information required by the organization's procedures

<G4-PR3> to < G4-PR5>

GRI Indicator <G4-PR3>

- Product information and recent rates and updates are circulated vide electronic notice through intranet called MNet among the employees
- Product information for customers are served both at branch premises and the website. Branch premises also display different brochures and leaflets on product information, contents, limitation etc.
- Customers can call MTB's 24/7 Contact Centre for personal query
- Following information are displayed in prominent and visible places of the branch premises:
 - » Interest rates on all deposit and loan products
 - » Latest schedule of charges
 - » Buying and selling rates of foreign currencies
 - » Credit rating and financial information of the bank
 - » Contact details of the bank's Central Customer Service and Complaints Management Cell
 - » Banking hours and holiday notices

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

GRI Indicator <G4-PR4>

No such incidence occurred during the reporting year 2016.

Results of surveys measuring customer satisfaction

GRI Indicator <G4-PR5>

Not Reported



Aspect: Marketing Communications

Sale of banned or disputed products

MTB does not sell banned products and services.

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes

Nil

<G4-PR6> to < G4-PR7>

GRI Indicator <G4-PR6>

GRI Indicator <G4-PR7>

Aspect: Customer Privacy

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

MTB has never had any incident of breaches of customer privacy or any loss of customer data.

G4< -PR8>

GRI Indicator <G4-PR8>

Aspect: Compliance

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

Nil

< G4-PR9>

GRI Indicator <G4-PR9>



GRI Index 4.0

Key:
☒ Reported Fully
☐ Not Reported
☒ Not Applicable

Indicator	Disclosure Requirements	Level of Reporting	Page No.
GENERAL STANDARD DISCLOSURES			
STRATEGY AND ANALYSIS			
G4-1	Statement of Managing Director & CEO	<input checked="" type="checkbox"/>	10
G4-2	Description of key impacts, risks and opportunities	<input checked="" type="checkbox"/>	11-13
ORGANISATIONAL PROFILE			
G4-3	Name of the organization	<input checked="" type="checkbox"/>	16
G4-4	Primary Brands, Products and Services	<input checked="" type="checkbox"/>	16
G4-5	Location of the Organization's Headquarters	<input checked="" type="checkbox"/>	17
G4-6	Global Presence	<input checked="" type="checkbox"/>	17
G4-7	Nature of Ownership and Legal Form	<input checked="" type="checkbox"/>	18
G4-8	Financials At a Glance	<input checked="" type="checkbox"/>	19
G4-9	Scale of the Organization	<input checked="" type="checkbox"/>	20
G4-10	Employee Information	<input checked="" type="checkbox"/>	21
G4-11	Employees Covered By Collective Bargaining Agreements	<input checked="" type="checkbox"/>	22
G4-12	Description of The Organization's Supply Chain	Third party agencies are providing office supplies	22
G4-13	Significant Changes Regarding the Organization's Size, Structure, Ownership	<input checked="" type="checkbox"/>	22-23
G4-14	Precautionary Approach to Risk Management	<input checked="" type="checkbox"/>	24-29
G4-15	Charters, principles or initiatives	<input checked="" type="checkbox"/>	29-30
G4-16	Memberships with Chambers and Associations	<input checked="" type="checkbox"/>	30
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Subsidiaries and Other Entities	<input checked="" type="checkbox"/>	18, 32
G4-18	Defining the Report Contents, Aspect Boundaries and Implementation	<input checked="" type="checkbox"/>	32
ENGAGEMENT OF STAKEHOLDERS			
G4-19 to G4-27	Material Aspects and Materiality Mapping	<input checked="" type="checkbox"/>	34-36
REPORT PROFILE			
G4-28	Reporting period	<input checked="" type="checkbox"/>	38
G4-29	Date of most recent previous report	<input checked="" type="checkbox"/>	38
G4-30	Reporting cycle	<input checked="" type="checkbox"/>	38
G4-31	Contact point regarding the report	<input checked="" type="checkbox"/>	38
G4-32	GRI 'in accordance' option	<input checked="" type="checkbox"/>	38
G4-33	External Assurance	Nil	38
GOVERNANCE			
G4-34	Governance Structure	<input checked="" type="checkbox"/>	40-42
G4-35 to G4-38	Governance structure and the Committees	<input checked="" type="checkbox"/>	42-50
G4-39	Chair of the highest governance body	<input checked="" type="checkbox"/>	50
G4-40	Nomination and Selection of the Highest Governance Body	<input checked="" type="checkbox"/>	50-51

Indicator	Disclosure Requirements	Level of Reporting	Page No.
G4-41	Ensuring conflicts of interest are avoided and Managed	<input checked="" type="checkbox"/>	51
G4-42	Role of the highest governance body	<input checked="" type="checkbox"/>	51
G4-43 to G4-46	Highest Governance Body's Role in Reviewing Risk Management	<input checked="" type="checkbox"/>	52
G4-47	Frequency of the Highest Governance body's Review	<input checked="" type="checkbox"/>	52
G4-48	Highest Committee or Position Approving Sustainability Report & Material Aspects	<input checked="" type="checkbox"/>	52
G4-49	Process for Communicating critical concerns to the highest Governance Body	<input checked="" type="checkbox"/>	53
G4-50	Critical concerns communicated to the highest governance body & the mechanism(s) used to address and resolve	No such critical concern is recorded in this year	53
G4-51	Remuneration policies for the highest governance body and senior executives	<input checked="" type="checkbox"/>	53
G4-52	Process for determining remuneration	<input checked="" type="checkbox"/>	54
G4-53	Stakeholders' Views on remuneration policies and proposals	x	54
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country	x	54
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country	x	54
ETHICS AND INTEGRITY			
G4-56	Organization's codes of conduct and Codes of Ethics	<input checked="" type="checkbox"/>	56-57
G4-57	Internal and external Communication Mechanisms (Helplines or advice lines)	<input checked="" type="checkbox"/>	57-59
G4-58	Internal and external mechanisms for reporting concerns on whistleblowing mechanisms or hotlines	<input checked="" type="checkbox"/>	59
SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ECONOMIC			
Aspect: Economic Performance			
G4-EC1	Economic Value Addition	<input checked="" type="checkbox"/>	62
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<input type="checkbox"/>	63
G4-EC3	Coverage of the organization's benefit plans	<input checked="" type="checkbox"/>	63
G4-EC4	Financial Assistance from Government	x	63
Aspect: Market Presence			
G4-EC5	Standard entry level wage by gender compared to local minimum wage at significant locations of operation	MTB's wages do not vary by gender or Location of operation	64
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	MTB offers equal opportunity to all employees irrespective of location of operation	64
Aspect: Indirect Economic Impacts			
G4-EC7	Development and Impact of Infrastructure Investments and Services Supported	<input checked="" type="checkbox"/>	64-66



Indicator	Disclosure Requirements	Level of Reporting	Page No.
G4-EC8	Significant indirect economic impacts Green Financing through MTB Green Energy	☑	67
Aspect: Procurement Practices			
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	MTB's spending do not vary subject to suppliers' locality	67
Category: ENVIRONMENT			
Aspect: Materials			
G4-EN1	Materials used by weight or volume	☑	70, 71-72
G4-EN2	Percentage of materials used that are recycled input materials	☑	70
Aspect: Energy			
G4-EN3	Energy Consumption within the Organization	☑	70
G4-EN4	Energy Consumption outside of the organization	☑	70
G4-EN5	Energy Intensity	☑	71
G4-EN6	Reduction of Energy Consumption	☑	71-72
G4-EN7	Reductions in Energy Requirements of Products and Services	☑	72-74
Aspect: Water			
G4-EN8	Total water withdrawal by source	×	75
G4-EN9	Water sources significantly affected by withdrawal of water	×	75
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	×	75
G4-EN12	Description of significant impacts of activities, products and services on biodiversity	×	75
G4-EN13	Habitats protected or restored	×	75
G4-EN14	IUCN red list species and national conservation list species with habitats in areas affected by operations	×	75
Aspect: Emissions			
G4-EN15	Direct Greenhouse Gas (GHG) Emissions (scope 1)	☑	76
G4-EN16	Indirect Greenhouse Gas (GHG) Emissions (scope 2)	×	76
G4-EN17	Other Indirect Greenhouse Gas (GHG) Emissions (scope 3)	×	76
G4-EN18	Greenhouse Gas (GHG) Emissions Intensity	☑	76
G4-EN19	Reduction of Greenhouse Gas (GHG) emissions	☑	77
G4-EN20	Emissions of ozone-depleting substances (ODS)	×	77
G4-EN21	NOX, SOX and other significant air emissions	×	77
Aspect: Effluents and Waste			
G4-EN22	Total water discharge by quality and destination	×	78
G4-EN23	Total weight of waste by type and disposal method	×	78
G4-EN24	Total number and volume of significant spills	×	78
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² annex i, ii, iii, and viii, and percentage of transported waste shipped internationally	×	78
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	×	78

Indicator	Disclosure Requirements	Level of Reporting	Page No.
Aspect: Products and Services			
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	×	78
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	<input type="checkbox"/>	78
Aspect: Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	×	78
Aspect: Transport			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	<input type="checkbox"/>	78
Aspect: Overall			
G4-EN31	Total environmental protection expenditures and investments by type	<input checked="" type="checkbox"/>	79
Aspect: Supplier Environmental Assessment			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	<input type="checkbox"/>	79
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	<input type="checkbox"/>	79
Aspect: Product responsibility disclosures for the financial services sector			
G4-FS1 to G4-FS5	Policies with specific environmental and social components	<input checked="" type="checkbox"/>	51, 79
G4-FS6	Portfolio for Business Lines by Specific Region, Size and Sector	<input checked="" type="checkbox"/>	79-80
G4-FS7	Products and Services delivering social benefits broken down by purpose	<input checked="" type="checkbox"/>	80-81
G4-FS8	Products and Services delivering social benefits broken down by purpose	<input checked="" type="checkbox"/>	82
G4-FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	<input checked="" type="checkbox"/>	83
G4-FS10	Companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	×	83
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	×	83
Category: SOCIAL			
Aspect: Employment			
G4-LA1	Demography of total Employees hiring and turnover	<input checked="" type="checkbox"/>	87-88
G4-LA2	Benefits exclusively provided to full-time employees by locations	<input checked="" type="checkbox"/>	88-89
G4-LA3	Retention rates after parental leave by gender	<input checked="" type="checkbox"/>	89
Aspect: Labor/Management Relations			
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	<input checked="" type="checkbox"/>	90



Indicator	Disclosure Requirements	Level of Reporting	Page No.
G4-LA5	Joint management-worker health and safety committees and occupational health and safety programs	☑	90-91
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days and absenteeism and total number of work-related fatalities, by region and by gender	×	91
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	×	91
G4-LA8	Health and safety topics covered in formal agreements with trade unions	×	91
Aspect: Training and Education			
G4-LA9	Average hours of training per year per employee by gender and by employee category	☑	92
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	☑	92
G4-LA11	Performance and career development reviews by gender and by employee category	☑	93
G4-LA12	Composition of governance bodies and employees by demographics, diversity & category	☑	93
Aspect: Equal Remuneration for Women and Men			
G4-LA13	Ratio of basic salary and remuneration of women to men	MTB is an equal opportunity employer. MTB does not discriminate based on gender, religion or job location	93
Category: HUMAN RIGHTS			
Aspect: Investment			
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	×	96
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	×	96
Aspect: Non-discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken	No such discriminatory event occurred in this year	96
Aspect: Freedom of Association and Collective Bargaining			
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk and measures taken to support these rights	We do not have Collective Bargaining Association (CBA) as per the norms of the banking industry	97
Aspect: Child Labor			
G4-HR5	Incidents of child labor	MTB does not allow child labor	97
Aspect: Forced or Compulsory Labor			
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of all forms of forced or compulsory labor	MTB as a bank does not have forced or compulsory labor	97

Indicator	Disclosure Requirements	Level of Reporting	Page No.
Aspect: Security Practices			
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	×	97
Category: SOCIETY			
Aspect: Local Communities			
G4-SO1	Local community engagement, impact assessments and development programs	<input checked="" type="checkbox"/>	99-102
G4-SO2	Significant actual and potential negative impacts on local communities	MTB does not approve any action that may have negative impacts on local communities	102
Aspect: Anti-corruption			
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	<input type="checkbox"/>	103
G4-SO4	Communication and training on anti-corruption policies and procedures	<input checked="" type="checkbox"/>	103-106
G4-SO5	Confirmed incidents of corruption and actions taken	No such incidence occurred in during the reporting year	107
Aspect: Public Policy			
G4-SO6	Total value of political contributions by country and recipient/beneficiary	<input type="checkbox"/>	107
Aspect: Anti-competitive Behavior			
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	<input type="checkbox"/>	107
Aspect: Compliance			
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Nil	107
Aspect: Supplier Assessment for Impacts on Society			
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	<input type="checkbox"/>	107
G4-S10	Significant actual and potential negative impacts on society in the supply chain and actions taken	<input type="checkbox"/>	107
Aspect: Grievance Mechanisms for Impacts on Society			
G4-S11	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms	<input type="checkbox"/>	107
Category: PRODUCT RESPONSIBILITY			
Aspect : Customer Health and Safety			
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	<input type="checkbox"/>	109



Indicator	Disclosure Requirements	Level of Reporting	Page No.
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle by type of outcomes	No such incidence of non-compliance occurred during the reporting year	109
Aspect: Product and Service Labeling			
G4-PR3	Product and service information required by the organization's procedures	<input checked="" type="checkbox"/>	109
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	No such incidence occurred during the reporting year 2016	109
G4-PR5	Results of surveys measuring customer satisfaction	<input type="checkbox"/>	109
Aspect: Marketing Communications			
G4-PR6	Sale of banned or disputed products	MTB does not sell banned products and services	110
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing, communications, including advertising, promotion and sponsorship by type of outcomes	Nil	110
Aspect: Customer Privacy			
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	MTB has never had any incident of breaches of customer privacy or any loss of customer data	110
Aspect: Compliance			
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Nil	110





sustain { people
planet
profit





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