

MTB SUSTAINABILITY

REPORT 2018



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

5th SUSTAINABILITY REPORT



THE WAY FORWARD

MTB Sustainability Report **2018**

Supervision

MTB Sustainable Finance Unit

Concept & Layout

MTB Group Communications

Production

Security & Printing Stationery Department
MTB Infrastructure Division



**MUTUAL TRUST BANK LTD. (MTB)
IS PRESENTING ITS**

5th SUSTAINABILITY REPORT

for the period from
JANUARY 2018 TO DECEMBER 2018

This report has been prepared in accordance with the
Global Reporting Initiative (GRI) Standards: Core option

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Economic

Economic Performance
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PREFACE

Mutual Trust Bank Ltd. (MTB) is presenting its **5th Sustainability Report** for the period from January 2018 to December 2018.

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 Standards: Core Option**

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.

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:

Postal address:

Mutual Trust Bank Limited
Corporate Head Office
26 Gulshan Avenue
Plot 5, Block SE(D), Gulshan 1
Dhaka 1212, Bangladesh

Web:

<http://www.mutualtrustbank.com/sustainability>

e-mail:

sustainability@mutualtrustbank.com

ACRONYM

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
ESDD	Environmental Risk Due Diligence
EFT	Electronic Fund Transfer
EIB	European Investment Bank

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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	Magnet 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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01

MESSAGE FROM THE CEO



October 15, 2019

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

Dear **Mr. Secretary-General**,

LETTER OF COMMITMENT

Please accept the 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 Report for the year 2018.

Thank you.

Yours sincerely,



ANIS A. KHAN
MANAGING DIRECTOR & CEO

anis@mutualtrustbank.com
Phone: +88 02 988 4922
Fax: +88 02 988 4921

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KEY IMPACTS



- MTB earned Operating Profit of BDT 4.88 billion in 2018 which was 24% higher than that of 2017
- TheAsianDevelopmentBankhasextendedTradeFinanceProgram(TFP)facilitytoMTBforUS\$39million
- The launch of UnionPay payment solutions was the most significant event of the year for Card Division. The bank also added a number of new features to cards, such as contactless credit cards with Mastercard, loyalty program for credit cardholders 'MRewardz', loan against credit card 'Fast Loan' and purchase program in installment 'MIPP', all of which contributed significantly to boost the business growth in 2018.
- Net Profit After Tax (NPAT) of MTB stood at BDT 1,734 million in 2018
- MTB's loans and advances increased to BDT 166,145 million in 2018 including Offshore Banking Unit (OBU) and margin loans, and this is 14% higher than that of 2017
- Return on average shareholder equity went up to 12.81% from the previous year
- Net Asset Value (NAV) per share of MTB increased to BDT 23.16 in 2018
- BDT 84.29 million provided for corporate social responsibility (CSR) events and activities in 2018
- 50 new MABC opened during 2018, making the total number of MABC to reach 10

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ABOUT THIS REPORT

MTB SUSTAINABILITY REPORT
THE PURPOSE AND SCOPE
STAKEHOLDER ENGAGEMENT AND MATERIALITY
MATERIAL ASPECTS AND IMPACTS BOUNDARIES
REPORT PROFILE



MTB SUSTAINABILITY REPORT

As part of our sustainability strategy, we are committed to issuing an annual sustainability report that follows the Global Reporting Initiative's (GRI) guidelines.

This is our fifth sustainability report. This report has been prepared in accordance with the GRI Standards: Core option.

This report provides information on our social, environmental and governance achievements and commitments until December 31, 2018, and covers data and activities from Mutual Trust Bank's operations.

This report highlights progress on the Bank's main material topics, which we selected based on our operations, strategy, community needs and sector specifications. A comprehensive overview of our impact and engagement across economic, social and environmental sectors is covered in the different chapters of this report, with a special emphasis on the role of stakeholders in our sustainability management program.

THE PURPOSE AND SCOPE

This report addresses the economic, environmental and social impacts resulting from Mutual Trust Bank's activities in the financial year 2018. 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 fifth 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.

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 the title of Nature of Ownership and Legal Form.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Our sustainability reporting approach is to identify material aspects that are important to our stakeholders and our business operation, realign the aspects with our business strategy and prepare ourselves for future challenges while achieving sustainable growth with our stakeholders.

In order to identify the most significant aspects for our bank to report on, key stakeholders have been involved in engagement sessions to discuss and to review areas of attention which would prepare us for future challenges and help to meet our potential growth.

MATERIALITY ISSUES

“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 groups of stakeholders. In the process, we obtained information from the stakeholders to learn what issues matter most to the business of MTB and how much concerned they are about that particular issue.

ENGAGING OUR STAKEHOLDERS

At MTB, we engage our stakeholders regularly and respond to their priorities and expectations by creating a two-way channel for communicating stakeholder needs and the Bank’s impact.

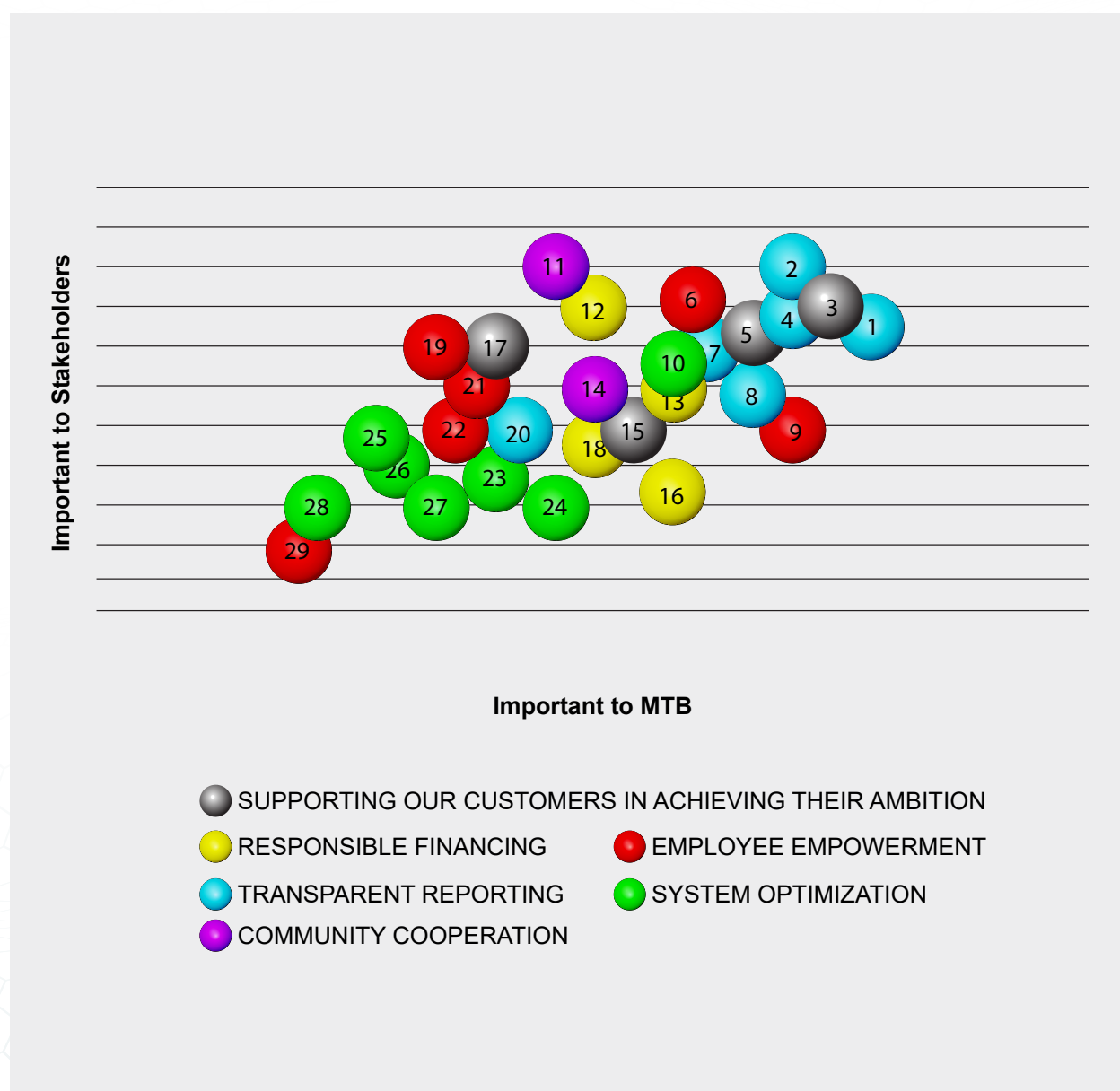
MTB is committed to engaging regularly with its stakeholders as a way to understand their needs and ambitions that are core to its sustainability objectives. To better understand our stakeholders’ needs, we regularly map their needs with the support of our Sustainable Finance Team to capture our methods of engagement, identify priority issues for both the Bank and the stakeholders, and track the Bank’s response to these issues. The results guide the Bank’s efforts in fulfilling stakeholders’ needs through the strategic objectives and initiatives we implement.



FOCUSING ON WHAT MATTERS

We focus our efforts on topics that are important to our stakeholders and strategically significant to our business. Prioritizing the sustainability topics enriches our understanding of our stakeholders' needs and focuses our strategic approach.

Material issues are those that reflect our organization's most significant environmental, social and governance impacts, or those that influence the assessments and decisions of our internal and external stakeholders. To understand the current and emerging issues that matter most to our stakeholders and that will have the most material impact of our business, we conduct regular comprehensive assessment of the Bank's material issues. Same as previous years, we have analyzed all the relevant material issues and examined them with our sustainability team. As a result of our materiality process, we have revised our materiality issues and identified 29 material sustainability issues; presented in our Materiality Matrix below.



MATERIAL SUSTAINABILITY ISSUES

1. Legal and Regulatory Compliance
2. Governance and Accountability
3. Information Security and Data Privacy
4. Transparent Disclosure of Performance
5. Customer Experience and Satisfaction
6. Training and Development
7. Anti-corruption Processes
8. Responsible and Ethical Behavior
9. Communicate Transparently with Customers
10. Competitive Benefits
11. Process Digitization
12. Supporting Local Communities
13. Financial Inclusion
14. Engaging with our Community Based Organizations
15. Accessibility to Products and Services
16. ESG Topics in Portfolio
17. Communicate Transparently with Customers
18. Offering Sustainable Products and Services
19. Diversity and Equal Opportunity
20. Risk Behavior and Culture
21. Employees Wellbeing
22. Employees Engagement
23. GHG Emissions
24. Water Usage
25. Energy Usage
26. Material Consumption
27. Managing impacts of our Supply Chain
28. Waste and Effluent Management
29. Health and Safety of Employees

MATERIAL ASPECTS AND IMPACTS BOUNDARIES

Material Aspects			Impact Location			
			Inside		Outside	
Economic						
Economic performance			√			
Social						
Employment			√			
Training and education			√			
Diversity and equal opportunity			√			
Non-discrimination			√			
Marketing and labelling			√		√	
Customer privacy			√		√	
Socioeconomic compliance			√		√	
Business-specific Topics						
Product responsibility			√		√	
Code of ethics			√		√	
Transparency			√		√	

REPORT PROFILE

Reporting Period	January 1, 2018 to December 31, 2018
Date of the most recent previous report	Sustainability Report 2017 Date: November 20, 2018
Reporting Cycle	Reporting Cycle: Annual
Contact point regarding the report	We welcome any feedback on this sustainability report. For further information and comments, please contact Sustainability Reporting Team of the Bank through following address: e-mail: sustainability@mutualtrustbank.com
Disclosure	GRI Standards: Core Option
External Assurance	External assurance is under consideration by management
Endorser logo ("We Support the Global Compact")	 Approval received on February 23, 2016

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COMPANY PROFILE



ORGANIZATIONAL PROFILE
BRANDS, PRODUCTS, AND SERVICES
OVERVIEW OF MTB DIVISIONS
FINANCIAL PERFORMANCES

ORGANIZATIONAL PROFILE



The progress of Mutual Trust Bank Limited (MTB) in the last two decades is manifested through its reputation earned as a well-governed financial institution, and which is well supported by its compliance status, formulation of timely strategies and customer-centric culture. The bank has maintained and even stretched the legacy built by its founders since inception. And, after 19 years of journey, the results are more evident than ever: a bank with a clean image, excellent reputation, robust structure and a competent and committed management team. MTB is now all set to focus more on the growth trajectory, with an unyielding attitude towards upholding the principles upon which the organization has been built.

In 2019 and beyond, MTB aims at setting a shining example in each and every sphere of its customer service offerings required for it to become the brightest star in the night sky like the Sirius. Sirius, which means “glowing” in Greek, has a high luminosity, or intrinsic brightness. It is twenty-five times more luminous than the sun. In the exciting times ahead, with its resilient fundamental structure, MTB shall shine from its core through the luminosity achieved from transparent banking activities and launch of a new state-of-the-art Core Banking Solution (CBS). Sirius is gradually moving closer to the Solar System. Likewise, MTB shall move closer to its clientele, through its various never-done before initiatives like recycler ATMs, QR Code payments, and through contactless credit cards in the near future. Thus, MTB with all the resources in its arsenal, is committed to shine in the times ahead.



Name of the Organization

Registered name of the company: Mutual Trust Bank Limited

Location of the Organization's Headquarters

Registered Office

MTB Centre, 26 Gulshan Avenue, Gulshan 1

Dhaka 1212, Bangladesh

GLOBAL PRESENCE

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 maintains strong correspondent relationships with different renowned banks of the world. Currently, our SWIFT Relationship Management Application (RMA) network has 602 renowned banks, of which 54 are local and 548 are foreign. MTB has also maintained 38 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 30 exchange houses for channeling inward foreign remittance.

In 2018, MTB received remittance of USD 570.95 million through 28 exchange houses and correspondent banks around the world.

Partner Exchange Houses:

COUNTRY	Number of Remittance Partners
UAE	12
USA	01
UK	03
KUWAIT	03
QATAR	04
MALAYSIA	02
SINGAPORE	01
RUSSIA	01
ITALY	01
OTHERS	02
Grand Total	30

NATURE OF OWNERSHIP AND LEGAL FORM

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 billion divided into 01 billion 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 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.

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

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.



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BRANDS, PRODUCTS, AND SERVICES

MTB PRODUCTS AND SERVICE

PRODUCTS

SME BANKING

1. MTB Bhagyobati
2. MTB Krishi
3. MTB Mousumi
4. MTB Revolving Loan
5. MTB Small Business Loan
6. MTB Digoon
7. MTB Green Energy Loan
8. MTB Probaho
9. MTB Buniad
10. MTB Gunabati
11. MTB Krishijat
12. MTB Light Engineering
13. MTB IT Genius
14. MTB Microfinance
15. MTB Youth Line

RETAIL BANKING

LOAN PRODUCTS

1. MTB Personal Loan
2. MTB Auto Loan
3. MTB Home Loan
4. MTB Home Equity Loan
5. MTB Progressive Equity Build-up Home Loan
6. MTB Professional's Loan
7. MTB Neer
8. MTB NRB Home Loan
9. MTB EDU Finance
10. MTB Cash-line

DEPOSIT PRODUCTS

1. Current Account
2. MTB Regular Savings
3. MTB Privilege Savings
4. MTB Senior
5. MTB Inspire
6. MTB Junior
7. MTB Graduate
8. MTB Ruby
9. MTB Care
10. MTB Sanchay
11. MTB Ankur
12. Fixed Deposit
13. Special Notice Deposit
14. MTB Brick by Brick

15. MTB Double Saver
16. MTB Millionaire Plan
17. MTB Education Plan
18. MTB Monthly Benefit Plan
19. MTB Children Education Deposit Scheme
20. MTB Kotipati
21. MTB Gift Cheque

WHOLESALE BANKING

TERM FINANCE

1. Project Finance
2. Finance for Importing Capital Machinery
3. Lease Finance
4. House Building Finance
5. Term Loan to NBFI
6. Term Lending

WORKING CAPITAL FINANCE

1. Secured Over Draft (SOD)
2. Cash Credit (Hypo)
3. Cash against Document
4. Short Term Loan
5. Loan General
6. Time Loan

OFF-SHORE BANKING UNIT (OBU)

1. Term Finance
2. Working Capital Finance
3. Trade Finance (Local Bill Discounting, Foreign Bill Discounting, UPAS)

TRADE FINANCE

EXPORT FINANCE

1. Back to Back L/C
2. Export Bill Discounting (FDBP and IDBP)
3. Secured Over Draft (SOD-general/export bill)
4. Packing Credit

IMPORT FINANCE

1. Loan against Trust Receipt (LTR)
2. EDF Loan

NON-FUNDED TRADE FINANCE

1. L/C Opening (Sight / Deferred / UPAS)
2. L/C Advising
3. L/C Transfer
4. Bank Guarantee
5. Shipping Guarantee

GUARANTEE

Bank Guarantee [Bid Bond, Performance Guarantee, Advance Payment Guarantee, etc.

SYNDICATIONS & STRUCTURED FINANCE

1. Financing to Power
2. Telecom
3. Hotels
4. Aircraft
5. Steel
6. Cement
7. Glass
8. Petrochemical
9. Agro-based Project
10. Micro Financing, etc.

NRB BANKING

1. NRB Savings
2. NRB DPS
3. NRB FD
4. NRB Home Loan
5. Non Resident Investor's Taka Account (NITA)

MTB CARD PRODUCTS

1. MTB DEBIT CARDS

- a. Visa Debit Cards
 - I. MTB Visa Classic
 - II. MTB Visa Platinum
 - III. MTB Visa Signature

- b. Mastercard Debit Cards

- I. MTB Mastercard Gold
- II. MTB Mastercard Titanium
- III. MTB Mastercard World

2. MTB CREDIT CARDS

- a. Visa Credit Cards
 - I. MTB Visa Classic
 - II. MTB Visa Gold Local
 - III. MTB Visa Dual Gold
 - IV. MTB Visa Platinum
 - V. MTB Visa Signature

- II. MTB Mastercard Classic
- II. MTB Mastercard Gold
- III. MTB Mastercard Titanium
- IV. MTB Mastercard World

- b. Mastercard Credit Cards

- I. MTB Mastercard Classic
- II. MTB Mastercard Gold
- III. MTB Mastercard Titanium
- IV. MTB Mastercard World

3. MTB PREPAID CARD

- I. MTB International Travel Card

4. MTB CO-BRANDED CARDS

- I. MTB and Bangla link Easy Payment Local Prepaid Card
- II. MTB and Sonali Life Insurance Limited Debit Card
- III. MTB and e-commerce Association of Bangladesh Dual Currency Prepaid Card
- IV. MTB and Cadet College Club Limited Visa Signature/Master card World Credit Card
- V. MTB and Chittagong Club Limited Master card World Credit Card

SERVICES

STUDENT FILE SERVICES

(One stop banking solutions for the students going abroad for higher education)

1. Gulshan Center
2. Panthapath Center
3. Principal Branch Center

CASH MANAGEMENT UNIT

1. MTB Nationwide Collection Services
2. MTB Web Based Banking Services
3. MTB Payments Solutions (Clearing Service, BACH, BEFTN)
4. MTB Capital Market Services (IPO LBTI, BTI, Rights Issue)
5. MTB High Value Account Services
6. Motor Vehicle Fee Collection Solution
7. MTB Tuition Fees Collection Service

NRB SERVICES

1. Disbursement of inward foreign remittance received through globally reputed money transfer companies and MTB's fully-owned subsidiary, MTB Exchange (UK) Ltd.
2. Banking Service to NRBs through MTB representatives around the globe.
3. Foreign currency exchange facility to passengers travelling to or from abroad through MTB Foreign Currency Exchange Booths at Hazrat Shahjalal International Airport, Dhaka

AGENT BANKING

1. Account Opening (Savings, Current, DPS, Term Deposit, SME/Retail/Agriculture Loan)
2. Cash Deposit
3. Cash Withdrawal
4. Fund Transfer to any MTB Account
5. Electronic Fund Transfer through BEFTN
6. Electronic Fund Transfer through RTGS
7. Inward Foreign Remittance Cash Payout
8. Inward Foreign Remittance in Account
9. Utility Bill Collection
10. Receiving Clearing Cheque
11. Smart Card (NID) Fee Collection
12. SME Loan File Initiation
13. Agriculture Loan File Initiation
14. Retail Loan File Initiation
15. Debit/Credit Card Request Processing
16. Mobile Recharge
17. Insurance Premium Collection
18. School Banking Solution (Student Account, Fee Collection & Payroll for Teachers)
19. Social Safety-net Cash Disbursement
20. Balance Inquiry
21. Account Statement

MTB CARD SERVICES

1. Card status checking facility
2. Endorsement facility
3. Foreign part enabling and disabling facility
4. E-commerce enabling facility

MTB ALTERNATE DELIVERY CHANNEL (ADC)

1. Internet Banking
2. SMS Banking
3. MTB Smart Banking Kiosk
4. Point of Sale (POS)
5. MTB 24/7 ATM
6. Missed Call Recharge

MTB AIR LOUNGE

1. Hazrat Shahjalal International Airport, Dhaka
2. Shah Amanat International Airport, Chattogram
3. Osmani International Airport, Sylhet

MTB CONTACTS

Contact Centre: 24 hours at
16219 or 09604016219

E-mail:
customer.service@mutualtrustbank.com

Walk In:
**MTB Cards Centre, MTB Tower (4th Floor)
111, Kazi Nazrul Islam Avenue, Dhaka**

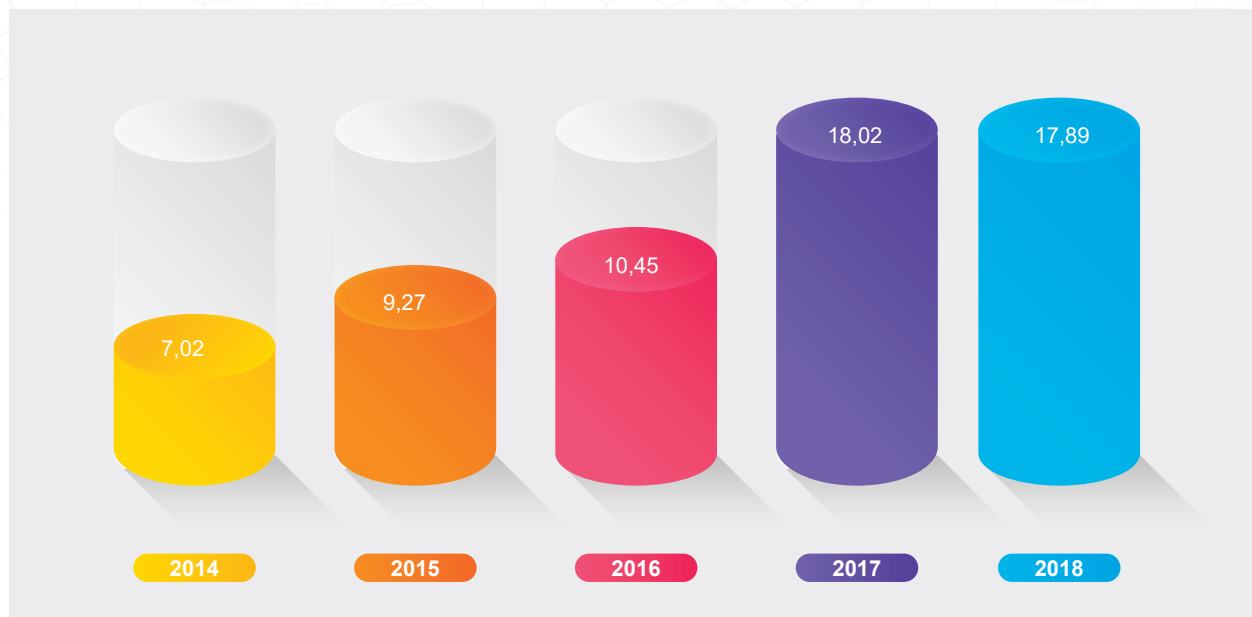


OVERVIEW OF MTB DIVISIONS

SME BANKING DIVISION

Rising Growth

in BDT Million



MTB SME Portfolio

MTB SME business has been consistent in maintaining and nurturing its high growth portfolio. However, the division is not concerned about only the business growth, but growth of quality asset is another major concern of this division so that the brand value of MTB SME is strengthened in SME financing of Bangladesh. Therefore, though the SME portfolio decreased slightly in 2018, the bank managed to keep its exceptional name in the industry through agriculture funding, green financing, financing to women, etc.

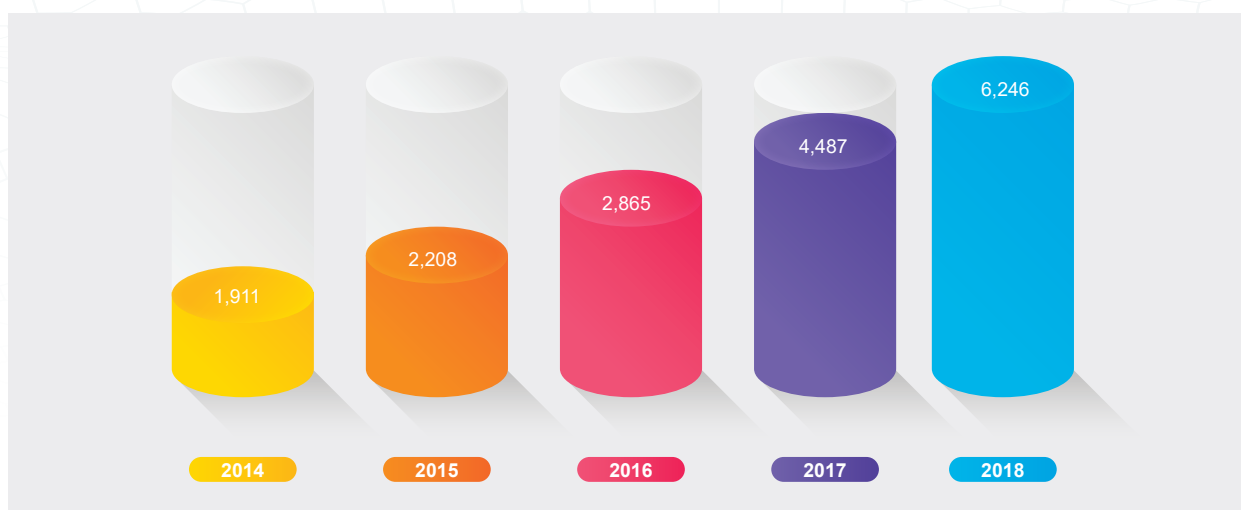
MTB SME Banking Strategic Goal Drivers



MTB RETAIL BANKING DIVISION

Rising Growth

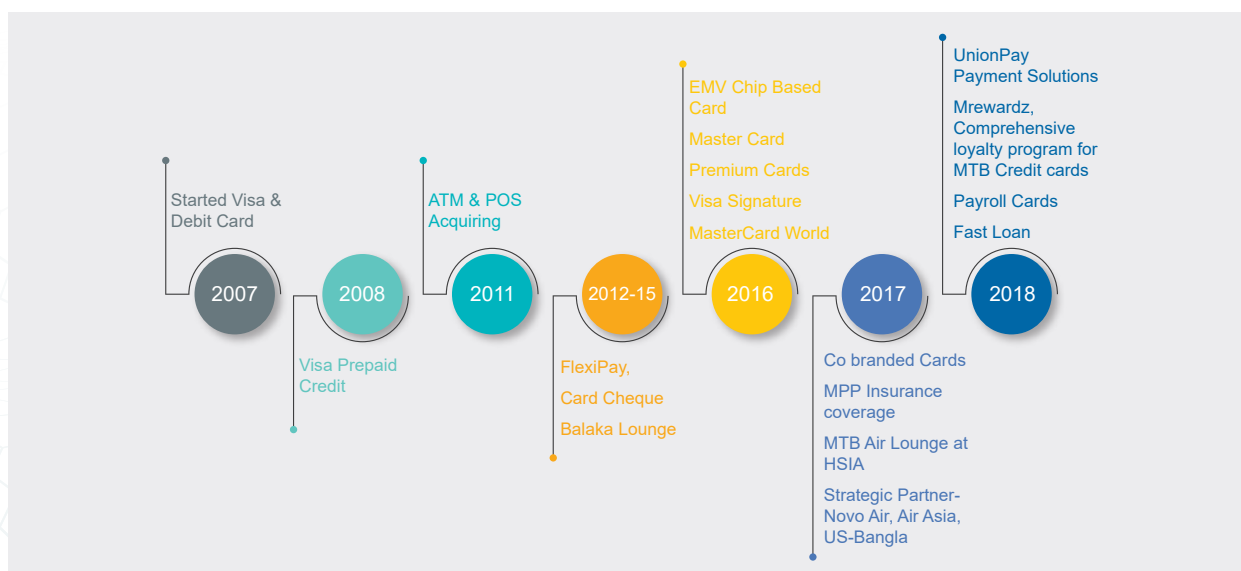
in BDT Million



MTB Retail Lending Yearly Growth

MTB Retail banking offers a range of thoughtful financial services to the community so that the customers choose our banking channels for making transactions. MTB's retail products are designed to fulfill the desires of its customers and to meet the latent demand of our valued clients. MTB's tailored products for the retail customers include deposit products, loan products, student banking, locker services, etc. MTB is expanding its reach of services through various channels such as branches, ATMs, agent banking, privilege banking, payroll banking, student banking, etc. The bank, with the help of technology, makes its products and services conveniently available to its customers. Internet banking and SMS banking are targeted to cater to MTB's valued customers so that they can avail its services from anyplace, anytime. The bank has also 268 ATMs across the country. MTB tries to reach rural customers through its innovative agent banking model.

MTB CARD DIVISION



2018 has been one of the most eventful years of MTB Card Division. With the slogan of 'WORKING TOWARDS A CASHLESS SOCIETY', MTB now has become one of the major players in the card business of Bangladesh. The launch of UnionPay payment solutions was the most significant event of the year. The bank also added a number of new features to cards, such as contactless credit cards with MasterCard, loyalty program for credit cardholders 'MRewardz', loan against credit card 'Fast Loan' and purchase program in installment 'MIPP', all of which contributed significantly to boost the business growth in 2018.



Picture: MTB wins honorable mention under the category of best innovation-financial sector at Bangladesh innovation award 2018.

MTB AIR LOUNGE

MTB opened its first air lounge at the Hazrat Shahjalal International Airport in September 2017. Later the bank established its second air lounge at Shah Amanat International Airport in November, 2018. The third Air Lounge at Osmani International Airport, Sylhet opened on April 25, 2019. Air Lounge at Saidpur Domestic Airport will be opened within 2019.

The establishment of MTB Air Lounges at two departure terminals has enabled the bank to extend the banking reach while ensuring greater comfort and convenience for MTB customers when travelling through the airport. The bank's privilege customers and MTB premium credit card holders can access and relax in the lounges as per policy. Air Lounge Officers are always there to greet and provide exclusive services to the guests. MTB credit card holders can have special facilities to enjoy banking services at the Air Lounges.

FEEL SPECIAL IN OUR PLACE

Now you can feel special. We offer priority services, only for you in our world class Air Lounge at Hazrat Shahjalal International Airport, Dhaka, Shah Amanat International Airport, Chattogram and Osmani International Airport, Sylhet.



MTB AIR LOUNGE
DHAKA



MTB AIR LOUNGE
SYLHET



MTB AIR LOUNGE
CHATTOGRAM

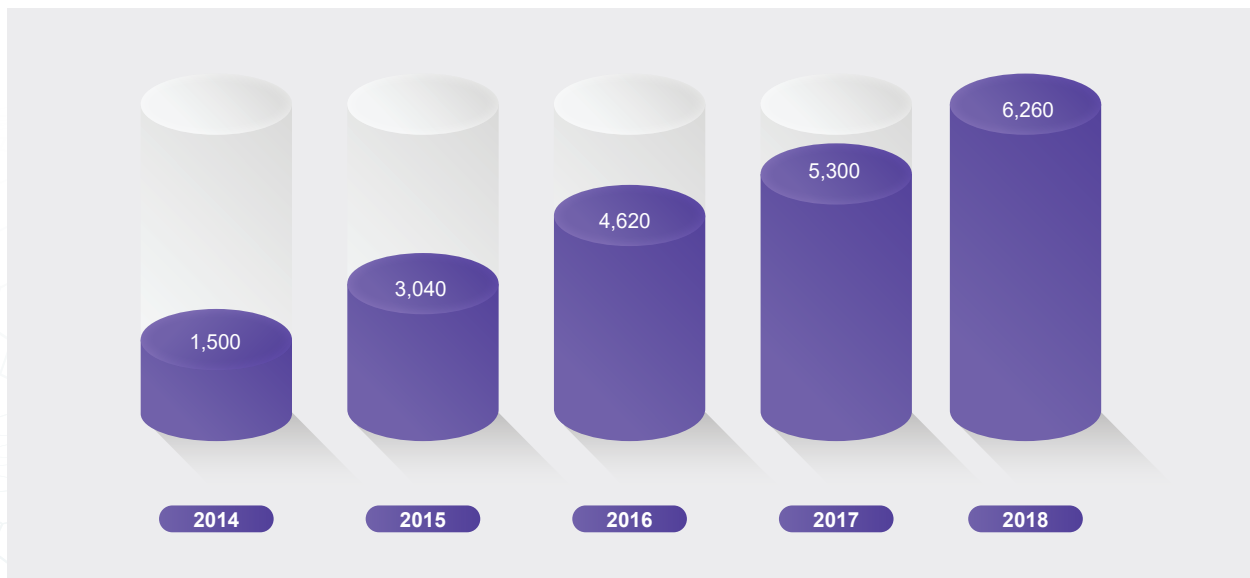


মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

MTB PRIVILEGE BANKING

Deposit

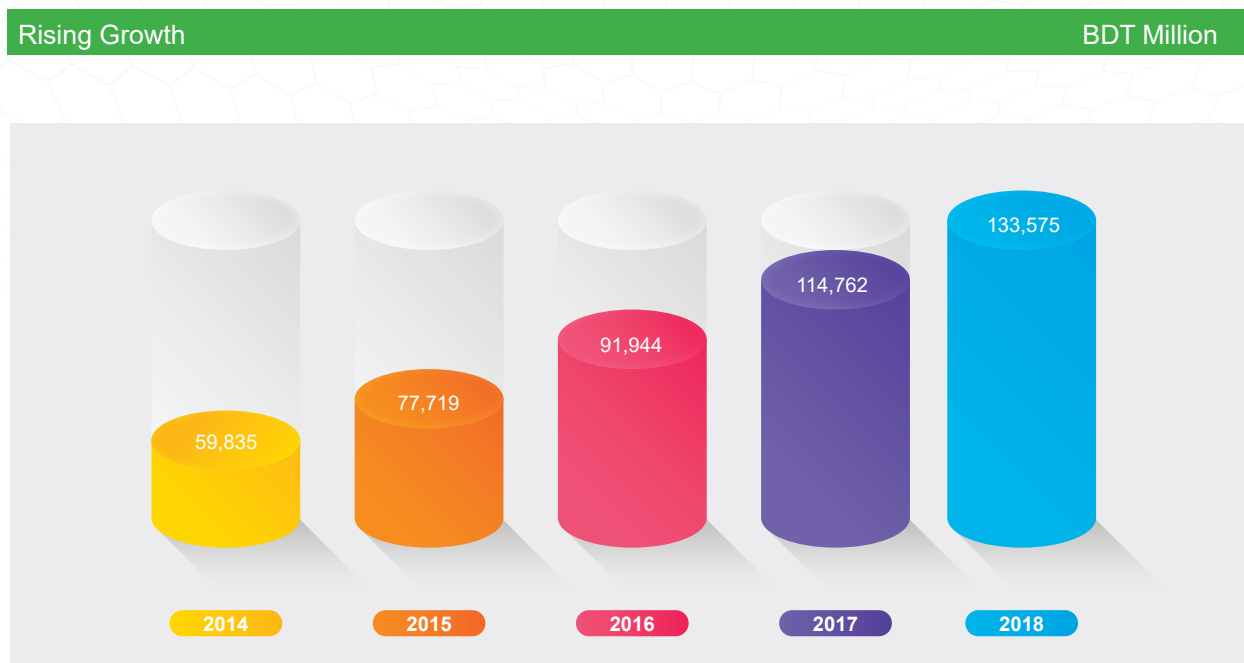
BDT Million



MTB Privilege Banking's Portfolio

MTB Privilege Banking Department with its unique target marketing strategy has been catering affluent clientele for MTB. Since 2014, after facing a lot of challenges and overcoming various hurdles, MTB Privilege Banking Department through MTB Privilege Centers has been trying its best to provide industry best premium services and win customers' satisfaction.

WHOLESALE BANKING



MTB's Wholesale Banking Division

Wholesale Banking Division (WBD) of MTB is considered as one of the core strengths of the bank as MTB continues to be a predominantly corporate banking focused institution. Throughout the year, WBD continued to cater to a diverse range of industries such as RMG, textile, manufacturing, FMCG, power, poultry, etc. to meet their banking service requirements in both domestic and international arena. The division also extends support to branches in evaluating both new and repeat customers. In 2018, WBD asset portfolio grew by almost 23%, which largely contributed to the overall asset growth of the bank. Trade growth of WBD in 2018 was 79% where export grew by 52% and import by 20%. The operating model of Wholesale Banking Division constitutes Corporate Business Unit, Cash Management Unit and Structure Finance Unit.

INTERNATIONAL TRADE

The country's economic growth, which has been stable for several years, is driven by wire transfers from emigrant workers and by revenue obtained from the exports clothes. Even though the country was little affected by the crisis, the IMF and the World Bank's predictions on the economic growth for the coming five years (around 6%), indicate that this is insufficient performance to get the country out of extreme poverty.

In December 2010, the government has signed an accord with the IMF, which should lead to a three-year program under the IMF's Extended Credit Facility. The general aim of the program is to accelerate growth

in order to reduce poverty and attain the level of a medium-income country within the next decade. Fiscal reform, promotion of public-private partnerships and a reinforcement of the financial system are its main priorities.

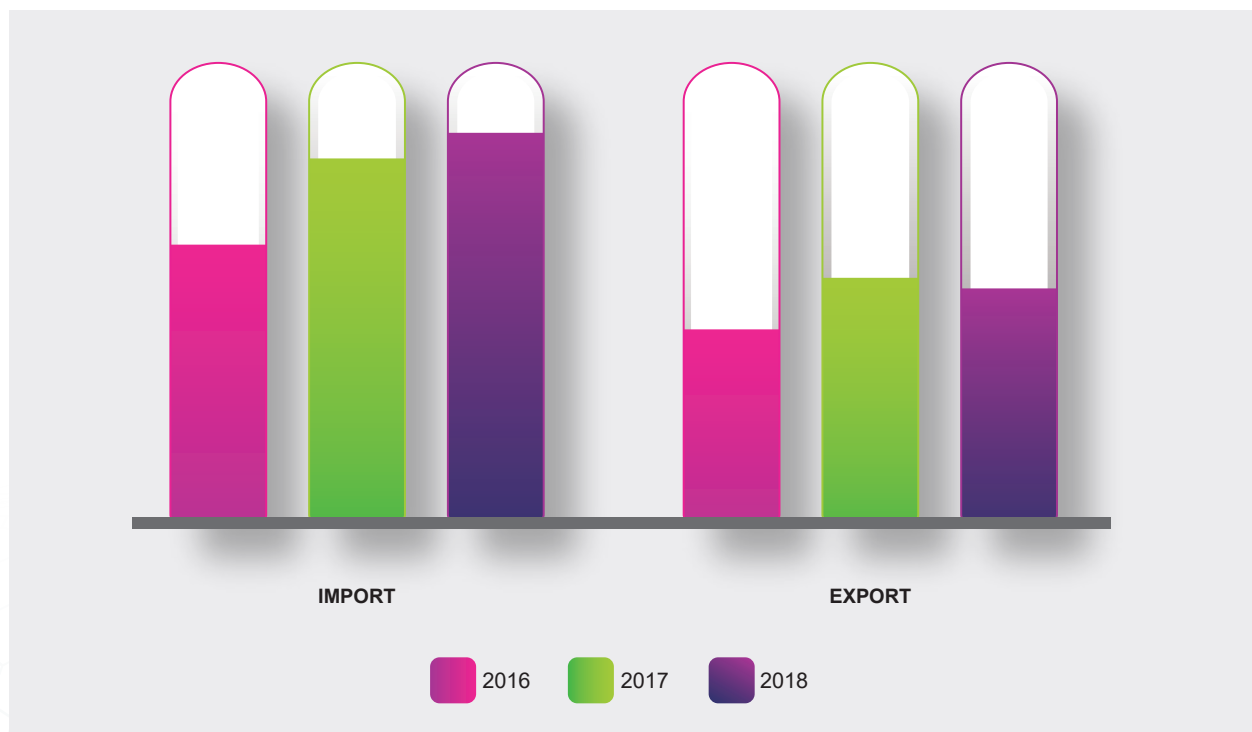
Bangladesh is open to foreign trade, which represents around 50% of the GDP. Customs duties in Bangladesh are relatively high, however, the country is implementing a series of measures including concessional tariffs, a customs duty recovery system and export processing zones, in order to reduce these barriers.

Financed by international aid and wire transfers from emigrants, traditionally, the country has shown a significant trade deficit. This trend should continue in the coming years.

The country's main trade export partners are the European Union, the United States and China. The main export products are clothes, unprocessed hessian and its derivative products, leather, fish and frozen seafood. Bangladesh mainly imports machinery and equipment products, medication, iron, steel, petroleum products, food and cement, from china, India, Kuwait, Singapore and Japan.

Business

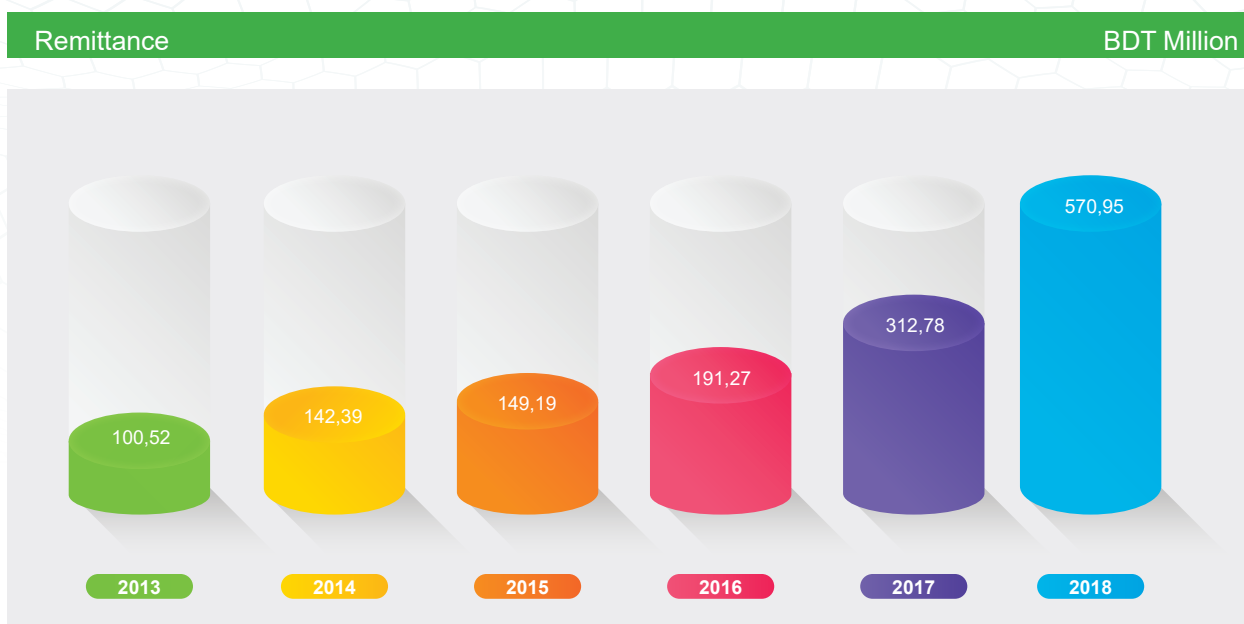
BDT Mill



MTB International Trade Business

MTB's import volume was USD 1,410.69 million in the year 2018, an increase of 9.48% from USD 1,288.53 million of the year 2017. The bank's import business facilitation consists of items like capital machinery, industrial raw materials, food grains, consumer goods, etc. MTB's export volume was USD 736.58 million in 2018. The bank's export business facilitation consists of items like ready-made garments, frozen foods, jute products, leather and leather products, etc.

NON-RESIDENT BANGLADESHI (NRB)



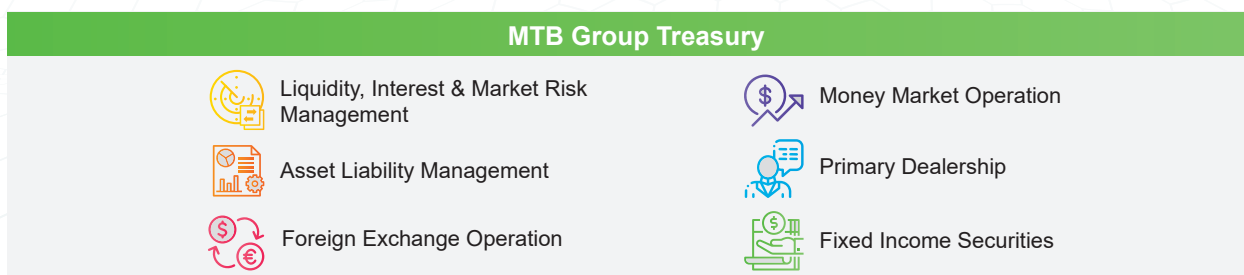
Non-Resident Bangladeshi (NRB)

Remittances received through various sources make positive impacts on the economy including increased savings, investment, consumption growth, and poverty reduction. Moreover, remittances are crucial in development financing, which focuses on the multiplier effects of enhanced consumption, development of the financial institutions that handle remittance payments, use of remittances as foreign exchange, and the role of remittances as an alternative to debt that helps alleviate individuals' credit constraints.

With a view to contributing to the national growth achievements through facilitating smooth remittance flow, we are serving Bangladeshi workers by opening accounts of them. Not only that, the bank has a special home loan product, MTB NRB Home Loan, for the nonresidents.

TREASURY OPERATION

With the ever increasing pace of changes in technology, regulation and compliance within the banking industry, treasury has become a strategically important business partner for all the business divisions/ wings across the bank. Treasury operation conducts various activities starting from optimizing liquidity as well as maintaining capital of a bank while administering the financial assets. In addition, treasury is also responsible for making sound financial investments with the available liquidity while reducing financial risks. To discharge its responsibilities, treasury performs a lot of functions including liquidity management, maintenance of CRR and SLR, investment in government securities, placement of fund in the inter-bank market, settlement of foreign exchange transactions, participation in primary auction, etc.



AGENT BANKING

Agent Banking is growing rapidly in Bangladesh as a mechanism for reaching underserved people and the concept has gained immense popularity due to its simplicity and cost-effectiveness. This is an approach to provide banking services by appointing an agent in areas where regular bank branches are usually not available. MTB started its agent banking segment from June 2016 by setting up its first MTB Agent Banking Centre (MABC) in Cumilla and its operations have grown rapidly. 50 new MABC opened during 2018, making the total number of MABC to reach 100. MABC is a blend of extensiveness and convenience in providing banking services to small scale financial service receivers. Agent banking service includes collection and processing of account opening forms, collection of small value cash deposits and withdrawal service of the same and receipt of clearing cheques. Agent banking centres not only collect deposits, they also make disbursements of foreign remittances and small value loans. Besides regular banking services, many other banking facilities are offered through agent banking, such as balance enquiry, collection of utility bills and school fees, payment of insurance premium, mobile recharge, beneficiary owner (BO) account opening, etc. As MTB attempts to offer a variety of financial services to its agent banking customers, the agent banking centres offer SME, agri and retail loan products as well.



SPECIAL ASSET MANAGEMENT

Striving harder for recovery/regularization of Special Assets i.e., Non-Performing Loans (NPL) A/Cs in order to have a sound and good portfolio, saving the bank from provisioning is the core function of SAMD.

Customer calling, following-up the promises/ commitments made by NPL clients while visiting their business premises/houses/factories/ eligible securities along with suits filed at different courts against those defaulted borrowers helping concerned branch officials are the important parts of ongoing pro-active and pragmatic measures for recovery/ regularization of NPL A/Cs

RISK MANAGEMENT

Risk and return are always inversely proportionate. Making perfect balance between these two aspects is a classical predicament to the successful growth of business. MTB focuses on transparency of contracts between the parties, accountability to the stakeholders and the proper mix of assets and liabilities to make sure that risk and reward are duly balanced.

MTB attaches the highest priority to establish, maintain and upgrade risk management infrastructure, systems and procedures. Adequate resources are allocated in this regard to improve skills and expertise of relevant employees to enhance their risk management capacity. The Credit Risk Management Guidelines, Environmental & Social Risk Management Policy and other policies and procedural guidelines are approved, and regularly reviewed by the Board of Directors of MTB to bring these up to the finest satisfaction level. The capacity to make forward-looking choices about risk in relation to reward, and to evaluate performances, lies at the heart of the management process of MTB.

INFORMATION TECHNOLOGY

Information Technology being the business enabler, focused mostly on the use of technology for the benefit of our customers, communities and our people, delivering what matters to create the best value over the year of 2018. The aim of our efforts was to reduce cost, increase profitability, improve internal efficiencies, use alternate delivery channels where appropriate and, ultimately, improve the internal and external customer service experience.

Through the year of 2018, we invested in our technology to create new ways for our customers to interact with us, generate efficiencies, and protect ourselves and stakeholders from risks of threats that are constantly changing at a global level. A number of standout features were delivered across our digital ecosystem through the financial year.



ALTERNATIVE DELIVERY CHANNEL

Alternate delivery channels are those channels that expand the reach of financial services beyond the traditional branches. MTB ADC have emerged as a result of innovations in information and communication technology and with the vision of the bank's top management to become a world class bank.

MTB Alternative Delivery Channel offers a broad range of options through which our valued customers can access the bank's financial services without visiting a branch. The channel of MTB ADC are: ATM, Smart banking Booth, Internet Banking & SMS Banking, Point of Sales, Mobile Apps etc.

MTB GROUP HUMAN RESOURCES

MTB GHR has a written company policy that confirms its commitment to respect and support Human Rights. Through rigorous due diligence, we pledge to avoid infringing the rights of others, and to take steps to avoid negative human rights impact resulting from our work. MTB GHR adheres to international human rights standards in its activities and relationships. This includes taking steps towards respect, protection and fulfilment for such rights as freedom of association and collective bargaining; the effective elimination of child labor and modern slavery; the elimination of all forms of racial and gender discrimination; and the realization of a workplace which positively empowers its employees and community of the broader world without discrimination on the basis of sexual orientation, physical ability, or mental illness.

Beyond these elementary commitments, MTB GHR intends to implement measures, which positively contribute to the realization of human rights, in particular through the creation of a diverse, inclusive and accessible workplace. MTB has its own "Anti-Harassment Policy" for the betterment of the workplace. MTB has had no reported incidents of labor rights violations.

MTB GHR actively continues to seek opportunities to develop the profile and of its female team members on the world stage and, where necessary, disrupt convention to achieve this goal. A recent example is that Mutual Trust Bank Limited (MTB) has recently been awarded the ADB Gender Champion Award as part of Asian Development Bank's Trade Finance Program (TFP) 2018.



MTB GERMAN DESK



Mutual Trust Bank Limited (MTB) and Deutsche Investitions-und Entwicklungsgesellschaft (DEG) have jointly launched “German Desk – Financial Support and Solutions” at a local hotel in the capital on Tuesday, April 17, 2018. DEG is a Development Finance Institution (DFI) based in Germany and a subsidiary of KfW Group. The rapidly growing financial sector of Bangladesh is becoming increasingly significant for its global partners like Germany. With a view to boosting bilateral trade volumes between these two countries, MTB and DEG will be offering products and services with the help of the German Desk for German SMEs and Bangladeshi companies. The German Desk will enable companies to gain access to financial solutions through a single point-of-contact that combines all the products and services offered by MTB with the network and support of DEG. The range of services extend from setting up a bank account through to trade finance products and transaction banking, credit lines or investment financing for local companies wishing to acquire German equipment and services.

FINANCIAL PERFORMANCES

MTB FINANCIALS-2018 AT A GLANCE

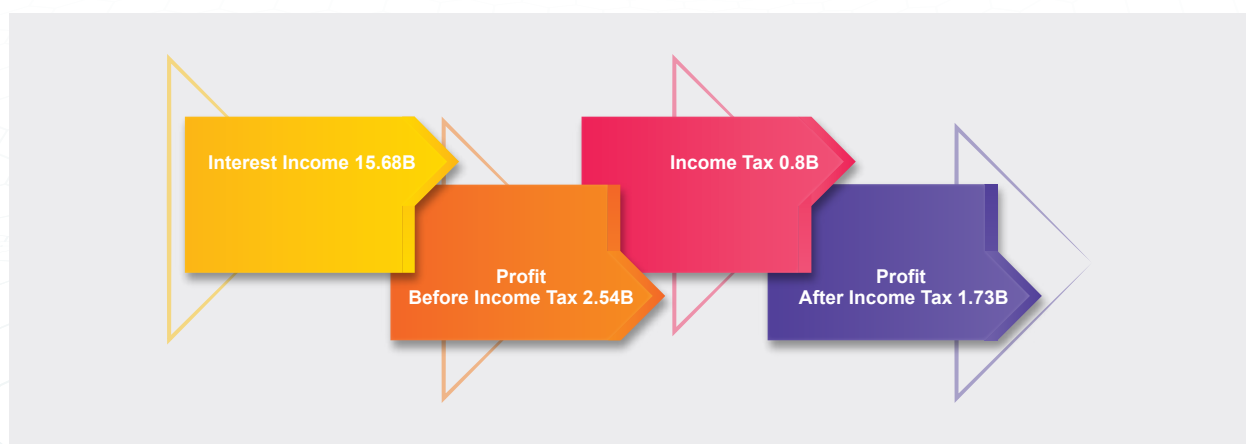


Table: Growth of Financial Indicators

Financial Indicators	2018	2017	2016	2015
Earnings per Share (Figure in Taka)	3.03	3.89	3.30	3.08
Net Asset Value (NAV) per share (Figure in Taka)	23.16	22.89	22.15	20.15
Market Value per Share (Figure in Taka)	35.10	35.00	23.10	19.50

Table: Geographical Location wise Loans and Advances

Location	Amount in BDT			
Inside Bangladesh	2018	2017	2016	2015
Urban				
Dhaka Division	120,532,571,834	101,049,391,578	79,178,134,280	68,265,987,623
Mymensingh Division	637,549,237	691,921,411	562,111,203	492,995,033
Chittagong Division	26,857,543,307	25,754,190,653	22,474,593,473	18,511,541,543
Rajshahi Division	4,523,031,184	4,716,804,055	3,908,852,578	3,704,740,334
Sylhet Division	1,129,484,479	1,075,366,732	845,476,356	742,930,912
Khulna Division	1,612,715,735	1,632,445,333	1,177,172,773	1,302,235,100
Rangpur Division	2,768,876,084	2,898,119,496	2,269,236,684	1,720,922,849
Barisal Division	216,880,869	436,166,243	209,242,417	80,882,877
	158,278,652,730	138,254,405,501	110,624,819,764	94,822,239,272
Rural				
Dhaka Division	2,787,702,271	2,665,640,514	2,103,806,136	1,472,451,542
Mymensingh Division	157,038,046	122,006,566	2,103,806,136	63,642,233
Chittagong Division	1,657,638,866	1,548,763,979	2,103,806,136	1,157,934,713
Rajshahi Division		-		
Sylhet Division	82,226,224	131,360,048	128,908,916	72,507,930
Khulna Division		-		
Rangpur Division	318,451,691	97,326,193		
Barisal Division		-		
	5,003,057,097	4,565,097,300	3,730,943,078	2,766,536,418
Outside Bangladesh		-		
Total	163,281,709,826	142,819,502,800	114,355,762,842	97,588,775,690

04

GROWTH OF MTB IN TERMS OF PROFIT BEFORE PROVISION IN BDT MILLION

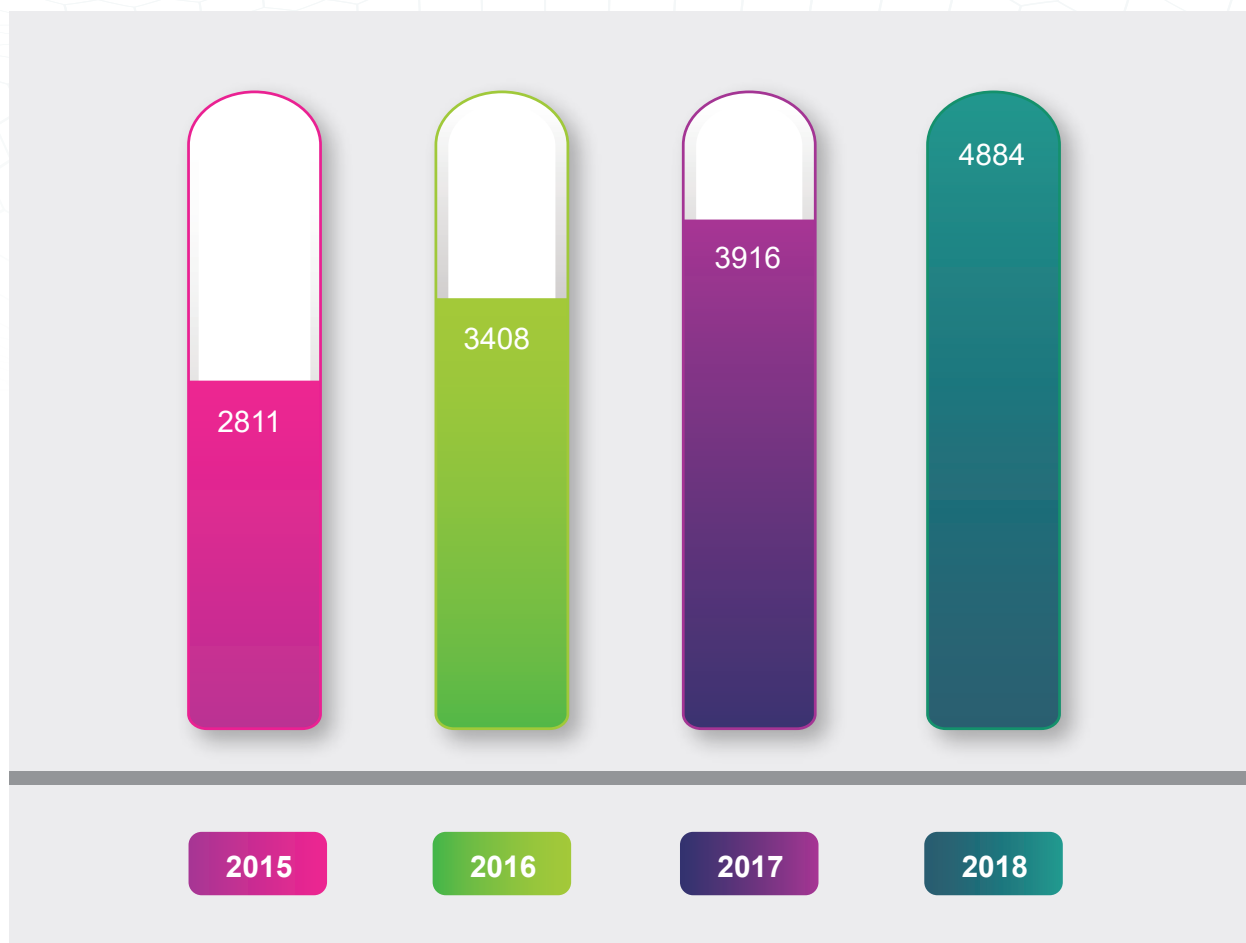


Table: Growth of MTB in terms of Capital, Assets and Liability

BDT Million							
SL	Items	2018	2017	2016	2015	2014	2013
1	Authorized Capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
2	Paid up Capital	5,734.00	5,097.00	4,431.79	3,693.00	3,078.00	2,798.00
3	Shareholder's Equity	13,279.00	11,762.00	9,818.26	8,929.20	6,770.00	5,449.00
4	Total Capital	21,042.00	19,016.00	13,725.13	12,412.59	8,712.00	8,137.00
5	Total Assets	222,445.00	201,754.00	165,370.69	146,059.30	116,301.00	101,464.00
6	Total Liabilities	209,166.00	189,991.85	155,552.30	137,129.99	109,530.00	96,014.00
7	Total Deposits	166,160.00	151,776	131,272.33	118,404.76	96,065.00	84,373.00

Table: Growth of MTB in terms of Quantity of Products or Services provided

BDT Million						
Current Deposits & Other Accounts	2018	2017	2016	2015	2014	2013
Current Deposits & Other Accounts	14,090	14,652	12,301	9,580	8,224	7,014
Bills Payable	1,700	2,101	1,751	1,253	1,284	780
Savings A/C	28,240	27,479	23,710	17,908	14,384	11,098
Fixed Deposits	77,040	67,114	55,803	55,708	49,412	48,281
Deposits-Products	32,220	28,708	26,060	20,272	14,764	12,704
Special Notice Deposit	12,860	11,722	11,646	13,683	7,997	4,495
Total Deposits	166,160	151,776	131,272	118,405	96,065	84,372

MEMBERSHIPS WITH CHAMBERS AND ASSOCIATIONS

- 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)

05

EFFECTIVE GOVERNANCE

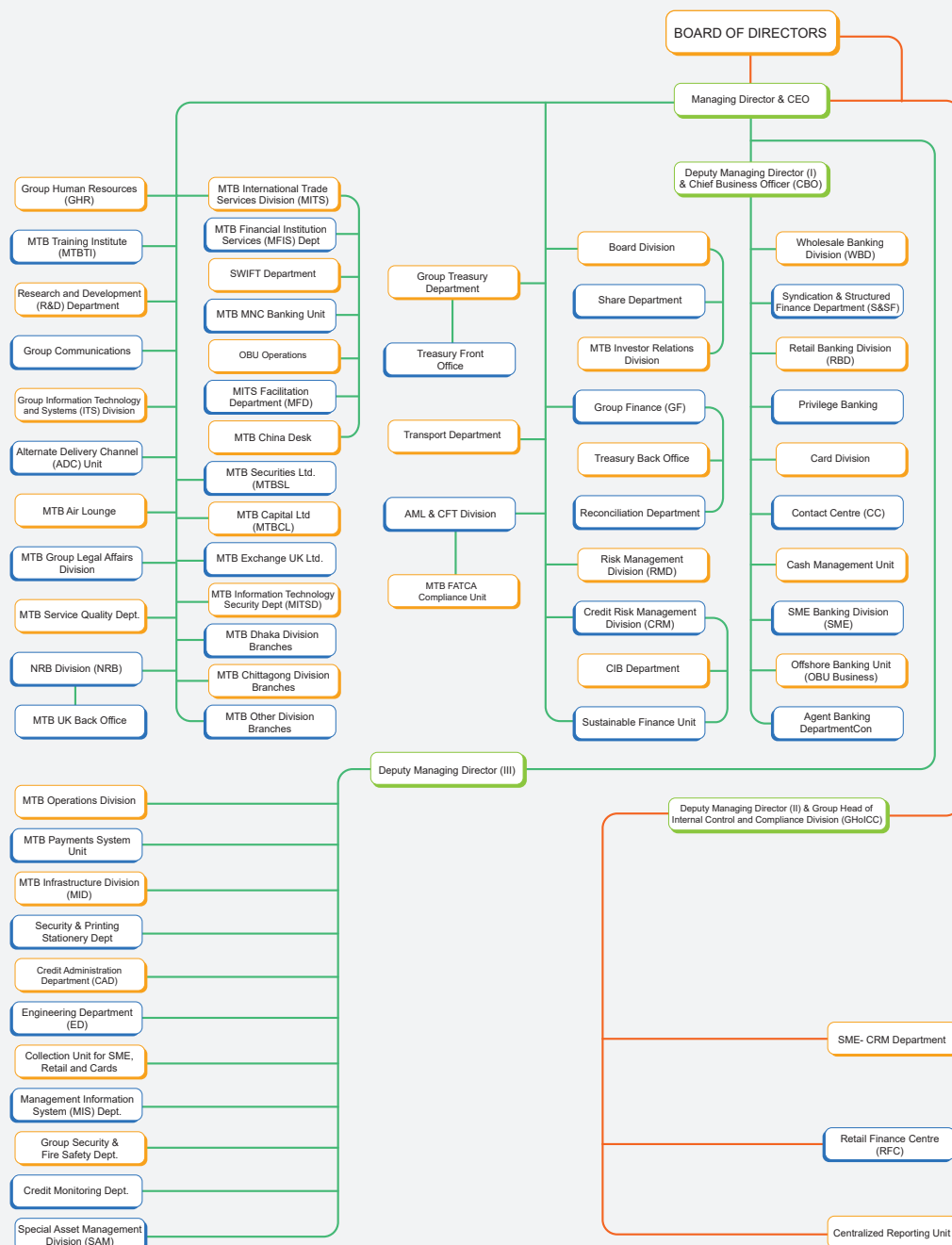
GOVERNANCE STRUCTURE
MTB GROUP ORGANOGRAM
GOVERNANCE BODY AND THE COMMITTEES
HIGHEST GOVERNANCE BODY & RELATED ISSUES
REMUNERATION



GOVERNANCE STRUCTURE

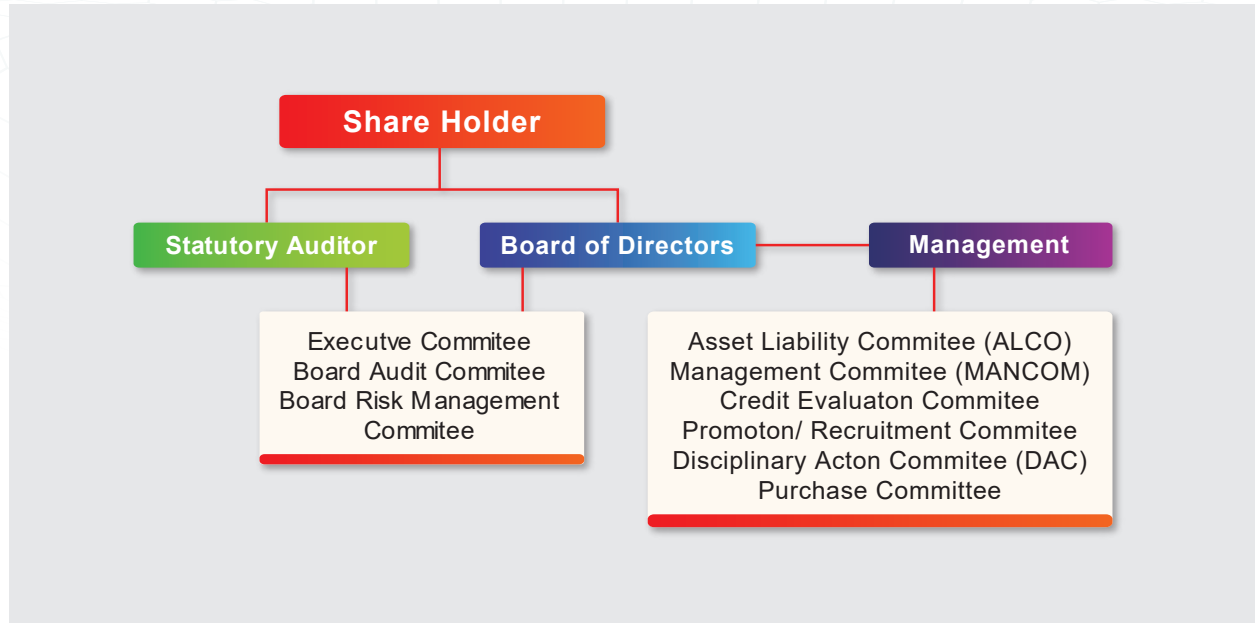
The Board of Directors represents the membership of the organization. The board sets in place policies, procedures, values and long-term planning to meet the mission of the organization. The board does this through a governance structure. The structure a board decides to implement will dictate not only the policies of the organization but also such things as the relationship between staff and the board, and the role and use of committees.

MTB GROUP ORGANOGRAM



MTB CORPORATE GOVERNANCE PROCESS

Following flow chart describes the corporate governance process of MTB:



GOVERNANCE BODY AND THE COMMITTEES



Governance Body

- The highest governance body of MTB is the Board of Directors. There are several other Board Committees viz. Executive Committee, Board Risk Management Committee, Board Audit Committee. All the board members are highly educated esteemed citizens and/or successful businessmen with long experience in banking industry.
- The number of Directors in MTB is 12 (twelve) out of whom 02 (two) are Independent Directors and one is a female Director.
- Tenure on the governance body is two (02) years.
- There is no member at the governance body from 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.

BOARD STRUCTURE

MTB Board structure comprises 13 members, among them 2 (two) independent directors, 1 (one) Managing Director & CEO and 10 (ten) Non-Executive directors. Basic responsibility of the board is to exercise judgment on the business operations in a manner that they believe to be in the best interests of the Bank and in compliance with the applicable laws and regulatory rules, the Bank's Article of Association, and resolution of the shareholders' meetings. To do the strategic planning and decision-making for the organization according to the mission, vision and values of the organization MTB Board of Directors have assembled 16 (sixteen) times in 2018.

Sl. No.	Meeting Name	Held in
1.	216th MTB Board Meeting	Thursday, February 1, 2018
2.	217th MTB Board Meeting	Wednesday, February 7, 2018
3.	218th MTB Board Meeting	Thursday, March 29, 2018
4.	219th MTB Board Meeting	Tuesday, April 17, 2018
5.	220th MTB Board Meeting	Wednesday, April 25, 2018
6.	221st MTB Board Meeting	Sunday, May 20, 2018
7.	222nd MTB Board Meeting	Thursday, May 31, 2018
8.	223rd MTB Board Meeting	Tuesday, July 7, 2018
9.	224th MTB Board Meeting	Wednesday, July 25, 2018

10.	225th MTB Board Meeting	Thursday, September 6, 2018
11.	226th MTB Board Meeting	Wednesday, September 19, 2018
12.	227th MTB Board Meeting	Thursday, October 4, 2018
13.	228th MTB Board Meeting	Tuesday, October 30, 2018
14.	229th MTB Board Meeting	Thursday, November 29, 2018
15.	230th MTB Board Meeting	Thursday, December 13, 2018
16.	231st MTB Board Meeting	Wednesday, December 26, 2018

MTB BOARD EXECUTIVE COMMITTEE

The reality is that it's not always practical for the board to gather in person to take some necessary action. An Executive committee is a smaller group with close ties through leadership who can get together, often with little notice, to address pressing issues on behalf of the board.

MTB Board Executive Committee formed with 5 (Five) members of the board nominated by the board of directors from themselves to take all necessary decisions and to approve cases within the power delegated by the board. Meeting of the committee held 7 (Seven) times in 2018.

S I . No.	Meeting Name	Held in
1.	99th MTB EC Meeting	Thursday, February 15, 2018
2.	100th MTB EC Meeting	Thursday, March 8, 2018
3.	101 st MTB EC Meeting	Monday, April 16, 2018
4.	102 nd MTB EC Meeting	Tuesday, May 5, 2018
5.	103rd MTB EC Meeting	Sunday, July 15, 2018
6.	104th MTB EC Meeting	Monday, August 13, 2018
7.	105th MTB EC Meeting	Monday, September 17, 2018

Composition of Board Executive Committee

Name	Rank and / or Functional Designation	Committee Designation
Mr.Syed Manzur Elahi	Director & Founding Chairman	Chairman
Mr, Md. Hedayetullah	Chairman	Member
Mr. M.A. Rouf, JP	Director	Member
Mr. Md. Abdul Malek	Director	Member
Mr. Md.Wakiluddin	Director	Member
Mr. Anis A. Khan	Managing Director & CEO	Member

MTB BOARD AUDIT COMMITTEE

The bank formed its first Audit Committee (AC) on January 18, 2003. Thereafter, lastly it has been reformed on Thursday, April 28, 2016, 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 Audit Committee

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 2018, 5 (five) meetings of the MTB Board Audit Committee were held:

Sl. No.	Meeting Name	Held in
1.	1st MTB Board Audit Committee	Tuesday, April 17, 2018
2.	2nd MTB Board Audit Committee	Sunday, April 22, 2018
3.	3rd MTB Board Audit Committee	Sunday, July 22, 2018
4.	4th MTB Board Audit Committee	Tuesday, October 30, 2018
5.	5th MTB Board Audit Committee	Thursday, November 22, 2018

Composition of Board Audit Committee

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

Major Agenda covered by Audit Committee in 2018

- Reviewed the internal audit plan for the year 2018 and followed up on its implementation status.
- Reviewed the Management Letter issued by the external auditors, management response thereto and corrective measures taken by the bank to avoid recurrence of the lapses mentioned therein.
- Reviewed the quarterly financials of the Bank prepared to evaluate the performance for onward submission to the shareholders as a statutory requirements.
- Reviewed the major internal audit findings with a view to adopt corrective measure on time.
- Reviewed the major findings/observations of Bangladesh Bank's Inspection Reports and advised the management of the Bank to take necessary steps to rectify lapses/irregularities so that compliance requirements of the regulator is/are fulfilled.
- Reviewed the Self-Assessment reports of Anti-Internal Control of the Bank.
- Reviewed the Integrated Annual Health Report of the Bank and instructed the management of the Bank to take steps for further progress of the financial health of the Bank.
- Reviewed the arrangements made by the management for building a suitable Management Information System (MIS) including computerized system and its applications.
- Scrutinized whether the findings and recommendations by internal auditors are duly acted upon by the management in running the business of the bank
- Placed Compliance report/Minutes before the board detailing decisions taken and recommendations made by the committee in its various meetings for information of the Board.

MTB BOARD RISK MANAGEMENT COMMITTEE

To play an effective role in mitigating forthcoming risks arising from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, the MTB Board Risk Management Committee (MBRMC) was formed in 2014, in compliance with the Bangladesh Banks's BRPD Circular No.11 dated October 27, 2013. The committee consists 5 (five) members of the Board.

Composition of MBRMC

Name	Rank and/or Functional Designation	Committee Designation
Dr. Arif Dowla	Director	Chairman
Mr. Md. Hedayetullah	Vice-Chairman, Director	Member
Mr. M.A. Rouf, JP	Director (Former Chairman)	Member
Mr. Md. Abdul Malek	Director	Member
Mr. Md. Manirul Islam	Director	Member

Main objective of risk management is to appropriately balance the trade- off between risk and return. 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. During the year 2018, 5 (five) meetings of the MTB Board Risk Management Committee were held:

Sl. No.	Meeting Name	Held in
1.	17th MTB Board Risk Management Committee	Tuesday, January 30, 2018
2.	18th MTB Board Risk Management Committee	Sunday, April 8, 2018
3.	19th MTB Board Risk Management Committee	Tuesday, June 26, 2018
4.	20th MTB Board Risk Management Committee	Wednesday, September 12, 2018
5.	21th MTB Board Risk Management Committee	Wednesday, October 3, 2018

Agenda Covered by MTB Board Risk Management Committee in 2018

- Assessed all risks including Credit, Market, Liquidity, Operational and Strategic risks on a regular basis via appropriate risk indicators and MIS Reports.
- Reviewed Sector-Wise exposure, Earning, and Non-Performing Loans (NPL) to ensure that risk exposure in higher NPL sectors are compensated through appropriate loan pricing.
- Reviewed the adequacy and effectiveness of all management level committees, and to manage the associated risks within the qualitative and quantitative risk limits.
- Reviewed the risk policy/manual/guidelines before placing them to the Board for approval.
- Reviewed the progress of Basel III roadmap implementation, and associated capital adequacy planning in the long term.
- Moved higher risk weighted exposure to lower risk weighted category in order to reduce the capital requirement of the bank.
- Ensured an optimum level of dividend, suggesting risk addressed steps to improve the profitability, in the short run and advising appropriate action steps for reduction of the NPLs.

- Ensured the asset quality and increased profitability of the bank by exercising due caution while booking/ marketing new customers.

MTB MANAGEMENT COMMITTEE (MANCOM)

Management committee have ultimate responsibility for directing the activity of the organization, ensuring it is well run and delivering the outcomes for which it has been set up. , Ensuring the effective management of the organization and its activities. MTB has a Management Committee (MANCOM) consisting Twenty One (21) members from senior management. MANCOM is responsible for the overall management of MTB's operations. It ensures optimum utilization of three key resources of the bank namely (a) Human Recourses (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 2018, once a month.

Table: Composition of MANCOM

SL	Name	Rank and / or Functional Designation	Committee Designation
1	Mr. Anis A. Khan	Managing Director & CEO	Chairman
2	Mr. Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
3	Mr. Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
4	Mr. Tarek Reaz Khan	Deputy Managing Director	Member
5	Mr. Syed Rafiqul Hossain	SEVP & HoMTBDhaka Division Branches	Member
6	Mr. Md. Khurshed UI Alam	SEVP & HoMTB Ctg Division Branches	Member
7	Mr. Swapan Kumar Biswas	SEVP & HoBOD	Member
8	Mr. Azad Shamsi	SEVP & Project Director, MCT Project	Member
9	Mr. Sayed Abul Hashem	SEVP & GCFO	Member
10	Mr. Khondaker Rahimuzzaman	SEVP & Corporate Head of SAMD, Collection Unit, CMD & MODB	Member Secretary
11	Mr.Nurul Maruf Khan	SEVP & HoCRM	Member
12	Mr.Md. Shah Alam Patwary	SEVP & GCIO	Member
13	Mr. Md. Bakhteyar Hossain	SEVP & HoMITS	Member
14	Mr. Md. Shamsul Islam	SEVP & GHoT	Member
15	Mr. Malik Muntasir Reza	SEVP & GCS	Member
16	Mr. Kamrul Hasan Khan	SEVP & Head of Wholesale Banking	Member
17	Mr. Md. Abdul Latif	EVP & HoMTB Other Division Branches	Member
18	Mr. Marcus C.Gomes	EVP & Acting GHoHR	Member Secretary
19	Mr. Mohammad Anwar Hossain	EVP & HoCards	Member
20	Mr. Azam Khan	SVP & GCCO	Member
21	Mr. Iqbal Mahmud	SVP & HoRMD	Member

MTB ASSET LIABILITY COMMITTEE

ALCO is the group primarily responsible for the asset liability and risk management of a Bank. ALCO's job is to devise broad strategies for handling a bank's many competing needs over the long run and to monitor and manage its interrelated risk exposures routinely. As a consequence, the ALCO is the focal point for coordinating the bank's many activities to accomplish its operating objectives.

With a view to ensuring Bank's measurement & reporting system accuracy, convey the degree of liquidity & market risk, monitor the structure and composition of bank's asset and liability and identify balance sheet management issues that are leading to underperformance, decide on the major aspects of balance sheet structure, such as maturity and currency mix of assets and liabilities, mix of wholesale versus retail funding, deposit mix, etc., decide on how to respond to significant, actual and expected increases and decreases in required funding, To review maturity profile and mix of assets and liabilities, articulate interest rate view of the bank and decide on balance sheet strategy, approve and periodically review the transfer pricing policy of the bank, evaluate market risk involved in launching of new products, review deposit-pricing strategy & contingency funding plan for the bank, comply both Asset Liability Management Manual of the bank and Bangladesh Bank Guidelines on Asset-Liability Risk Management & Any other matter that may arise from time to time MTB Asset- Liability Committee formed with the following Senior Executives-

Table: Composition of ALCO

SL	Name	Rank and / or Functional Designation	Committee Designation
1	Mr. Anis A. Khan	Managing Director & CEO	Chairman
2	Mr. Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
3	Mr. Tarek Reaz Khan	Deputy Managing Director	Member
4	Mr. Swapan Kumar Biswas	SEVP & HoBOD	Member
5	Mr. Sayed Abul Hashem	SEVP & GCFO	Member
6	Mr. Md. Bakhteyar Hossain	SEVP & HoMITS	Member
7	Mr. Md. Shamsul Islam	SEVP & GHoT	Member Secretary
8	Mr. Iqbal Mahmud	SVP & HoRMD	Member

MTB CENTRAL COMPLIANCE COMMITTEE (CCC)

MTB Central Compliance Committee has re-constituted with Fifteen (15) members as per decision of the 3rd meeting of Central Compliance Committee, held on April 23, 2018 to oversee the activities of AML & CFT Division, to monitor the overall status of bank's anti money laundering (AML) & Combating the financing of terrorism (CFT) Compliance. This committee held responsible to cope up with all changed conditions placed by BFIU for choking off Money Laundering & Combating Terrorist Financing. Chief Anti Money Laundering Compliance Officer (CAMLCO) is the Chairman of the Committee & Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO) is the Member Secretary of the Committee.

Table: Composition of MTB Central Compliance Committee (CCC)

SL	Name	Committee Designation
1	Chief Anti Money Laundering Compliance Officer (CAMLCO)	Chairman
2	Head of MTB Dhaka Division Branches	Member
3	Head of MTB Chittagong Division Branches	Member

4	Head of Group Human Resources	Member
5	Head of Business, Retail Banking Division	Member
6	Group Chief Information Officer (GCIO)	Member
7	Head of Credit Risk Management	Member
8	Head of International Trade Services Division	Member
9	Head of MTB Other Division Branches	Member
10	Senior Vice President (Senior Most), Wholesale Banking Division	Member
11	Head of Card Division	Member
12	Head of NRB Division	Member
13	Head of Agent Banking Department	Member
14	Deputy Chief Anti Money Laundering Compliance Officer (DCAMLCO)	Member Secretary
15	Deputy Head, Banking Operations Division	Member

MTB SENIOR MANAGEMENT TEAM (SMT)

The responsibility of the senior management team includes the monitoring of the adequacy and effectiveness of the internal control system based on the bank's established policy and procedures. The Senior Management Team (SMT) reviews on a yearly basis of the overall effectiveness of the control system of the organization and provides certification on yearly basis to the Board of Directors on the effectiveness of Internal Control policy, practice, and procedure. The management enriches audit teams with adequate skilled manpower and proper IT support as per requisition of the Audit Committee of the Board (ACB) for purposeful and effective audit. The management held liable for ensuring compliance off all laws and regulations that are circulated by various regulatory authorities, such as, Bangladesh Bank, Ministry of Finance, Bangladesh Securities and Exchange Commission, etc. During the audit period, if the present audit team finds any lapse or irregularity, that was not detected or identified by the previous auditors, then that would also be reported to the Audit Committee.

Table: Composition of MTB Senior Management Team

SL	Name	Functional Designation	Committee Designation
1	Mr. Anis A. Khan	MD & CEO	Chairman
2	Mr. Syed Rafiqul Haq	DMD & CBO	Member
3	Mr. Goutam Prosad Das	DMD & GHoICC	Member Secretary
4	Mr. Tareq Reaz Khan	DMD	Member
5	Mr. Swapan Kumar Biswas	SEVP, HoBOD	Member
6	Mr. Sayed Abul Hashem	SEVP & GCFO	Member
7	Mr. Nurul Maruf Khan	SEVP & HoCRM	Member
8	Mr. Md. Shah Alam Patwary	SEVP & GCIO	Member
9	Mr. Md. Shamsul Islam	SEVP & GHoT	Member
10	Mr. Marcus C. Gomes	EVP & Acting GHoHR	Member

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, and new business strategy. This committee consists of Eleven (11) members. The member secretary of the committee had placed the IT Risk Management Framework to the committee.

Table: Composition of IT Risk Management Committee as on 2018

SL	Functional Designation	Committee Designation
1	Deputy Managing Director & GCRO	Chairman
2	Deputy Managing Director & CBO	Member
3	Deputy Managing Director & Head of Group ICC	Member
4	Head of Banking Operation Division (BOD)	Member
5	Group Chief Finance Officer (GCFO)	Member Secretary
6	Group Chief Information Officer (GCIO)	Member
7	Head of MTB International Trade Services Division	Member
8	Head of Risk Management Division (RMD)	Member
9	Head of IT Operations	Member
10	Group Chief Information Security Officer (GCISCO)	Member Secretary
11	Deputy Head of Risk Management Division	Member

MTB DISCIPLINARY ACTION COMMITTEE (MDAC)

Employee conduct provisions are extremely important. Rule of conduct for employees are intended to promote the orderly & efficient operation of the Organization, as well as protect the rights of employees. Violations, therefore, shall be regarded as cause for disciplinary action. To ensure disciplined run of the organization, MTB has formed Disciplinary Action Committee (MDAC), which is liable to scrutinize the claim, accused respond, degree of felony & recommends for the action. It 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 framed with the following listed five (05) members.

Table: Composition of MDAC

SL	Name	Rank and / or Functional Designation	Committee Designation
1	Mr.Md. Hashem Chowdhury	Additonal Managing Director & COO	Chairman
2	Mr.Syed Rafiqul Haq	Deputy Managing Director & CBO	Member
3	Mr. Goutam Prosad Das	Deputy Managing Director & GHoICC	Member
4	Mr. Swapan Kumar Biswas	SEVP & Co	Member
5	Nurul Maruf Khan	EVP & HoCRM	Member Secretary

HIGHEST GOVERNANCE BODY & RELATED ISSUES

CHAIR OF THE HIGHEST GOVERNANCE BODY

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

DIRECTORS APPOINTMENT

The Board of Directors elect directors and submits recommendation to the Shareholders Annual General Meeting (AGM) for approval and appointment/re-appointment, subject to compliance of Articles of the Association of the Bank and fulfillment of regulatory procedure. Vacation of any person's seat as a Board Member prior expiry of term of office, the remaining members, at the immediate next meeting appoint another qualified and suitable director to fill that vacate position.

RETIREMENT AND RE-ELECTION OF THE DIRECTORS

According to the Articles of Association of the bank and the Companies Act 1994, each Director except Managing Director & CEO, retires by rotation once every three years and is required to stand for re-election by shareholders at the AGM. No new director has joined the MTB family in the year of 2018. But as per companies act 1994, 1/3 of the directors of the Board of MTB retired by rotation and subsequently reappointed during the year 2018.

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.

VACATION OF OFFICE OF DIRECTOR

The office of director to be vacated according to the instructions specified in section 108 (1) of the Companies Act, 1994. Besides, when a director becomes defaulter and does not repay the loan within two (2) months after getting a notice under section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfill the minimum eligibility criteria, the office of the director to be vacated.

ENSURING CONFLICTS OF INTEREST ARE AVOIDED

The annual report, including financial statements and the notice of the meeting, are sent to shareholders at least 14 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 written at the AGM. The Directors remain present at the AGM to answer any queries of the shareholders.

ROLE OF THE HIGHEST GOVERNANCE BODY

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

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 oversees the overall activities of the bank. The Board approves the bank's budget and business plan and reviews those on a 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

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. 16 meetings of the Board of Directors of MTB were held in 2018.

HIGHEST COMMITTEE OR POSITION APPROVING SUSTAINABILITY REPORT & MATERIAL ASPECTS

MTB Board of directors after the 185th meeting of the board, which was held on November 08, 2015, approved the resolution to publish MTB's Sustainable Finance Report annually.

PROCESS FOR COMMUNICATING CRITICAL CONCERNS TO THE HIGHEST GOVERNANCE BODY

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 right to raise any business related issues, either in verbal or in written at the AGM. The directors remain present at the AGM to answer any queries of the shareholders. No Critical concerns communicated to the highest governance body in 2018. 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



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.

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 to a "Bonus Committee". The Bonus Committee, after scrutiny and evaluation, sends its recommendations to the Managing Director and CEO who may review it and stamps the final approval.

06

Upholding Our Ethics

CODE OF CONDUCT
SERVICE QUALITY
INTERNAL AND EXTERNAL MECHANISM
ANTI-CORRUPTION

BUSINESS ETHICS



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, one 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 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 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 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 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 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 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 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 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 one is speaking as a representative of MTB.	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.
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.	

SERVICE QUALITY



SUPERIOR SERVICE -THE KEY TO TIE IT ALL TOGETHER

In a service industry, customer service is what differentiates us from other players. New technology, excellent products and innovations are important attractors for customers but superior service is the key to tie it all together. There has been a high correlation between customer satisfaction and profitability in a range of industries. Customer satisfaction is still one of the single strongest predictors of customer retention.

To uphold the vision of the bank (MTB3V), MTB aspires to deliver the best to its valued customers and meet their growing expectations. As part of its commitment to customers, the bank created an independent wing, MTB Service Quality Department (SQD), which is working relentlessly to ensure the highest level of service excellence and targeting to excel at every dimension to ensure 360 degree quality service to the valued clients. With a view to reducing service quality gaps and maintaining the desired standard, SQD has established an integrated process consisting of various activities focusing all the five dimensions. The team is working passionately to establish policies and standards to facilitate rendering quality service.

MYSTERY SURVEY ON BRANCHES AND CONTACT CENTER

One technique for evaluating the level of service quality is to conduct mystery survey at different branches. MTB SQD team visits different branches of the bank pretending as regular customers to assess the quality of customer service. These surveys mainly focus on measuring employee soft skills (service etiquette), product knowledge as well as overall ambience such as cleanliness, dress code and branding of the customer touch points. Besides conducting mystery surveys, the SQD team members also perform telephonic surveys throughout the year.

CUSTOMER SATISFACTION SURVEY

It is equally important to get customer feedback to have an idea whether the efforts are being put into the right direction to get the desired results in terms of customer satisfaction. SQD plans to conduct Customer Satisfaction Survey (CSAT) from 2019.

LAUNCHING OF PILOT PROJECT- MTB SERVICE AMBASSADORS

MTB SQD came up with a fresh concept of 'service ambassador' with a view to increasing customer satisfaction and getting customer feedback from the branches. In 2018, SQD initiated a pilot project to place service ambassadors at eight different branches of the bank. The service ambassadors meet and greet customers visiting the branch and ensure they get appropriate service. The project will be implemented for all other branches of the bank depending on the outcome of the placements of the first batch of service ambassadors.

BENCHMARK SURVEY

In 2018, MTB SQD carried out a benchmark survey to compare the service quality perceived by the customers. Subsequently, a report was presented to the management, where a picture of MTB service quality position in the market was shown and future direction was described.

TRAINING ON PRODUCT KNOWLEDGE AND SERVICE EXCELLENCE

This is a comprehensive learning and development framework to build an appropriate and long-term mindset about delivering superior service excellence. The department has been conducting workshops for MTBians so that they follow the prescribed service standard mentioned in MTB Winning, an in-house guideline for etiquette and service excellence. This training program intends to instill the right mindset and help build the competency of the frontline employees who serve the customers face-to-face to ensure superior customer experience through their day to day activities. Our goal is to make our customer interactions consistently professional, efficient and productive. MTB is committed to investing in every employee in order to help them develop the skills they need and hone those skills so that they can consistently deliver the best-in-class service. Quiz contests, conducted on a regular basis, assist the employees in staying informed about the products as well as maintaining desired etiquettes. It is a tool that encourages and enhances knowledge sharing with peers. An e-learning module, where all types of information such as product details, FAQs, policies, processes, SLAs (service level agreements) are available, has also been developed for the frontline employees.

CUSTOMER EXPERIENCE MATRIX

MTB SQD has implemented Customer Experience Matrix (CEM) software, which is an automated system where feedback from customers can be received and is a crucial system for addressing situations where customer experience are not meeting expectation level so that measures can be taken for mitigating the gaps. CEM facilitates a number of activities such as complaint lodgment, recording and resolution, and root cause analysis for necessary policy formulation. Root-Cause Analysis Prevention is always better than cure. Preventive measures can be taken when the root causes are detected and scrutinized using benchmark analysis tools. Customers' feedback, information and complaints reveal the flaws or gaps in existing products, policies, system and services of a bank. Effective root-cause analysis is an important tool to identify the problem areas, which need improvement.

COMPLAINT MANAGEMENT

At MTB, we are committed to providing our valued customers with the best possible services. We believe that complaint is the direct voice of customers. Complaints give us opportunities to improve and put things right. We strive to ensure that our customers have easy access to information, products and services, as well as the means to get their grievances, if any, redressed.

Customers can also lodge complaints from the customer complaints page on our website through the following link: <http://www.mutualtrustbank.com/complaints/index.php>

E-mail: complaint@mutualtrustbank.com, Hotline: +880 17088 08420; +880 17088 08421 (these hotlines numbers are available to receive complaints from 10:00 AM to 06:00 PM, except holidays).

Table: Number of Complaints Received and Resolved

Year	2018	2017
Total Number of Complaints Received	100	35
Total Number of Complaints Resolved	99	34

Table: Number of Complaints Received through Different Channels

Channel	Number of Complaints (2018)	Number of Complaints (2017)
Email	33	27
Website	53	0
Contact Centre	11	5
Social Media	0	0
Letter	3	3
Total	100	35

INTERNAL AND EXTERNAL MECHANISMS

A customers can send complaint 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. A. Qasem & Co., one of the leading Chartered Accountant (CA) firms of the country, and an independent member firm of Ernst & Young LLP (EY), 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 05 units, namely, Audit and Inspection, Compliance, Monitoring, ISS Cell & System Audit Units, which are well-equipped with experienced bankers and system auditors.

ANTI-CORRUPTION

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

As part of the effort of combating corruption, promoting integrity and establishing good governance, the Government of Bangladesh has adopted National Integrity Strategy (NIS) of Bangladesh. A high-level National Integrity Advisory Council has been constituted for its implementation. Bangladesh Bank has been entrusted with the responsibility of implementing the National Integrity Strategy (NIS) in the country's

financial sector. In line with the implementation of NIS, MTB has established MTB Integrity Strategy Implementation Unit. Additionally, the Committee is mandated with the task of identifying ways to protect the culture of loan defaults and promote consciousness with a view to reduce frauds, forgeries, irregularities and other sources of corruption across the Bank.

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.

MONEY LAUNDERING & TERRORIST FINANCING RISK MANAGEMENT

Some of the highlights of 2018 are as follows:

- The members of the Central Compliance Committee (CCC) met 4 times during the year. The 15-member strong committee discussed issues related to AML & CFT and provided guidance to relevant divisions/departments.
- Under the direct supervision of the CAMLCO and as instructed by the CCC, MTB Anti Money Laundering and Combating Financing of Terrorism Division (AML & CFT Division) discharged their responsibilities throughout the year.
- Every year, the Managing Director & CEO of the bank issues a statement of commitment in writing to all the employees of the bank. In 2018, the Managing Director & CEO issued his statement of commitment regarding strategy, action plan, compliance and consequence of non-compliance in February and another special message in December.
- MTB revised its policy guideline in line with the laws of the land, guidelines, circulars and instructions issued by BFIU and international standard. The revised guideline, which was approved by the Board of Directors, includes updated MTB Customer Acceptance Policy and MTB ML & TF Risk Assessment Guideline.
- AML & CFT Division conducted inspection on AML & CFT compliance status of 34 (thirty four) MTB branches.
- MTB further accelerated its monitoring endeavors with system-based monitoring tools, available at all the branches and the head office.
- MTB continued its screening process with the help of automated tools against United Nations Security Council Resolution (UNSCR), Office of Foreign Assets Control (OFAC), adverse media and domestic sanction lists.
- Know Your Employee (KYE) program has been made a part of the service rules for the employees.
- MTB conducts daylong AML & CFT workshops throughout the year, with the support of the Group Human Resource Division, and state-of-the-art MTB Training Institute to train the staff members of the bank irrespective of their functional areas.
- In 2018, MTB AML & CFT Division along with MTBTI arranged a total of 25 (twenty five) workshops/ training programs, out of which 15 (fifteen) workshops were on ML & TF Risk Management.
- In February 2018, MTB arranged a BAMLCO Conference, which is a congregation of the Branch Anti Money Laundering Compliance Officers, heads of divisions/departments/units and senior management to discuss the achievement in terms of AML & CFT compliance during the past year and strategies to overcome the challenges in future.

PRODUCT AND SERVICE LABELING

- 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

- Following information are displayed in prominent and visible places of the branch premises:

-
- A stylized illustration of a hand holding a large green smartphone. The screen of the phone shows three business professionals: a man in a yellow jacket, a woman in a brown jacket holding a laptop, and a woman in a blue jacket. Surrounding the phone are various icons: a speech bubble with four stars (two green, two white), a speech bubble with two people icons, a laptop icon, a monitor with speech bubbles icon, and a cloud icon. The background is white with light blue abstract shapes.

07

ECONOMIC

ECONOMIC PERFORMANCE
INDIRECT ECONOMIC IMPACTS
PROCUREMENT PRACTICES



ECONOMIC PERFORMANCE

ECONOMIC VALUE ADDITION

Economic Value Added (EVA) is the financial performance measure that attempts to measure that true economic profit of an organization. It provides a measurement of the bank(s) economic success (or failure) over a period of time. Economic Value Addition (EVA) by the bank has been estimated at BDT 1,685.02 million for the reporting year.

STATEMENT OF MARKET VALUE ADDITION

Market value added (MVA) is a calculation that shows the difference between the market value of a company and the capital contributed by investors, both bondholders and shareholders. In other words, it is the sum of all capital claims held against the company plus the market value of debt and equity. As of end of reporting year, Market Value Addition is estimated BDT at 14,391.00 million which was BDT 12,741.40 million in the previous year.

Table: Market Value Addition of MTB

			BDT Million
Particulars	Number of Shares	Value per Share	Total Value
Market Value	573,363,038	BDT 35.10	20,125
Book Value	573,363,038	BDT 10.00	5,734
Market Value Added		BDT 25.10	14,391

INDIRECT ECONOMIC IMPACTS

ECONOMIC IMPACT

During the year 2018, through financing the existing and new clients MTB has created economic impact in the three dimensions:

- a) Generation of Job in market
- b) Contribution to economic growth
- c) More revenue to the national exchequer from growth of businesses of MTB and its clients

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.

Table: MTB SME Outstanding in 2018

Concentration of Loans and Advances (<u>Outstanding</u>)	BDT Million
Agriculture	1,339.42
SME	16,520.27

MTB SME PRODUCTS

Varieties of products are prepared for the clients of MTB SME banking Division. 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 has a dedicated agri-cell through which the bank provides financial support to the farmers at preferential rate assigned by Bangladesh Bank from time to time.

FINANCIAL INCLUSION

Table: Number of 10 tk Accounts

	2018
Number of 10 tk. (for farmers) acc	4,335

MTB SME FINANCING FOR WOMEN ENTREPRENEURS

Despite many barriers, female entrepreneur class in the small and medium sectors has developed in the country taking challenge to work in a male dominated, competitive and complex economic and business environment. It has been found that at present women entrepreneurs constitute less than 10% of the total business entrepreneurs in Bangladesh, whereas women in advanced market economies own more than 25% of all businesses. In spite of these, in Bangladesh, not only have the women's entrepreneurship improved their living conditions and earned more respect in the family and the society, but they have also contributed to business and export growth, supplies, employment generation, productivity and skill development. MTB has also designed special products to help thrive the growth of women entrepreneurs. 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.

Table: Financing for Women Entrepreneur in BDT Million

Topic	2018
Outstanding of Women Entrepreneurs	336.90
Disbursement of Funds to Women Entrepreneurs	415.21

GREEN FINANCING THROUGH MTB GREEN ENERGY

MTB has its own developed green finance product named **MTB Green Energy** loan. It promotes investment in renewable energy sectors with the aim of reducing carbon footprint in the country. In the reporting year, outstanding of MTB Green Energy loan was BDT 939.54 million.

PROCUREMENT PRACTICES

MTB has its own procurement manual which was created by MTB Infrastructure division. This manual aims to set out the parameters for contributing towards sustainable development of the Bank through the application of a sustainable procurement policy and explains the key issues and principles associated with this object. The general objectives of this manual is:

- To ensure standardize procurement procedures
- To ensure proper purchase documentation
- To enable efficient, judicious and timely purchase
- To streamline, consolidate and where possible improve on procurement practice
- To ensure that the Bank's Procurement Manual is known and observed by all employee's involved in the procurement process
- To comply with the Laws & Regulations applicable for the Bank in this regard.



08

ENVIRONMENT



ENERGY

ENERGY CONSUMPTION

The bank consumed 41 million megajoules of energy in 2018 by using fuels, natural gas and electricity. In banking business, there is no scope as of date to consume energy outside of the organization's premises.

Table: Energy Consumption of MTB in 2018

Fuel/Source Type	Total Unit	Megajoules
Electricity (KWH)	9,110,122.82	32,795,080.63
Diesel (LTR)	164,573.72	6,301,577.92
Octane (LTR)	70,379.78	2,363,259.41
Kerosene (LTR)	-	-
Natural Gas (m ³)	-	-
Total	-	41,459,917.96

The car pool of the bank has 41 cars and 04 motor bikes that consumed 2,091 litres of diesel, and 61,027 litres of octane for running a total of 391,845 KM in 2018.

Conversion source:

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator> and

<http://www.convertworld.com/en/>

ENERGY INTENSITY

Fuel/ Source Type	Megajoules		Per Employee Power Consumption (Megajoules)		Per Day Power Consumption (Megajoules)	
	2018	2017	2018	2017	2018	2017
Electricity (KWH)	32,795,080.63	11,468,141.09	15,469.38	5,722.63	89,849.54	31,419.56
Diesel (LTR)	6,301,577.92	549,349.84	2,972.44	274.13	17,264.60	1,505.07
Octane (LTR)	2,363,259.41	2,095,409.88	1,114.75	1,045.61	6,474.68	5,740.85
Total	41,459,917.96	14,112,900.83	19,556.6	7,042.37	113,588.82	38,665.48

In 2017, only three of buildings' electricity and diesel consumption was measured, whereas in 2018, electricity and diesel consumption of all the branches of MTB is measured.

MTB'S SOLAR POWER CAPACITY

MTB has installed solar power panels at its Corporate Head Office, branches and ATM booths. By 2018, total capacity installed is 44.6 KW of solar panels that reduce total power consumption by the bank.

Table: Solar Power Capacity of Branches in 2018

Branch	Solar Power Capacity
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

REDUCTIONS IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES

BANKING THROUGH SMS

SMS banking service provides instant notification about clients' transactions as and when those take place. It helps them to keep a watch on their accounts with a round-the-clock service. Every debit or credit in their accounts is disclosed by SMS. MTB SMS banking offers basic banking services to customers for a very little use of energy. In 2018, a total of 55,497 text messages were sent by MTB in response to customer's balance checking and 9,304 text messages were sent in response to checking transactions, through push-pull service. This enabled MTB to send and its customers to get their account information by using little energy compared to the traditional way of getting account information by visiting branches.

Table: SMS Sent for Information

Topic	2018	2017
Number of Balance Check Messages Sent	55,497	24,965
Number of Transaction Check Messages Sent	9,304	4,632

INTERNET BANKING FACILITIES

MTB Internet Banking enables its customers to avail various services such as fund transfer to MTB as well as other banks, credit card bill payment, utility bill payment, account statement checking etc. through the bank's website. Our internet banking platform is secured by state-of-the-art two factor authentication (2FA) system. MTB has its own app for internet banking through smart phones that run on both android and apple operating systems. The app is freely available for download at Google Play Store and iTunes. Apart from fund transfer, the app enables the customers to pay bills and recharge mobile balance, which reduces energy consumption remarkably compared to traditional methods.

Table: Internet Banking

Topic	2018	2017
Internet Banking Users	24,995	20,912
Internet App Users on Mobile and Tab	10,015	8,234

ENHANCEMENT OF THE CORPORATE INTRANET

The bank has an exclusive and very effective intranet system, M-Net, 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. Circulars of Bangladesh Bank (BB) and MTB are instantly circulated through M-Net. Most of the communications within the bank have become absolutely online. Electronic communication substantially reduces paper consumption, thereby reduces deforestation.

To further reduce paper consumption, various information is posted on the intranet with the aim to increase employee awareness on the subjects. All MTB outlets across the country send e-cards during 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 avoiding papers. MTB Corporate Intranet was officially launched on August 21, 2007 and holds various applications.

Table: Various Facilities Provided by M-Net

§ MTB Circular with Tracker	§ E-Attendance
§ Bangladesh Bank Circular	§ MTB News
§ Training Management	§ MTB Notice Board
o E-Nomination	§ External News (RSS integrated)
o Training Calendar	§ Staff News
o Training Attendance	§ Event Photo Album
o Training Invitation	§ Department Homepage
o Training MIS	§ Branch Homepage
§ Leave Management	§ Dictionary
§ Online Requisition	§ E-Signature Booklet
§ Business Card Requisition	§ Forex Rate
§ Auxiliary Staff Bill Management	§ MTB Trivia (Quiz)
§ AML and CFT Screening	§ MTB E-Learning
§ E-Requests with Documentation	§ Branch Reporting with Monitoring
o Core Banking S/W User Management	§ iMail with Message Readability Tracking
o Lien Marking	§ Employees Salary Statement, Tax Statements PF Statements A/C Statements Engagement statistics etc.
o Interest Rate Change	§ Dashboards (Staff Anniversary, Staff on Leave, BACH-EFT Dashboard, EFT Pending etc.)

§ Performance Management System (Objectives Setting and Acceptance, Midyear Review, Yearly Review and ACR Management)	§ Deposit Contribution Tracker
§ Participation: Naming Competition	§ Contractual Staff Management
§ ATM/POS Register	§ Deposit Dash Board
§ ATM Low Cash Alert	§ UN Sanction Screening
§ Open Account Online	and many more...

M-Net saved a large number of paperwork equivalent to 25,252,022 sheets or 50,504.04 reams of A4 paper. Saving 50,504.04 reams of A4 paper is equivalent to saving 914,123.18 KWH of embodied energy and 570.41 tons of associated CO₂ emission.

Table: Energy Savings by Less Consumption of Paper

Item	2018	2017	2016	Unit
Automation in Services Saved Paper by	126.26	57.58	46.97	M. Tons
Total Embodied Energy of the Paper Saved	914,123.18	416,849.90	340,079.78	KWH
Carbon Dioxide (CO ₂) Saved in Producing the Above Energy	570.41	260.11	212.21	M. Tons of CO ₂
Total Paper Saved by Automation, Equivalent to	438.12	199.79	162.99	Tons of Woods
Total Paper saved by Automation, Equivalent to	3,066.86	1,398.52	1,140.96	Trees
Total Paper Saved by Automation, Equivalent to	4,886.27	2,228.19	1,817.83	btu energy

Table: Ecological Footprint Saved in the Global Hectare

Land and Forest Ecological Footprint	2018	2017	2016
Saved Land Equivalency Factor	151.73	69.19	56.45
Saved Forest Footprint	1,447.70	660.17	538.58
Total Ecological Footprint	1,599.43	729.36	595.03

EMISSIONS

Direct Greenhouse Gas (GHG) Emissions

Table: Metric Tons of CO₂ or CO₂e (Carbon dioxide Equivalent) Emitted

Energy	2018
Electricity	6,404.42
Diesel	440.45

Octane	165.23
N Gas	-
Total	7,010.10

Conversion Standards:

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

<http://www.convertworld.com/en/>

Reduction of Greenhouse Gas (GHG) Emissions

Table: Per Employee GHG Emissions (in Metric Tons of CO2)

Energy Items	2018
Electricity	3.02
Diesel (LTR)	0.21
Octane (LTR)	0.08
Total	3.31

Table: Greenhouse gas (GHG) Emission Intensity

Category	2018
M Tons of CO2 Emissions/Employee	3.31
M Tons of CO2 Emissions/Day	19.21

MTB'S GREEN INITIATIVES

SUSTAINABLE BANKING

Today's banks are more than mere financial intermediaries; they are custodians of the larger interests of society. It is also acknowledged that sustainable banking is the way to go. Being the engine of growth, banks need to spruce up their sustainability goals. Every bank needs to wake up to the reality and firm up their roadmap for sustainable banking. They could choose to align with voluntary bodies on sustainable banking, namely, the UNEP FI, Equator Principles, GRI etc. or develop a sustainable banking policy guideline by themselves. Technology plays a crucial role in taking banks towards their sustainability goals. Armed with the flexibility and analytical capability of their technology landscape, banks can add muscle to their sustainable banking practice in the course of time.

As the engine driving money supply and the economic fate of nations, financial institutions have a big obligation to ensure that their actions are not against the greater good. Hence, they must weigh not only the financial implications of every decision, but also its impact on sustainability issues, such as biodiversity, climate change, human rights etc. In fact, this is also a matter of self-interest, because while social and environmental risks may not be added to financial risk in the short term, there is a high likelihood that they will be added over a longer period of time, to compromise the well-being of individual financial institution and the financial system as a whole. Clearly, sustainable banking is emerging as the ideal path for tomorrow's banking enterprise.

POLICY FORMULATION AND GOVERNANCE

As per instruction of Bangladesh Bank and as approved by the MTB Board of Directors at its meeting held on December 28, 2016, Sustainable Finance Unit has been formed in MTB. From the beginning of its journey, the unit is working hard to ensure due diligence in environmental and social issues in every investment of MTB.

The Executive Committee of the Board of Directors, at its 98th meeting, held on December 04, 2017, approved “Environmental and Social Risk Management (ERSM) Policy and Procedure of MTB – 2017”. This policy and procedure is a modification/amendment of our existing “Environmental Risk Management (ERM) Guidelines”.

Unlike the ERM guidelines issued in 2011, this policy is more dynamic and comprehensive in nature and accommodates social risks management issues in addition to covering latest improvements in environmental risk management. This paper is based on the “Guidelines on Environmental and Social Risk Management (ESRM) for banks and financial institutions in Bangladesh” issued by Bangladesh Bank (BB) vide their SFD Circular No. 02 dated February 08, 2017.

GREEN BANKING



Green Banking refers to practices and guidelines that make banks sustainable in economic, environment, and social dimensions. It aims to make banking processes and the use of IT and physical infrastructures as efficient and effective as possible, with zero or minimal impact on the environment. As one of the key stakeholders, banks can play a vital role in development and response to the environment through “Green Banking” practice. Being a responsible corporate citizen and in line with the instructions of Bangladesh Bank, MTB has designed its Sustainable Finance Policy with an aim to inculcate practices that make every effort for environmental friendly activities.

MTB promotes green banking to reach the long-term strategic objective to be a green, triple bottom line bank where every decision will be taken considering people, planet and profit in mind. Going Green in our bank, not only bring awareness among our customers and our employees, but also build awareness and consciousness to our society. The core business model of MTB clearly expresses its sustainability towards environment and unveils its eco-friendly motives. The bank’s green banking initiatives include online and paperless banking, reduction of greenhouse gas emissions, mapping bank’s carbon foot print, efficient energy use, environment friendly projects, plant nursery, horticulture projects etc.

MTB GREEN OFFICE GUIDE

As part of the bank's continuous effort to uphold green banking initiatives, MTB developed Green Office Guide to facilitate green banking objectives of the bank. The Green Office Guide comes up with pictorial demonstration for better understanding of the readers. This guide is used in the offices to determine the style of daily functional behavior of all tiers of workforce.

MTB'S GREEN MARKETING SYSTEM

MTB emphasizes selling products and/or services based on their environmental benefits. A number of such products and services like debit card, credit card, internet banking, internet recharge for mobile, SWIFT, call center, online banking, SMS banking etc. are being promoted through various advertising campaigns in both the electronic and the print media. The virtual world of communication is also being used as the means of promoting the bank's environment friendly products and services. Brochures, leaflets, banners, flags, hard boards, festoons, danglers, billboards, and alike means of advertising are also used to popularize the green products of the bank. MTB also uses the occasion of opening ATM booths and branches to popularize the bank's environment friendly products and services. Clients are also encouraged to modify their product lines and set up modern machineries from the environmental viewpoint. MTB also facilitates refinance scheme for setting up bio-gas plants, solar panels, ETPs, vermicompost, hydroelectricity, Hybrid Hoffman Kilns etc. MTB is also promoting 52 green products of Bangladesh Bank and ADB Refinance Scheme for efficiency improvement under green finance.

MTB GREEN BUILDING

MTB has designed its two corporate office buildings - "MTB Centre" and "MTB Tower" - as fully green buildings with motion sensor lighting system. Lights are automatically turned off if there is no human movement in the room. Solar power system has also been installed on the rooftop of the buildings. Both buildings are designed to reduce energy consumption significantly and make MTB a green and environment friendly bank in the true sense. MTB Tower has rain-water harvesting facility and eco-friendly carpet made of wool, a natural fiber processed without using any chemical treatment. The state-of-the-art rain water harvesting plant has a capacity of 10,000 liters.

Other Green Banking Initiatives

Topic	Year 2018	Year 2017
Automated Banking		
Number of ATMs	268	247
Number of Branches with Online Banking	114	111
Number of Internet Banking Users	24,995	20,912
Number of MTB App Users	10,015	8,234
Number of Branches Powered by Solar Energy	9	9
Number of ATM Booths Powered by Solar Energy	7	9

09

INVESTING IN OUR EMPLOYMENT

ECONOMIC PERFORMANCE EMPLOYMENT
COMPENSATION AND BENEFITS
HEALTH AND SAFETY ISSUES
PROGRAMS FOR EMPLOYEES OF MTB
TRAINING AND EDUCATION
DIVERSITY, EQUAL OPPORTUNITY & REMUNERATION



EMPLOYMENT

INSPIRING MTBIANS TO RESURGENT

Human resources with right attitudes can build up the most valuable assets for a bank to put the organization on a competitive advantage which becomes impossible for other players in the industry to duplicate. In the year 2018, MTB took an approach called “Resurgent” to overcome the anticipated obstacles that were being imminent. The theme, MTB Resurgent, was adopted with an aim to turn around against all odds and secure a sustainable growth of the bank. GHR has supported this strategy by designing and conducting its activities being aligned with it.

GHR confirms that the employees are educated about the guidelines to be followed for achieving the goal of Resurgent. 'Code of Conduct', 'MTB 3V', and 'MTB Winning' booklets are made available for every MTBIans. Today's ardent employees are tomorrow's leaders. GHR paid special attention to guide the employees through different approaches to act on the resurgent theme. Several in-house training programs were conducted across the country to create awareness and wide area was covered so that everyone gets the messages properly and performs accordingly in uniform ways.

Achieving Diversity at Workplace MTB desires to create synergy through employing diverse group of people. Workforce Diversity prevents creation of any glass ceiling and gets better output from different views and opinions. GHR has been vigilant in not being prejudiced and making selection of candidates solely based on talents, who are best fitted for the organization. Maintaining gender ratio at a reasonable level is another target of MTB GHR. More and more females are joining the workforce in Bangladesh, and MTB also encourages female participation in its operations at different levels of management.

MTB has taken the initiatives to put females in leadership position to shatter the perceived glass ceiling in the banking industry. GHR gives special attention so that female candidates get proper scope just like the male candidates. Female employees have diversified ranks ranging from Officers to Executives. Last year, female employees were recruited for higher managerial positions. Lady MTBIans were posted to manager and deputy manager roles at a few branches and some departments of branches are being headed by female employees.

The workforce of MTB group stood at 2,120 by the end of 2018. As MTB gained more popularity as the employer of choice, the number of MTBIans has also increased during the year 2018. At December 31, 2018, 2,120 employees remained with MTB with 19% of female staff. The table below shows rank and gender composition of MTB employees.

Table: Total Number of Employees in 2018 by job ranking

Ranks	No. of Male Staff	No. of Female Staff	Total Staff	Percentage of Composition
Executive	277	28	305	14%
Mid-Level Officer	391	86	477	23%
Junior Level Officer	1,030	288	1,318	62%
Non Officers	18	2	20	1%
Total	1,716	404	2,120	100%

BUILDING & RETAINING HUMAN CAPITAL

The organization is marching towards growth over time, resulting in increased volume of operations, and becoming a stronger contender in the industry. Adhering to the goals, MTB GHR designs recruitment programs to fill in the human capital requirements where necessary with the best fit talents. The target is

not only to acquire qualified human resources but also to build a loyal team who will make the goal of the bank as own individual goal and work likewise.

Table: Total Number of Employees in 2018 by Age, Gender and Managerial Position

Total Employees	Executives		Non-Executives		Total		Percentage of Total Employees	
	Male	Female	Male	Female	Male	Female	Male	Female
Below 30 years	0	0	229	88	229	88	10.80%	4.15%
30 years to 40 years	40	9	935	228	975	237	45.99%	11.18%
40 years to 50 years	80	19	362	57	442	76	20.85%	3.58%
50 years and above	60	1	9	3	69	4	3.25%	0.19%
Total	180	29	1,535	376	1,715	405	80.90%	19.10%

MTB has created an excellent work environment with the help of GHR and this is evident in the employee turnover trend. Employees' length of service is one of the key indicators that they work for the organization with loyalty and willingness to work together to make the bank reach its long term strategic goals.



Picture: As an accolade of excellent work environment for employees, MTB wins Aisa's best Employer Brand Awards 2018.

POLICY DRIVEN HR PRACTICES

The key to create a catalyst group of employees is to choose and nourish the right talent without being prejudiced. There is an established employee governance policy to standardize every selection, compensation, performance evaluation procedure, etc within the bank. This policy creates a culture of equity among every employee in the bank and reduces various risks related to human resource management.

SYSTEMATIC EMPLOYEE EVALUATION

Employees are evaluated continuously through performance management model, supporting professional certification, self-driven development initiatives, training participations, etc. GHR developed employee performance management model with the purpose of keeping the employees inspired to be always striving for producing the best results.

The performance evaluation system creates bridge among internal human capital and the strategic goal achievement for the bank. Performance evaluation process starts with taking input from the employees, where they themselves declare the expected output to be achieved during the year. The targets are collected through the company intranet, MNet, and the goals are reconsidered in the midyear and at the end of the year. There are certain criteria that objectives must possess, which are called SMART (Stretching, Measurable, Agreed, Realistic & Time bound).

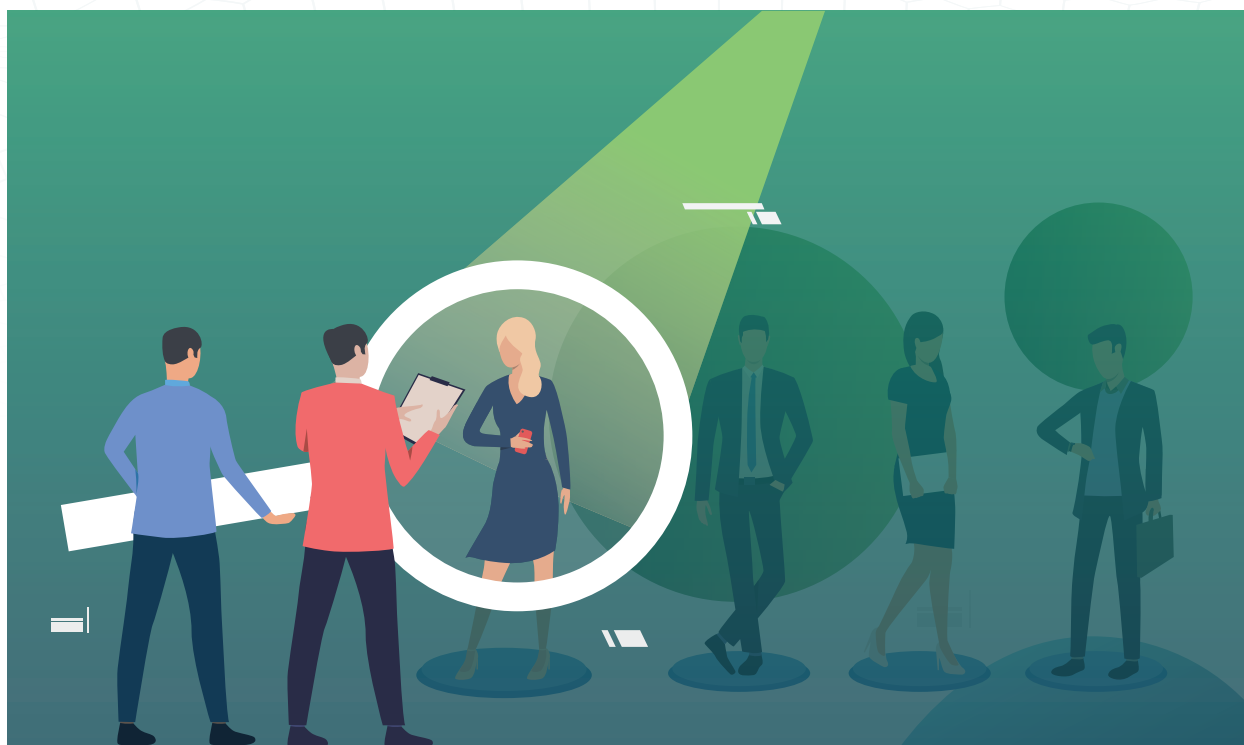
Performance assessment is taken from both the employees and reporting supervisor. While conducting the appraisal process, a few key elements are considered, which are as follows:

- Ongoing Job Requirements
- Operational Efficiency
- Business Development
- Cost Reduction
- System Redesigning
- Contribution in Projects and Assignments
- People Development
- Self-development

HOLISTIC INITIATIVES TO IDENTIFY, SELECT AND BUILDING CATALYST HUMAN CAPITAL

Building a catalyst arsenal of employees, who will become the game changer in the industry in later times is the ultimate goal of GHR. MTB realizes that if right quality of people are taken onboard and are nourished over time, they will grow the capability to take the organization to the pinnacle of success. GHR recruits graduates in both entry-level posts and other senior level posts. Entry level positions are filled with fresh graduated people, selected from an integrated recruitment processes consisting of written tests and interviews. In such case their skills and integrity are judged with importance. Later the fresh intakes are shaped and developed with proper training on banking regulations, code of conduct, etc.

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 deliver 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 diversified 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 achieving its vision and mission.

MTB believes that, value is created when human capital is capable and motivated enough to handle the financial capital and intellectual capital in a way to deliver desired results. The bank has clear set of mission, vision and strategies, which can only be materialized if people with right attitudes are acquired and placed accordingly. MTB GHR takes further initiatives to confirm that employees are continuously inspired to work towards achieving organization's shared goals.

Table: Total New Recruitment in 2018 by Gender and Age Group

Age Group	Male	Female	Total	Percentage
Below 30 years	68	24	92	52.87%
30 years to 40 years	48	13	61	35.06%

40 years to 50 years	19	2	21	12.07%
50 years and above	0	0	0	0
Total	135	39	174	100%

DEVELOPING FUTURE LEADERS

Senior level positions at MTB are filled up with people possessing the right experiences and skills with the potential to lead the industry in future. Not only that, to create future leaders for the industry, MTB offers “MTB Management Trainee Program” (MTB MMT), a unique program designed to discover the best talents to work in the bank. MTB MMT is one of the best programs in the industry for making the future leaders concentrating not only on enhancing banking skills but also building expertise's to work as frontrunner. The program is run to attract candidates from across the country, who are invited to written examination later after careful scrutiny of the candidates. From the written examination, candidates with qualifying marks are called for multiple sessions of interviews to strain only the best suited and capable candidates for the program. In the first year, selected candidates attend on-the-job and off the-job training programs and are given some tasks to be completed within the time frame. After successful completion of training and development along with mentoring and coaching for one year, the Management Trainees are absorbed as ‘JAVP’ (Junior Assistant Vice President). After taking new employees into the system, MTB puts continues efforts to polish the capabilities of employees and making them better suited for exerting best performances. The employee development processes focus on enabling employees to go further their current capabilities and further enhancement of their potentials. Every employee is given opportunity to attend training and development programs. Employees or their line managers can take the initiatives to be considered for training programs based on their capability and need assessment.

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 inspections contribute to improvements in physical fitness, nutrition habits and so on.

MTB has fixed salary structure approved by the 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.

Table: Apart from monthly salary employees are entitled to following benefits

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

Table: MTB Employees' Service Benefit Fund–2018

Name of the Funds	No. of Employees Benefited	Total Disbursement in BDT
Employees' Provident Fund	45	38,399,650
Employees' Gratuity Fund	20	40,378,058
Employees' Welfare Fund	91	12,177,840
Employees' Medical Assistance Fund	364	12,641,611
Employees' Death Benefit Plan	1	1,000,000
MTB Foundation	23	5,867,079
Total	544	72,064,588

Table: 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

EMPLOYEE BENEFIT SCHEME

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with provisions of IAS 19, "Employee Benefits". Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident Fund

Provident fund benefits are given to the permanent employees' of the Bank in accordance with Bank's service rules. Accordingly a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part-B of the First Schedule of Income-tax Ordinance, 1984. The recognition took effect from 30 April 2001. 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 amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis. 290 Mutual Trust Bank Ltd.

b) Gratuity

The Bank operates a funded gratuity scheme approved by the National Board of Revenue. The Gratuity Fund is managed separately by "MTBL Employees Gratuity Fund" and any investment decision out of this fund is also made by this trust. As per gratuity scheme every permanent employee will get gratuity benefit as per following policy that rendering their service without break:

Completed years of Service	Payment of Gratuity
8 years & above	2.00 basic for each year of service in MTB
7 years	1.70 basic for each year of service in MTB
6 years	1.35 basic for each year of service in MTB
5 years	1.00 basic for each year of service in MTB

c) MTB Employees' Welfare Fund

The welfare fund is subscribed by monthly contribution of 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 the Board of trustees consisting of four (04) members.

d) MTB Employees' Medical Assistance Fund

Medical Assistance fund is subscribed by monthly contribution of the employees as per policy. The Bank also contributes to the fund from time to time. The fund has been established to provide medical assistance to the employees with dependents. The fund is governed and administered by the Board of trustees consisting of four (04) members.

e) MTB Employees' Hospitalization and Group Life Policy

The Bank, as an adherence to the best practice in the banking industry and to strengthen its corporate culture, introduced the Group Life and Hospitalization policy for its employees and their dependents (spouse and kids) effective from 01 January 2019.

f) MTB Employees' Death Benefit Plan

The plan has been formed to provide financial benefit 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 the Board of trustees consisting of four (04) members. In case of death of an employee while in active service, financial benefit is paid to the nominee of the deceased employee at a prescribed amount ranging from 3 (three) lacs to 10 (ten) lacs.

g) MTB Foundation

The Bank, as part of corporate social responsibility, has established MTB Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members.

h) Incentive Bonus

Mutual Trust Bank Limited 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 and costs are accounted for the period to which it relates.

ADB GENDER CHAMPION AWARD



Mutual Trust Bank Limited (MTB) has recently been awarded the ADB Gender Champion Award as part of Asian Development Bank's Trade Finance Program (TFP) 2018. The award was handed over at a ceremony held on September 04, 2018 at InterContinental Hotel, Singapore at which the MTB Vice Chairman, Khwaja Nargis Hossain received the award on behalf of the bank, and at which event, and senior female officials were also present.

The MTB Vice Chairman termed the award as a strong recognition of the bank's continued focus on supporting the career trajectories of women at MTB. She underscored this award as a big push for women in the workplace to be granted equal and full voice in every aspect. Mutual Trust Bank Limited (MTB) aspires to be a top employer of the best talent and in the process creating the right conditions for women to succeed, to challenge and enable them to do their best work and reward them for doing so. Gender equality is a key factor in achieving this goal and is a priority of the bank's diversity and inclusion strategy. This award will serve as a fillip in MTB's efforts to improve gender parity at the bank.

HEALTH AND SAFETY ISSUES

OCCUPATIONAL HEALTH AND SAFETY PROGRAM



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.

Table: Fire Fighting & Security & Emergency Teams

Team	Number of Members
First Aid Team	07
Fire Wardens	09
Deputy Fire Wardens	09

Rescue Team Members	09
Fire Marshal (Group Chief Security Officer)	01
Assembly Point Manager	01

Table: Fire Fighting & Security & Emergency situation management in 2018

No. of training program conducted on Fire Fighting And First Aid	02
No. of participants	71
Number of fire drills	03
No. of employees received formal training on security & emergency situation management	257

Table: Health and Safety Policy

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

PROGRAMS FOR EMPLOYEES OF MTB

MTB CELEBRATES INTERNATIONAL WOMEN'S DAY 2018



Like in the previous years, Mutual Trust Bank Limited (MTB) celebrated the International Women's Day 2018 on Thursday, March 08, 2018 at the Samson H. Chowdhury Auditorium (Level 10), MTB Tower, 111 Kazi Nazrul Islam Avenue, Dhaka 1000. With globalization and technological revolution on the one hand and unstable livelihoods and incomes on the other, MTB observed the day with this year's theme, #PressforProgress which focuses on women in the changing world of work.

MTB SPORTS



MTB arranges different types of sports event throughout the year for motivating its employees. Not only indoor games but also outdoor games such as football and cricket carnivals are arranged in every year.

MTB SPORTS

SCHOLARSHIP DISTRIBUTION PROGRAM TO THE MERITORIOUS CHILDREN OF MTBIANS



Picture: Every year MTB gives scholarship to the meritorious children of the employees.

SCHOLARSHIP DISTRIBUTION

TRAINING AND DEVELOPMENT



Training and development is an important factor for most industries as it helps keep the employees and the organizational goals aligned. Training also serves as a safeguard for the banks in situations, when the sector comes under heightened scrutiny.

Employees within the financial sector must remain compliant with specific regulations imposed by the regulatory authorities. Frequent trainings ensure these employees remain qualified for their jobs and always in compliance, even as the regulations change from time to time.

Effective training is an investment in the human resources of an organization, with both immediate and long-range returns. In recent times, e-learning has become increasingly popular in the financial sector due to the lower cost involved in online delivery as opposed to travel required for off-site, in-person training. The ability to reach a large learning audience at a time is beneficial to the financial sector. To address the fact, MTB emphasizes e-learning for its employees.

The technology along with the method of working in the banking sector is changing rapidly. Not only the machines, but approaches to various schemes, policies and banking facilities are changing with time. The new recruits and the older ones as well, need to undergo necessary trainings to grasp the same from time to time. MTB Group Human Resources Division makes sure that the people working in the bank are not suffering from any such knowledge and skill deficiency.

The following training methods are followed at MTB:

- Orientation Program
- Foundation Training Program
- Job Specific Training Program
- Need Based Local/Foreign Training
- Peer or Supervisors' Tutoring

In 2018, Human Resources Division arranged in-house, local and foreign training programmes. It covers areas like Basic Foundation Course for the freshers; specialized training courses i.e. Credit Appraisal and Management, Foreign Exchange and Foreign Trade, BASEL Implementation, Corporate Social Responsibility, Retail Banking, SME, Corporate Banking, Sustainable Finance, Information Security etc.

TREND OF TRAINING PROGRAM

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

Table: Year wise Training Participants

Training & Learning	2018	2017	2016	2015	2014	2013
MTBTI Training	120	114	113	131	74	70
Outsourced Training (Local)	140	132	140	80	70	66
Outsourced Training (Foreign)	30	35	10	18	13	3
No. of Participations	1874	1786	1626	1530	1467	1187

Table: Training Information of MTB in 2018

Training Type	Training Programmes	Participation
In House (MTBTI)	120	1574
Local/Outsourced	140	250
Abroad	30	50
Total	290	1874

PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER AND BY EMPLOYEE CATEGORY

Group Human Resource Division (GHRD) of MTB has a vigorous Performance Management System (PMS) for evaluating employees in terms of performance and install 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; MTB has automated the entire performance appraisal process.

DIVERSITY, EQUAL OPPORTUNITY & REMUNERATION

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

Gender diversity among members of the Board of Directors, MTB in 2018

Gender	Number	Percentage
Male	12*	92.31%
Female	1	7.69%
Total	13	100.00%

*Including MD & CEO



10

SUPPORTING OUR COMMUNITY

MTB CSR
CSR INITIATIVES
CHARITY ACTIVITIES IN 2018



MTB CSR

A business can only become sustainable when it conducts its operations keeping in mind the development of the environment and the community in which it operates. MTB's model for sustainability is based on the 3P approach: People, Planet and Profit.

CSR is a way towards sustainable business by creating long-term value for the stakeholders, the environment and the community as a whole. MTB believes that a responsible and sustainable business organization is one that does its business responsibly by keeping in mind the interests of its stakeholders - both internal and external. We believe our conscious choice of protecting the environment today will lead to a better and sustainable tomorrow.

MTB's priority sectors for CSR initiatives are education, healthcare, environment and disaster management. Our CSR strategies are based on the fundamental conviction of sustainable business that integrates good governance and social priorities with a view to enhancing community empowerment in a sustainable manner.

CSR INITIATIVES

Table: CSR Initiatives of MTB in 2018

Initiatives	Amount (in BDT)	No. of Beneficiaries
Education	6,435,153	5,485
Health	2,496,586	757
Disaster Management	67,637,000	32,000
Art and Culture	5,460,000	1,00,020
Others	2,267,500	167
Total	84,296,239	1,38,429

MTB SCHOOL BANKING



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

During these campaigns, children can open accounts and have a hands-on banking experience. This eventually helps the students to cultivate the habit of savings from an early age. Any school going child can open a School Banking Account with his/her parent and start saving for the future. This account is meant to help our future generation to grow up with a savings habit along with being accustomed with the banking culture.

Table: School Banking Campaign in 2018

Division	Number of Schools	Boys' Participation	Girls' Participation
Dhaka	47	13,646	8,228
Chattogram	79	24,024	10,945
Other	30	4,486	2,684
Total	156	42,156	21,857

Highlighting Activities of MTB CSR

APPROVED CSR POLICY

MTB has an approved CSR policy targeting the activities conducted on account of social responsiveness. It has been developed with the aim of making CSR activities more standardized and effective. The policy sets clear guidance on the objectives of the initiatives and specifies where the funds will be provided and who will be the beneficiaries of the initiatives taken.

CHARITY ACTIVITIES OF MTB IN 2018

“SWAPNO SARATHI” (THE DREAM CHARIOT)



Pic: MTB's Free Bicycle Distribution Program for Underprivileged Meritorious Students (Female & Male)

In accordance with the bank's policy to nurture the primary education sector in the rural hard-to-reach areas, MTB launched a special campaign titled "Swapno Sarathi" in 2015.

The campaign aims at motivating students (mainly female) with the motto "School-e jete durotto jeno badha na hoy" (Distance should not be a barrier for going to school) by providing them with bicycles with a view to facilitating their movement to and from school. Till date almost 1,581 bicycles have been distributed in different regions of the country, namely: Panchagar, Bogra, Dhorkora Bazar, Dinajpur, Joypurhat, Kadair Bazar, Ramchandrapur Bazar, Rangpur, Sirajganj, Thakurgaon, Lalmonirhat, Tangail, Comilla, Ishwardi and Feni in addition to different former enclaves of Bangladesh.

MTB "BRAVERY & COURAGE" AWARD

The bank had presented "Bravery & Courage" award in 2012 and since then, has been recognizing different acts of bravery. MTB, with a view to recognizing acts of bravery and rewarding selfless individuals and their families, provides financial support to self-sacrificing individuals and / or their family members.

"SHOBUJ ISHKOOL GORI" (সবুজ ইশকুল গড়ি)



‘Poriborton Chai’ is a social organization that has been working towards mobilizing the youth of Bangladesh to help improve the environment and cleanliness in the suburban and urban areas of the country. “Shobuj Ishkool Gori” or “Greening 100 Schools of Bangladesh” is a significant initiative of the organization, through which it aims to bring about an environmental makeover at the schools through active participation of the students and teachers as well as their volunteers. The students are taught about waste management, making organic compost, the use of dustbins and greening of their playing fields.

MTB is the first bank to partner with ‘Poriborton Chai’ and launch the “Shobuj Ishkool Gori” campaign in the city. MTB’s unique CSR campaign aims to bring about an environmental makeover at schools through active participation of the students and teachers by educating them about waste management, making organic compost, the use of dustbins and greening of their playing fields. The project, which was inaugurated at Pallabi Majedul Islam Model High School in Mirpur, Dhaka included two more schools - one in Rangpur and one in Patuakhali - in 2018.

LIVELIHOOD PROGRAM FOR THE WOMEN AND HEALTH CLINIC FOR THE COMMUNITY OF CHAR PATILA AT CHAR KUKRI MUKRI OF BHOLA



Mutual Trust Bank Limited (MTB) has signed an agreement with Management and Resources Development Initiative (MRDI) to provide livelihood and health care services to the people living in the offshore areas of the country. The adverse impact of climate change hampers Bangladesh’s efforts at breaking the cycle of poverty that traps thousands of people living in the country’s off-shore chars. MTB wants to contribute for the betterment of those people. Construction of the centre was finished in 2018 and it was inaugurated in July 2018. The centre is providing training on sewing and stitching through the training centre to the women of remote areas surrounding the place so that they can contribute to the well-being of their families. The

health care centre also provides primary services including knowledge about safe motherhood practices to the villagers. The centre is linked with Char Fashion Upazilla Health Complex for referral services.

- *"With the support of MTB and with our own efforts, we want to turn this locality into a model village in terms of education, health, food security, employment and access to resources."*

Hasibur Rahman, executive director of MRDI

MTB HANDS OVER CHEQUE OF BDT 50 MILLION TO THE PRIME MINISTER'S RELIEF FUND



Mutual Trust Bank Ltd. (MTB) Chairman, M. A. Rouf, JP and Director, Md. Wakiluddin are seen handing over a cheque of BDT 50 million to the Honorable Prime Minister of Bangladesh, Sheikh Hasina, as donation for the Prime Minister's Relief and Welfare Fund as part of the bank's Corporate Social Responsibility (CSR) at a simple ceremony held at Gonobhaban in Dhaka on April 2018.

MTB HANDS OVER A CHEQUE TO WOMEN ENTREPRENEUR



Speaker of Bangladesh Parliament Dr. Shirin Sharmin Chaudhury hands over a cheque to women entrepreneur Shabana Akter, owner of Subin Dental Care and client of MTB in the event of “Banker–SME Women Entrepreneur Conference and Product Display Fair-2018” organized by Bangladesh Bank in association with banks and NBFIs at Bangladesh Shishu Academy recently. Governor of Bangladesh Bank Fazle Kabir and Head of SME & Retail Banking of MTB Tarek Reaz Khan were also present in the programme.

MTB ESTABLISHES GIRLS’ RIGHTS TO EDUCATION BY SUPPORTING THE “GIRLS NOT BRIDES” CAMPAIGN OF ACTION AID INTERNATIONAL BANGLADESH

The education sector of the country has always been a priority for MTB’s initiatives related to Corporate Social Responsibility (CSR). Mutual Trust Bank Limited (MTB) and Action Aid International Bangladesh (AAIB) signed a Memorandum of Understanding (MoU) on July 20, 2017 to bear the expenses for education and vocational training of vulnerable girls residing in the “Happy Homes” hostel supervised by AAIB. Farah Kabir, Executive Director, Action Aid International Bangladesh (AAIB) and Anis A. Khan, Managing Director & CEO, MTB signed the MoU on behalf of their respective organizations. As part of the MoU, MTB will be engaging in participatory development and empowerment of women in Bangladesh through quality education.

SCHOOL FOR INTELLECTUAL DISABLED AT TARASH (CHALANBIL AREA), SIRAJGANJ

MTB is supporting autistic children ensuring their access to the education in a remote area like Tarash (Chalanbil Area), Sirajganj through School for Intellectual Disabled. MTB is providing School for Intellectual Disabled with financial aid for purchasing various supportive medical and education items for the autistic children.

ANNUAL CONTRIBUTION TO TWO FAMILIES OF MARTYRED ARMY OFFICERS KILLED IN BDR CARNAGE

MTB has been providing two suffered families during BDR tragedy namely: Mrs. Kamrun Nahar Maksum, widow of Shaheed Major Mohammad Maksum Ul Karim and Mrs. Shirin Akhter Mukta, widow of Shaheed Major Md. Khalid Hossain with an annual contribution of BDT 0.96 million since 2010 through Bangladesh Association of Banks (BAB).

MTB DISTRIBUTES SCHOLARSHIPS AMONGST STUDENTS OF KUSHTIA THROUGH MEDHA

The bank distributes scholarships among the underprivileged meritorious students of Kushtia through MEDHA, focusing on the participatory development in the society.

MTB DISTRIBUTES BLANKETS TO THE COLD-AFFECTED PEOPLE



As part of its Corporate Social Responsibility (CSR) Program, MTB, like previous years, distributed blankets amongst the cold-affected people of various regions of the country. BDT 15 million fund was provided for the purpose.

CUSTOMER AWARENESS PROGRAM

Customer awareness is a huge priority for MTB. The bank has been taking regular awareness training program in different branches and locations regarding different threatening issues such as internet banking securities, identity theft, check book usage, credit and debit card usage, password protection, secured website and mobile app use etc.



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