

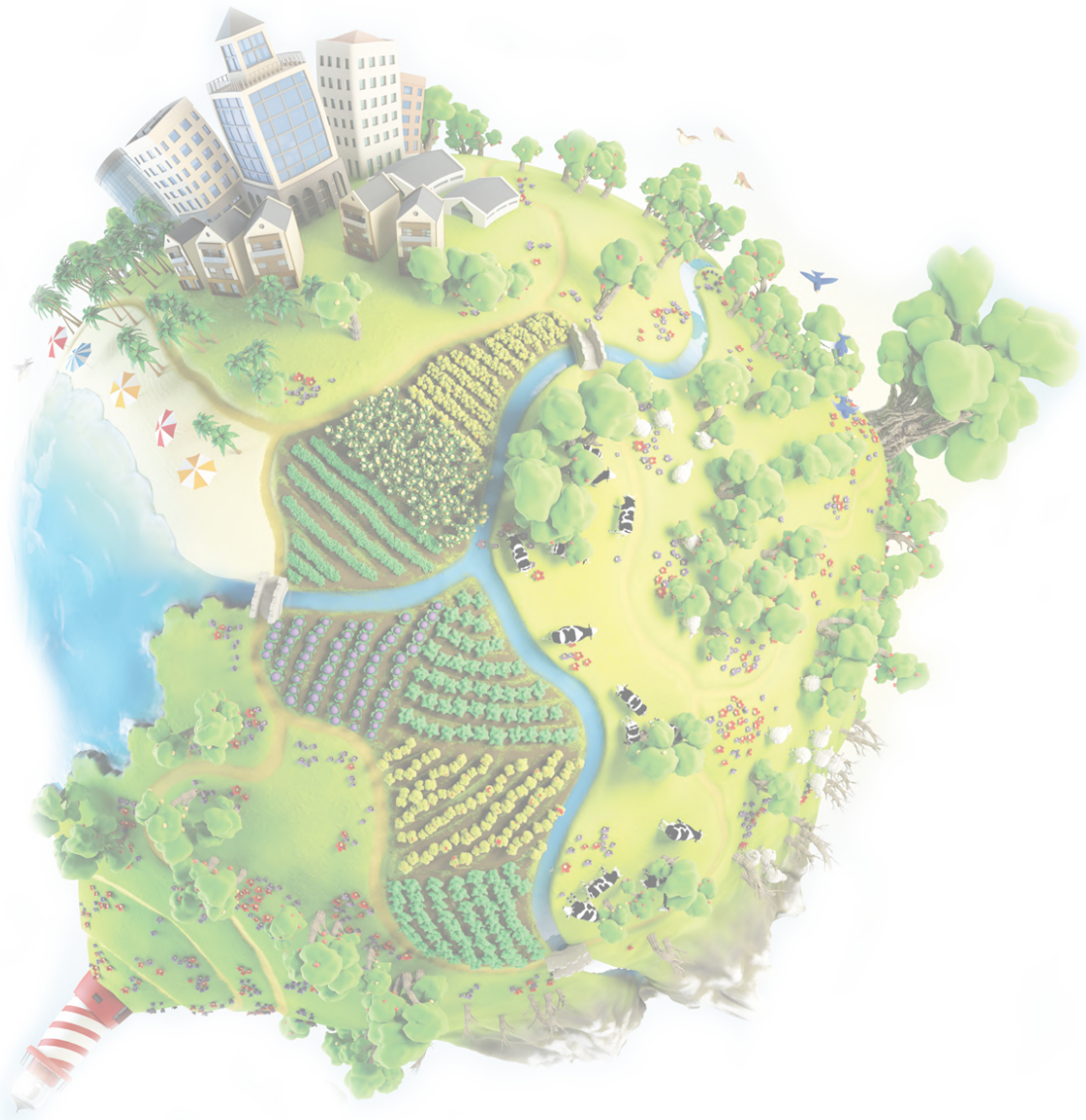
MTB Sustainability Report 2014



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

MTB Sustainability Report 2014



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ACRONYM

ABB	Association of Bankers Bangladesh	CCU	Central Compliance Unit
ADB	Asian Development Bank	CNG	Compressed Natural Gas
ADC	Alternate Delivery Channel	CO ₂	Carbon Dioxide
AfDB	African Development Bank	CRISL	Credit Rating Information and Services Limited
AGM	Annual General Meeting	CRR	Cash Reserve Ratio
AmCham	American Chamber of Commerce in Bangladesh	CSE	Chittagong Stock Exchange
AML & CFT	Anti-money Laundering & Combating the Financing of Terrorism	CSR	Corporate Social Responsibility
BAB	Bangladesh Association of Banks	DCCI	Dhaka Chamber of Commerce & Industry
BACH	Bangladesh Automated Clearing House	DESCO	Dhaka Electric Supply Company Limited
BAFEDA	Bangladesh Foreign Exchange Dealer Association	DOS	Department of Offsite Supervision
BAMLCO	Branch Anti-Money Laundering Compliance Officer	DSE	Dhaka Stock Exchange
BAPLC	Bangladesh Association of Publicly Listed Companies	EBRD	European Bank for Reconstruction and Development
BAS	Bangladesh Accounting Standards	EC	Executive Committee
BB	Bangladesh Bank (The Central Bank of Bangladesh)	ECAI	External Credit Assessment Institutions
BDT	Bangladesh Taka	EDD	Environmental Risk Due Diligence
BFIU	Bangladesh Financial Intelligence Unit	EFT	Electronic Fund Transfer
BFRS	Bangladesh Financial Reporting Standards	EIB	European Investment Bank
BEFTN	Bangladesh Electronic Funds Transfer Network	EnvRR	Environmental Risk Rating
BIBM	Bangladesh Institute of Bank Management	FBCCI	Federation of Bangladesh Chambers of Commerce and Industry
BRPD	Banking Regulation & Policy Department	GRI	Global Reporting Initiative
BSEC	Bangladesh Securities and Exchange Commission	HHK	Hybrid Hoffman Kiln
BTI	Banker to the Issue	IBB	Institute of Bankers Bangladesh
CAMLCO	Chief Anti-Money Laundering Compliance Officer	IBRD	International Bank for Reconstruction and Development
CAR	Capital Adequacy Ratio	ICAAP	Internal Capital Adequacy Assessment Policy
CBS	Core Banking System / Core Banking Software	ICAB	Institute of Chartered Accountants of Bangladesh
		ICC	Internal Control & Compliance
		ICCB	International Chamber of Commerce Bangladesh Limited
		ICT	Information and Communication Technology

ACRONYM

IDB	Islamic Development Bank	PDBL	Primary Dealers Bangladesh Limited
IFC	International Finance Corporation	PSD	Payment Systems Department
IISD	International Institute for Sustainable Development	RBCA	Risk Based Capital Adequacy
i-Mail	Intranet Mail	REPO	Repurchase Agreement
LBTI	Lead Banker to the Issue	RMG	Readymade Garments
MANCOM	Management Committee	RMP	Risk Management Paper
MCCI	Metropolitan Chamber of Commerce and Industry	RWA	Risk Weighted Assets
MICR	Magnetic Ink Character Recognition	SMA	Special Mention Account / Slow Moving Accounts
MoF	Ministry of Finance (Bangladesh)	SME	Small and Medium Enterprise
MTB	Mutual Trust Bank Limited	SWIFT	Society for Worldwide Interbank Financial Telecommunication
MTB UK	MTB Exchange (UK) Limited	T-bill	Treasury Bill
MTBCL	MTB Capital Limited	T-bond	Treasury Bond
MTBSL	MTB Securities Limited	UNEPFI	United Nations Environment Program Finance Initiative
MTBTI	MTB Training Institute	UNSCR	United Nations Security Council Resolution
N/A	Not Applicable	VaR	Value at Risk
NBFI	Non-Bank Financial Institutions		
NPL	Non-Performing Loan		
NPSB	National Payment Switch Bangladesh		
PCBs	Private Commercial Banks		



PREFACE

Mutual Trust Bank Ltd. (MTB) this year is presenting its first Sustainability Report, which covers the period from January 2014 to December 2014 (marked as Calendar Year 2014 later part of the report). In this report, MTB will comply with the reporting framework of Global Reporting Initiative (GRI). Application level of the framework applied in this report is GRI 4.0.

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

bring out this Sustainability Report regularly since 2014.

MTB presents this report primarily as an instrument of communication regarding the company's philosophy, governance, management, policies and CSR initiatives (Corporate Social Responsibility), resulting in sustainable development for the environment and the community.

MTB apart from vision and mission had a separate annual strategic focus. For the year 2014, it was crafted as "Pushing Boundaries", with the meaning to articulate, MTB would continue to push the boundaries to achieve its targets and enhance capabilities along the way.

Feedback

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

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sustainability@mutualtrustbank.com

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>

KEY HIGHLIGHTS

- **BDT 64.80 million** financed in 10 Solar Panel/Renewable Energy Plants in 2014.
- **BDT 280.0 million** financed in 3 Hybrid Hoffman Kiln (HHK) in 2014.
- **BDT 10.12 million** invested in Climate Risk
- **BDT 4.99 million** provided as higher studies scholarship in 2014
- **BDT 7,028 million** financed in SME sector
- **23,878 accounts** are availing with internet banking
- **176 ATM and 103 branches** (as of 2014) are operating online among which **Nine (9) ATM** as well as branches are powered by solar energy
- **MTB Tower** has set up rain water harvesting facility for reducing water cost by using rain water for general purpose after proper purification.
- **197,267 Man hours** of training for development of human capital. Average number of hours of training per year per participant is approximately 22.51 hours.
- **1,03,535 E-statements** delivered to customer
- **94% of cash withdrawals** by the MTB card holders take place through MTB's own ATM network while 6% through the National Payment System Bangladesh (NPSB) & VISA network.
- **BDT 10.5 billion** was withdrawn through MTB ATM network and the number of withdrawals was nearly **1.4 million** in 2014
- **52,324 beneficiary members** financed by MTB agricultural/rural credit
- **USD 142.4 million** remittance received by households of rural and semi-urban areas through MTB channel



AWARDS AND RECOGNITIONS



Motivation for moving forward

AWARDS AND RECOGNITIONS



Motivation for moving forward



sustainability for
NOW &
then



1. INTRODUCTION TO MTB

1.1 Corporate PROFILE of MTB

Mutual Trust Bank Limited (MTB) was incorporated in Bangladesh in 1999 as a Banking Company under the Companies Act, 1994. All types of commercial banking services are provided by the bank within the stipulations laid down by the Bank Companies Act, 1991 and directives received from Bangladesh Bank, from time to time. The bank started its commercial operations from October 24, 1999. The shares of the bank are listed with the Dhaka and Chittagong Stock Exchanges, as a publicly quoted company. Now in 2014 total the Authorized Capital of the Bank is BDT 10 billion.

The bank is equipped with strong delivery channels consisting of 103 bank branches, 176 ATM booths, established at strategic location in prime commercial,

urban and rural areas of the country, 8 MTB Smart Banking kiosks, and 1,986 Point of Sales (POS) machines, 14 (fourteen) SME/Agri Branches and two booths at Hazrat Shahjalal International Airport, Dhaka. MTB offers fully integrated real-time Online Banking Services, a 24/7 modern Contact Centre and Internet and SMS Banking to its growing customer base, through a dedicated team of experienced Relationship Managers and Alternative Delivery Channels (ADC). In addition it has three fully-owned subsidiaries - MTB Securities Limited with 18 branches, MTB Capital Limited and MTB Exchange (UK) Limited with a branch apiece. The registered office of the Bank is MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212.



MTB Securities Ltd.

Mutual Trust Bank Limited started its brokerage functions in June 2006 as a division of the bank. Subsequently, as per the directives of Bangladesh Bank and the Securities Exchange Commission, the division emerged as a subsidiary company of Mutual Trust Bank Limited in the name of MTB Securities Limited. MTBSL is currently operating with 16 brokerage house branches, spread across the country. During the year 2014, the company made an operating profit of BDT 360 million as against BDT 334 million in 2013.

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 Bangladesh Securities and Exchange Commission (BSEC) in December 2010. MTBCL was incorporated to explore new markets and meet the demand for merchant banking services. The company extends co-operation and value added services to its customers. During the year 2014, MTBCL made an operating profit of BDT 48 million as against BDT 20 million in 2013.

MTB Exchange (UK) Ltd.

MTB Exchange (UK) Limited (MTB UK) is one of the three fully owned subsidiary companies of Mutual Trust Bank Limited (MTB). It is the third exchange house, opened amongst other Bangladeshi private commercial banks' exchange houses in The United Kingdom, and started its operation from February 15, 2011. During 2014, a total amount of GBP 4.49 million was remitted to Bangladesh through MTB Exchange (UK) Ltd.

Company Registration:

Registered name of the company: Mutual Trust Bank Limited

The Company was incorporated on September 29, 1999 under the Companies Act 1994 as a public company limited by shares for carrying out all kinds of banking activities with an Authorized Capital of BDT 200 Million divided into 2,000,000 ordinary shares of BDT 100 each. At present, the Authorized Capital of the company is BDT 10,000,000,000 (BDT 10 Billion) divided into 1,000,000,000 (One Billion) ordinary shares of BDT 10 each, in 2014 paid up capital is 3,078.

- Company Registration Number: c38707 (665)/99 on September 29, 1999
- Bangladesh Bank Permission Number: 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

Registered office address

MTB Centre

26 Gulshan Avenue, Gulshan 1, Dhaka 1212
Corporate Website: www.mutualtrustbank.com

Memberships with Chambers and Associations

- The Institute of Bankers Bangladesh (IBB)
- Bangladesh Association of Banks (BAB)
- Bangladesh Foreign Exchange Dealer Association (BAFEDA)
- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI)
- International Chamber of Commerce Bangladesh Limited (ICCB)
- Dhaka Stock Exchange (DSE)
- Dhaka Chamber of Commerce & Industry (DCCI)
- Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
- American Chamber of Commerce in Bangladesh (AmCham)
- Primary Dealers Bangladesh Limited (PDBL)

Vision, Mission & Core Values



Our Vision

Mutual Trust Bank's vision is based on a philosophy known as MTB3V. We envision MTB to be:

- I. One of the best performing banks in Bangladesh
- II. The bank of choice
- III. A truly world-class bank

Our Mission

We aspire to be the most admired financial institution in the country; to be recognized as a dynamic, innovative and client focused company, which offers an array of products and services in the search for excellence and to create an impressive economic value.

MTB Core Values

Commitment:

Shareholders – Create sustainable economic value for our shareholders by utilizing an honest and efficient business methodology.

Community – Committed to serve the society through employment creation, support community projects and events and be a responsible corporate citizen.

Customers – Render state-of-the-art service to our customers by offering diversified products and by aspiring to fulfill their banking needs to the best of our abilities.

Employees – We rely on the inherent merits of each employee and honor our relation as a part of this renowned financial institution. We work together to celebrate and reward unique backgrounds, viewpoints, skills and talents of everyone at the workplace, no matter what their job is.

Accountability:

MTB is accountable for providing the highest level of service to the customers along with meeting the strict requirements of regulatory standards and ethical business practices.

Agility:

We see things from all plausible perspectives. We are open to any necessary change. We can respond rapidly and adjust our mode of operation to meet stakeholders' needs and achieve our goals.

Trust:

We value mutual trust, which encompasses transparent and candid communications among all parties.



Code of Conduct

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

Code I: Our Vision

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

Code II: Uphold organizational mission

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

Code III: Adhere to the highest ethical standards

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

Code IV: Compliance with the laws & regulations

We maintain knowledge of and comply with all

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

Code V: Relationship with & responsibilities to MTB

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

Code VI: Relationship with & responsibilities to customer

Deliver service professionally, respect customers and treat them courteously and consistently; Respect the confidentiality and privacy of customers, or anybody with whom they do business.

Code VII: Protecting business assets & information

We are responsible and accountable for using the goodwill and assets of MTB and its customers, whether tangible, intangible, intellectual or electronic, in a manner both responsible and appropriate to the business and only for legal and authorized purposes.

Code VIII: Respecting others

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

Code IX: Misconduct

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

Code X: Insider trading

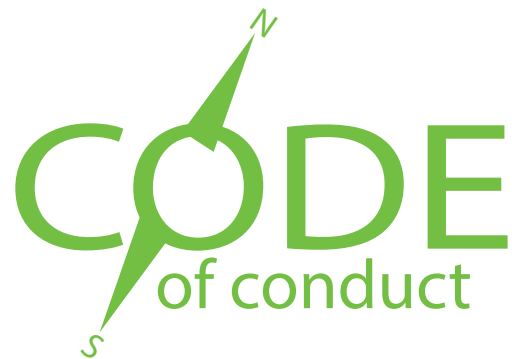
We are committed to not utilize position for personal gain or for gain of another person. All of us must ensure that any information in our possession that is not publicly available and may have a material effect on the price or value of objectives is not provided to anyone who may be influenced to subscribe,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

Code XI: Control

The Code is designed to provide practical assistance in performing our daily tasks and resolving situations, which may present potential ethical conflicts.

Our Code of conduct has eleven core elements supporting a self-regulatory approach to the way we do business. Also, the Management monitors the compliance of the code of conduct .

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



MTB Outlook 2015

Strategic priorities

1. Unlock new horizons of business with an emphasis on sustainability
2. Continue to maintain our high standards of compliance and governance
3. Leverage our people, technological know-how, financial capital and foresight to enhance shareholder returns while ensuring organic growth
4. Improve our funding and liquidity positions with the proviso of maintaining high levels of asset quality and provisioning
5. Establish a culture of empowerment and spirit along with appropriate remuneration thereby attracting leaders to join and progress with the bank
6. Act as a socially responsible organization with the aim to progress the economy and the people
7. Ensure appropriate use of latest technology to improve the delivery channels and provide services to the unbanked population

MTB considers itself as a **COMPLIANT BANK**. We aim to increase our profits in a sustained and controlled manner, taking into account our main philosophy of **INTEGRITY, TRANSPARENCY** and **ETHICS**. We aim to expand into new horizons, unlocking the potential within to help us achieve our goal

Managing Director & CEO's Speech on Sustainability



ANIS A. KHAN
Managing Director and CEO

"At Mutual Trust Bank (MTB), we're striving to ensure a more sustainable future in all our possible activities – from working with our customers, developing our people, supporting local communities and to strategic corporate decision-making." MTB's First Sustainability Report is a manifestation of our long-term commitment to the implementation of sustainable programs and initiatives that assist our customers, engage our people, support communities, care for the environment and embed strong corporate governance practices. Sustainability is about being a

successful business, today, while ensuring the long term benefit for our people, customers, shareholders and the community. I am pleased to share with you MTB's first ever Sustainability Report 2014.

Our sustainability focus has a direct link to our strategic priorities and the related five areas of opportunity – customer service, business banking, technology and operational excellence, trust and team spirit, and profitable growth. During 2014, we have continued to build sustainable practices into every aspect of our business, working to create long-term value for our

customers, employees, shareholders and the community. As a Group, we are proud of the achievements we have made in these areas, and we remain dedicated to building on them in the future. We remain committed to our vision to be 'One of the Best Performing Bank's in Bangladesh' through excelling in customer services. Over the previous financial year, we have supported this goal through our ongoing investment in process enhancement and systems, which have improved customer service delivery and experience. We have also launched a number of new products and services and reinvigorated training for our frontline staff to help them better support our customers.

The year 2014 was significant in terms of implementation of our strategic agenda. We have formulated our five year plan - "MTB Vision 2020", with the following planks:

- To enhance retail business by unlocking our potential and power of the MTB branch network, Alternate Delivery Channels, products and services.
- Cutting-edge Information Technology Services (ITS) via a new Core Banking System (CBS), to be put in place by 2017, to ensure smooth and efficient banking operations.
- To be amongst the top five service providers in Cards business by 2020.
- To hold the position as the 'Best SME Bank' and 'Best Women Entrepreneurs' Friendly Bank' of the country
- To double Funds under Management (FUM).

The measures we have brought in will align our business model with the changing business environment and competition, both existing and emerging, in the financial sector.

We have made progress – faster than planned in some areas, such as investing in the earning power of the core business, rigorous cost management and optimizing the capital base. We have fundamentally overhauled our range of products and services and focused, consistently, on their quality and value propositions. As a result of the foregoing, we have achieved considerable success with many of our products and services, and received awards and recognitions for a few.

In 2014, MTB:

- Was adjudged as the “Best SME Bank of the Year” jointly by Bangladesh Bank and the SME Foundation
- Won the “Best Women Entrepreneurs’ Friendly Bank of the Year” award, given jointly by Bangladesh Bank and the SME Foundation
- Received ‘Merit Certificate’ for Best Published Accounts from the Institute of Chartered Accountants of Bangladesh (ICAB), consecutively for the last four years
- The bank’s own 12 storied building - MTB Tower, was inaugurated on October 24, 2014 at Kazi Nazrul Islam Avenue, which is in the heart of the national capital, Dhaka
- The bank celebrated 15 years of operations in October 2014
- The 100th branch of the bank was inaugurated at MTB Tower
- The total number of 24/7 MTB ATMs in service rose to 176

For the sustainable banking, MTB has in 2014

- Extended finance of **BDT 64.80 million** financed in 10 Solar Panel/Renewable Energy Plants
- **BDT 280.00 million** financed in 3 Hybrid Hoffman Kiln (HHK)
- **BDT 10.12 million** invested in Climate Risk
- **23,878 accounts** are using MTB internet banking services
- **176 ATM** and **103**

branches are operating online out of which **Nine (9) ATMs** as well as branches are powered by solar energy

- To reduce water costs and wastage, rain water harvesting facility has been set up at MTB Tower for general purpose use after proper purification.

We have continued to work towards creating a culture of trust and team spirit. We continued to provide training and development opportunities for our people (197,267 man hours of training in 2014, and, on average, 22.51 hours per employee per year), and actively worked to support the health and well-being of all staff. Invitations and nominations are sent to the nominees via online system. We believe that strong corporate governance and an ethical framework is the backbone of a successful business. Our senior leaders and decision makers lead by example, demonstrating accountability and disclosure, and we continue to grow and embed a strong ethical culture.

Together with local communities, we invested in building solutions for the development of the regions where we operate. We advanced the development of methodology for assessing our risks and impact on biodiversity, and strengthened our actions in the territories. We achieved strong economic results, based on cost cutting, discipline in investments and focus on our core business.

We seek to influence our suppliers on the sustainability agenda. We also believe in the importance of participating in discussions and global initiatives that promote sustainability. By supporting this initiative, we commit to promoting its principles on issues related to human and labour rights.

While observing a strong compliance culture and strict adherence to the highest possible

ethical standards and the MTB Code of Conduct, and helping protect the environment. In the year 2014, MTB has achieved its highest ever operating profit of BDT 2,603 million. The year 2013 was also a satisfactory one.

The attainments did not come as surprise. Rather, it is the outcome of well devised long term planning taken by the MTB board and management, and careful investment in the development of the bank's infrastructure and its growing human resources. The improvement of the key financial indicators imply that investments made have started to yield dividends and augurs well for the future years.

Moreover, in the year 2014, MTB has reached other notable milestones, as mentioned earlier in this review. With all these accomplishments and positive trends, we are confident of optimizing the strength of our existing network to deliver the desired financial services to our expanding customer base. In addition, over 1,800 employees of the bank are continuously striving hard to deliver quality banking services and tailoring products to match customer needs, however challenging they may be.

In conclusion, I would like to thank our customers, stakeholders, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, the Ministry of Finance, Registrar of Joint Stock Companies, policy makers, other regulatory bodies, well-wishers, the media, other associates, the Bank's Board of Directors and all fellow colleagues in the MTB Group, on all of whom our viability and continued success depends.

Thank you.

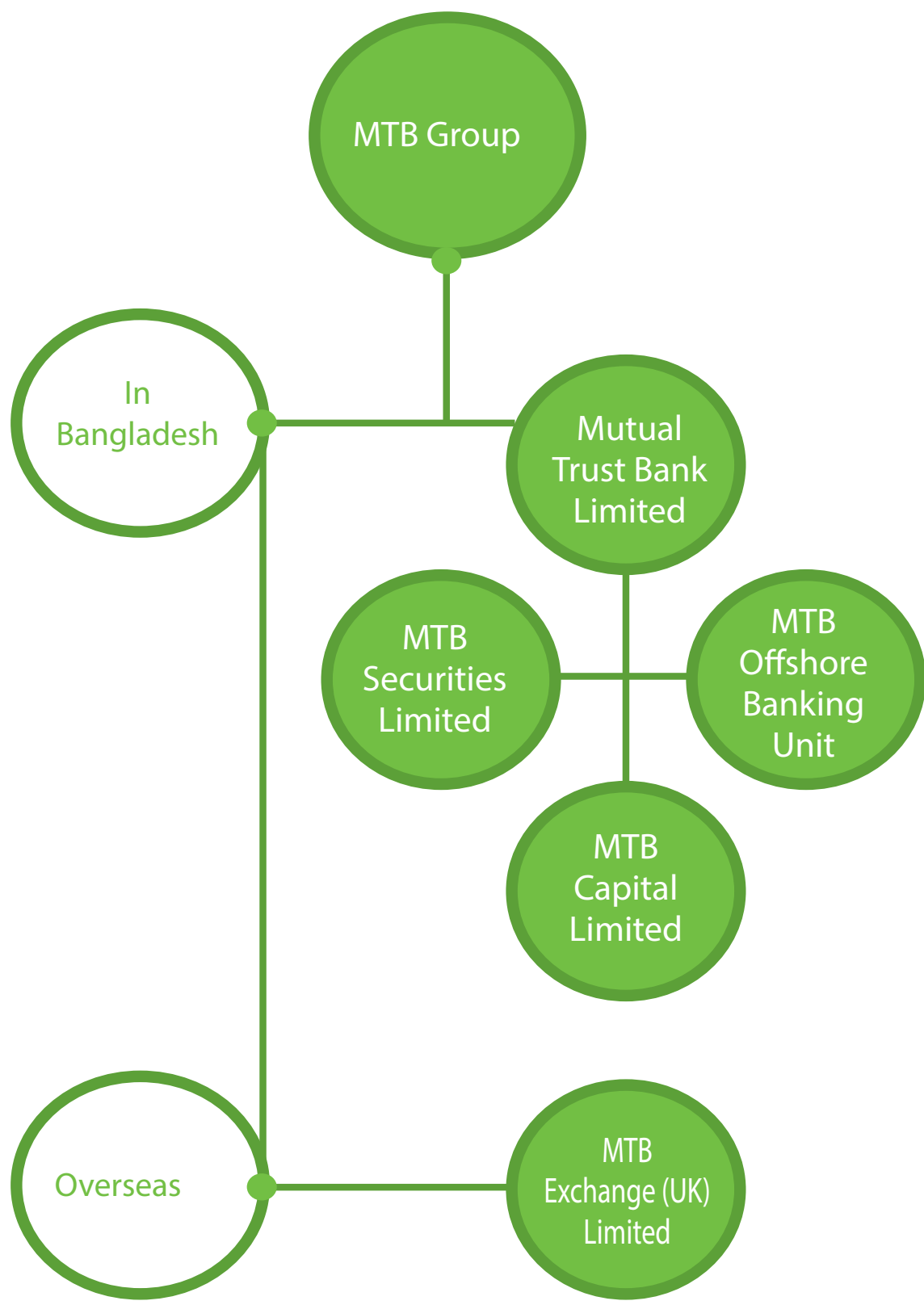
Sincerely,



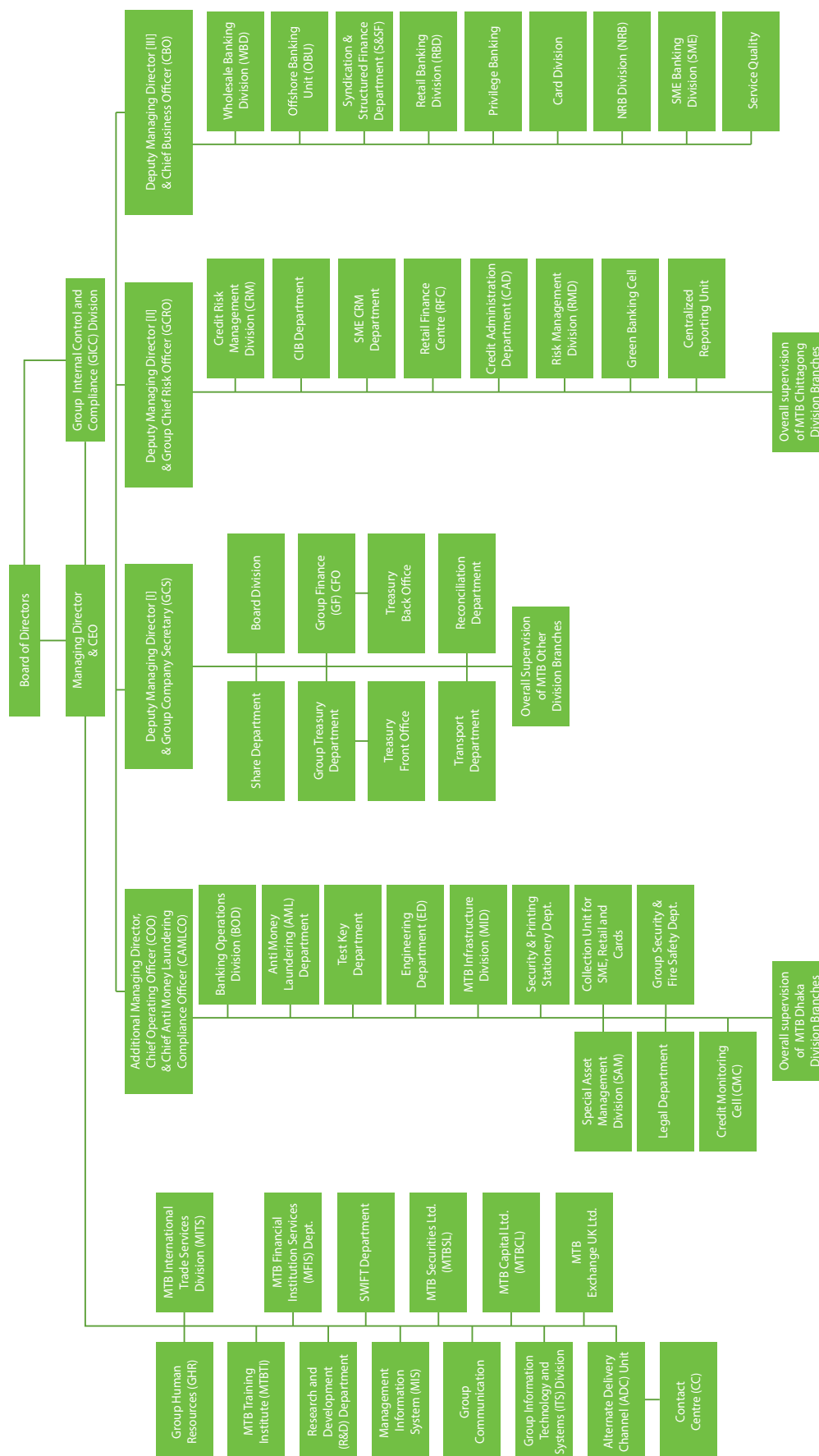
Anis A. Khan
Managing Director & CEO

1.2 Governance Structure & Mechanism

MTB Corporate Structure



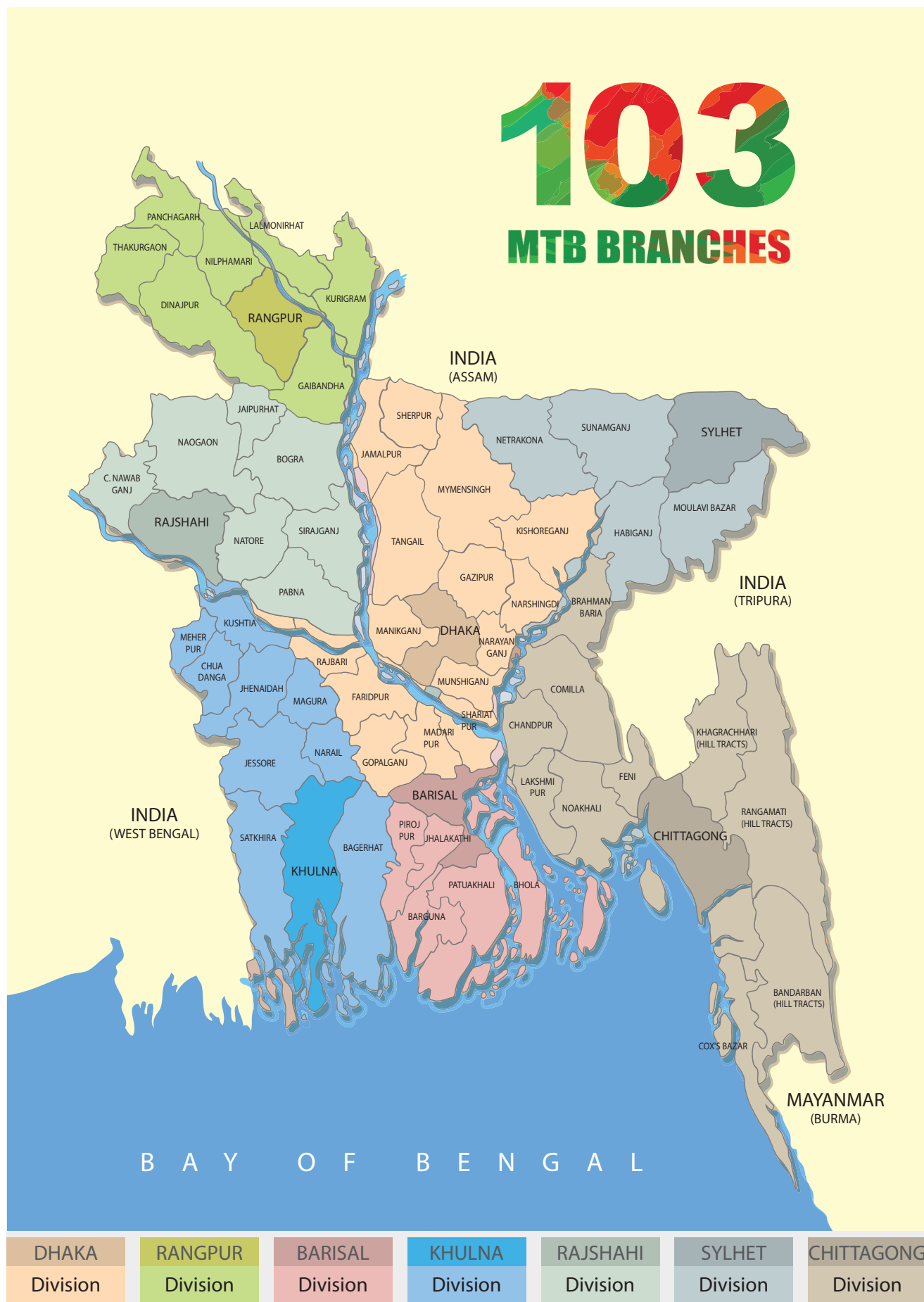
MTB Group Organogram



Global Presence



MTB'S Local Presence





Corporate Governance

Corporate governance is the system by which companies are directed and controlled by the management in the best interest of all the stakeholders, thereby ensuring greater transparency and better and timely financial reporting.

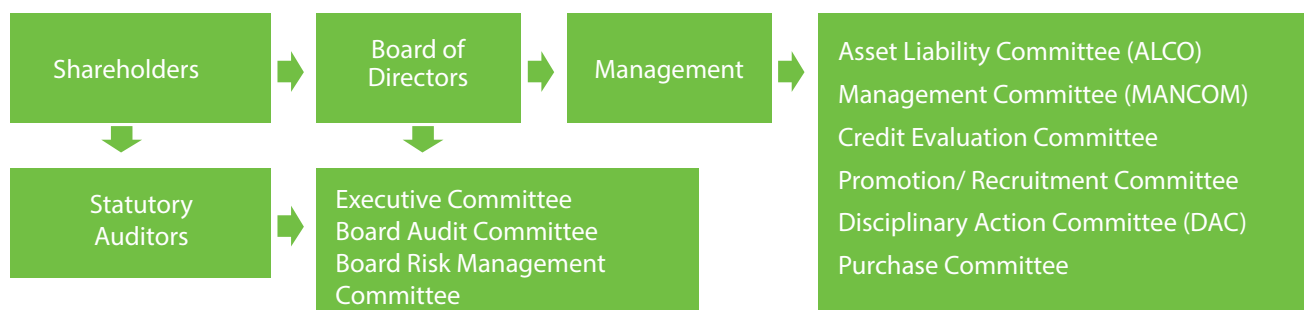
Good corporate governance is critical to the success and

sustainability of our business.

Our senior leaders and decision makers lead by example, demonstrating strong ethics, accountability and disclosure. Our governance responsibilities are integral to our performance and long-term sustainability. Our corporate governance standards reflect emerging best practices and meet or exceed legal and regulatory requirements.

We strive to earn and retain the trust of our shareholders through our high standards of corporate governance. We have rigorous oversight and regulations in place, and we work to embed those practices in our culture.

Our Governance Structure



Board of Directors Mechanism and Independence

Mutual Trust Bank conforms to appropriate guidelines of the Bangladesh Bank, Bangladesh Securities and Exchange Commission, and The Companies Act, 1994, while establishing its Board of Directors. The numbers of Board members are 12 out of whom two are Independent Directors. All members of the Board of Directors are professionals in management, law and business. They possess the skills, experience and knowledge to set directions and oversee the overall activities of the bank. The

Board appraises the bank's budget and business plans and evaluates those on a monthly basis so as to give guidance as per changing economic and market environment. The Board also assesses the strategies and manuals of several segments of businesses in order to establish effective risk management in credit and other key areas of banking operations. During the year, 14 (fourteen) board meetings were held to formulate policies, set goals and evaluate overall performance of the Bank.

MTB Board Executive Committee

The MTB Executive Committee (EC) was constituted to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. The number of members in EC is 5 (five) nominated by the Board. It ensures the implementation of the policies and guidelines. The EC then accepts the credit proposals as per the

approved accepted policies of the Board which were prepared, modified as per guideline time to time received from the regulators. The Board has delegated appropriate administrative, financial and business authority to the concerned Committee and management as per Bangladesh Bank (BB) guidelines.

MTB Board Audit Committee

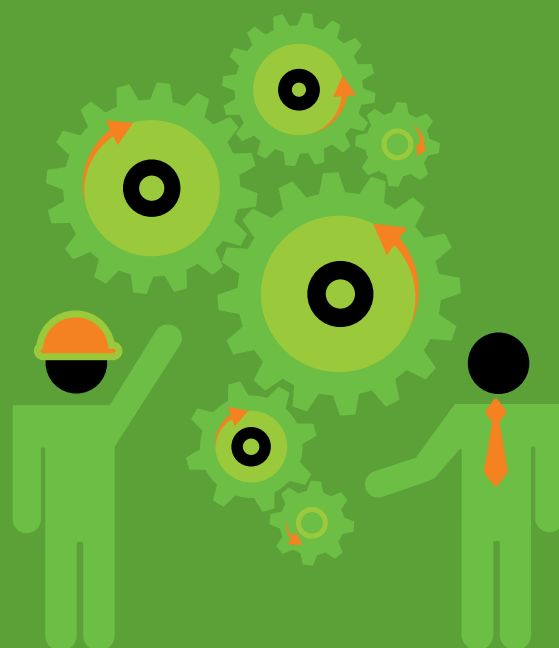
The bank formed its first Audit Committee (AC) on January 18, 2003. Thereafter, lastly reconstituted on March 16, 2014 comprising 05 (five) members of the Board including two independent directors, one of whom, chaired the meetings, as per prevailing rules/regulations of BB and BSEC. The AC plays an effective role in building a bridge among the board and management, shareholders, depositors and other stakeholders and helps in ensuring efficient, safe and sound banking practices. The Board of Directors of MTB recognizes the importance of the Committee. 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 meets regularly the Heads of Credit Risk Management, Group Internal Control & Compliance, Group Finance, Special Asset Management Division, other Bank Officials and also the External Auditors to discuss on, whether the Financial Statements are prepared, conforms with the IFRS, IAS as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) i.e. BFRS & BAS, 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 2014, four meetings of the MTB Board Audit Committee were held.

MTB Board Risk Management Committee

To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, the MTB Board Risk Management Committee (MBRMC) was formed comprising 5 (five) members of the Board. The Committee takes various steps to identify risks, which are related to the lending foreign exchange, internal control & compliance, money laundering and other trading and operating activities of the bank. The

Committee evaluates risk on a comprehensive basis including, among others, balance sheet management, capital adequacy, credit and operational risk. The committee assesses the risks arising from various activities of bank's operation; develops strategies and policies to mitigate and control those risks, ensures the effective implementation of these policies and strategies; and also reviews and amends the policies and strategies from time to time for ensuring effective control on risk management of the bank.



Asset Liability Committee (ALCO)

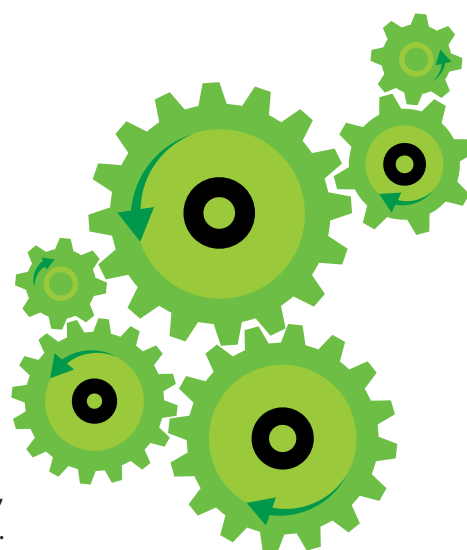
MTB has a fully functional Asset Liability Committee (ALCO) for prudent Balance Sheet Risk Management. The committee consists of the Managing Director & CEO as the Chairman of the committee along with Deputy Managing Directors and strategically important Divisional Heads of Corporate Head Office. To address and to mitigate various risks involved in the business, ALM desk of the MTB Treasury prepare ALCO (Asset Liability Committee) papers as per the guidelines of Bangladesh Bank in each month and conducts monthly ALM meeting where global & economic outlook as well as financial fundamentals of the Bank are highlighted.

The functions of the committee include implementation of ALM System by

- Monitoring the risk levels of the Bank
- Articulating the interest rate position and fixing the interest rate on Deposits and Advances
- Fixing differential rate of interest on Bulk Deposits
- Facilitating and coordinating bank-wide implementation of the ALM system

MTB Management Committee (MANCOM)

At MTB, the Board has a Management Committee consisting Twenty One (21) members. The Management Committee (MANCOM) is responsible for the overall management of MTB's operations. MANCOM consists of the Managing Director, Additional Managing Director, Deputy Managing Directors and Heads of Divisions. MANCOM will review all the policies of the Bank. It will ensure optimum utilization of three key resources of the bank namely (a) Human Resources (b) Financial Resources (c) System Resources. MANCOM appraises the Bank's financial data, position in the sector, profitability of business units, and new business developments. Based on the Credit Committee's analysis and observation, the proposals are forwarded to the Managing Director, Executive Committee or Board of Directors according to delegation.



1.3 Products & Services

Retail Banking

Deposit Products

Current Account | MTB Regular Savings | MTB Privilege Savings | MTB Senior | MTB Inspire | MTB Junior | MTB Graduate | MTB Ruby | Fixed Deposit | Special Notice Deposit | Brick by Brick | MTB Double Saver | MTB Millionaire Plan | MTB Education Plan | Monthly Benefit Plan | Children Education Deposit Scheme | MTB Care | MTB Shanchay | MTB Kotipati | MTB Gift Cheque | MTB Ankur



MTB RETAIL
BANKING
pleasure in life

Privilege
BANKING
Pleasure of Privilege

MTB 
Graduate

MTB SENIOR
Pleasure of Seniority!

LOAN Products

MTB Personal Loan | MTB Auto Loan | MTB Home Loan | MTB Home Equity Loan | MTB Professional's Loan



MTB AUTO LOAN
pleasure of car ownership

MTB Card Products

MTB Debit Card | MTB Local & Dual Currency Credit Card MTB Prepaid Card



Off-Shore Banking

Term Finance | Working Capital Finance | Trade Finance
(Local Bill Discounting, Foreign Bill Discounting, UPAS)

NRB Banking

NRB Savings Account | NRB Deposit Pension Scheme (NRB DPS) | NRB Fixed Deposit Account (NRB FD)



Wholesale Banking

Term Finance

Project Finance | Finance for Importing Capital Machinery | Lease Finance | House Building Finance | Term Loan to NBFI | Term Lending

Working Capital Finance

Secured Over Draft (SOD) | Cash Credit (Hypo) | Cash against Document | Short Term Loan | Loan General | Time Loan

Trade & Export Finance

Back to Back L/C | Export Bill Discounting (FDBP and IDBP) | Secured Over Draft (SOD-general/export bill) | Packing Credit

Import Finance

Loan against Trust Receipt (LTR) | EDF Loan

Non-funded Trade Finance

L/C Opening (Sight/Deferred/UPAS) | L/C Advising | L/C Transfer | Bank Guarantee | Shipping Guarantee

Bank Guarantee

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

Syndications & Structured Finance

Financing to Power, Telecom, Hotels, Aircraft, Steel, Cement, Glass, Petrochemical, Agro-based Projects, Microfinancing, etc.

Cash Management Unit

- MTB Nationwide Collection Services
- MTB Payments Solutions (Clearing Service, BACH, BEFTN)
- MTB High Value Account Services
- MTB Tuition Fees Collection Service
- MTB Web Based Banking Service
- MTB Capital Market Services (IPO, LBTI, BTI, Rights Issue)
- Motor Vehicle Fee Collection Solution

SME Banking

MTB Bhaggobati | MTB Krishi | MTB Mousumi | MTB Revolving Loan | MTB Small Business Loan | MTB Digoon | MTB Green Energy Loan | MTB Probaho | MTB Buniad | MTB Gunabati | MTB Krishijat | MTB Light Engineering | MTB IT Genius | MTB Microfinance | MTB Youth Line



Product and Service Information Dissemination

MTB promotes its products through website, as always updated. Besides, branch premises also display different brochures and leaflets on product information. The product contents, limitation and the benefits are also well presented on the brochures and leaflets. The updated information is also available on internet.

Display of various facilities (deposits, loans and advances and ancillary services, service charge, rate of interest, foreign exchange rates offered but the bank and the information is also available through brochures and leaflets. The bank will help the customers understand the financial products/ services offered by providing adequate information about them, explaining their financial implications and assessing the customers to choose the appropriate banking products/services.

The following information are conspicuously displayed in prominent and easily visible places of the branch:

- Current interest rates on all deposit and loan products
- Latest schedule of charges
- Buying and selling rates of foreign currencies
- Credit rating and financial information of the bank
- The contact details of the bank's Central Customer Service and Complaints Management Cell (CC & CMC)
- Banking hours and holiday notices
- Any other relevant information deemed necessary by the management.



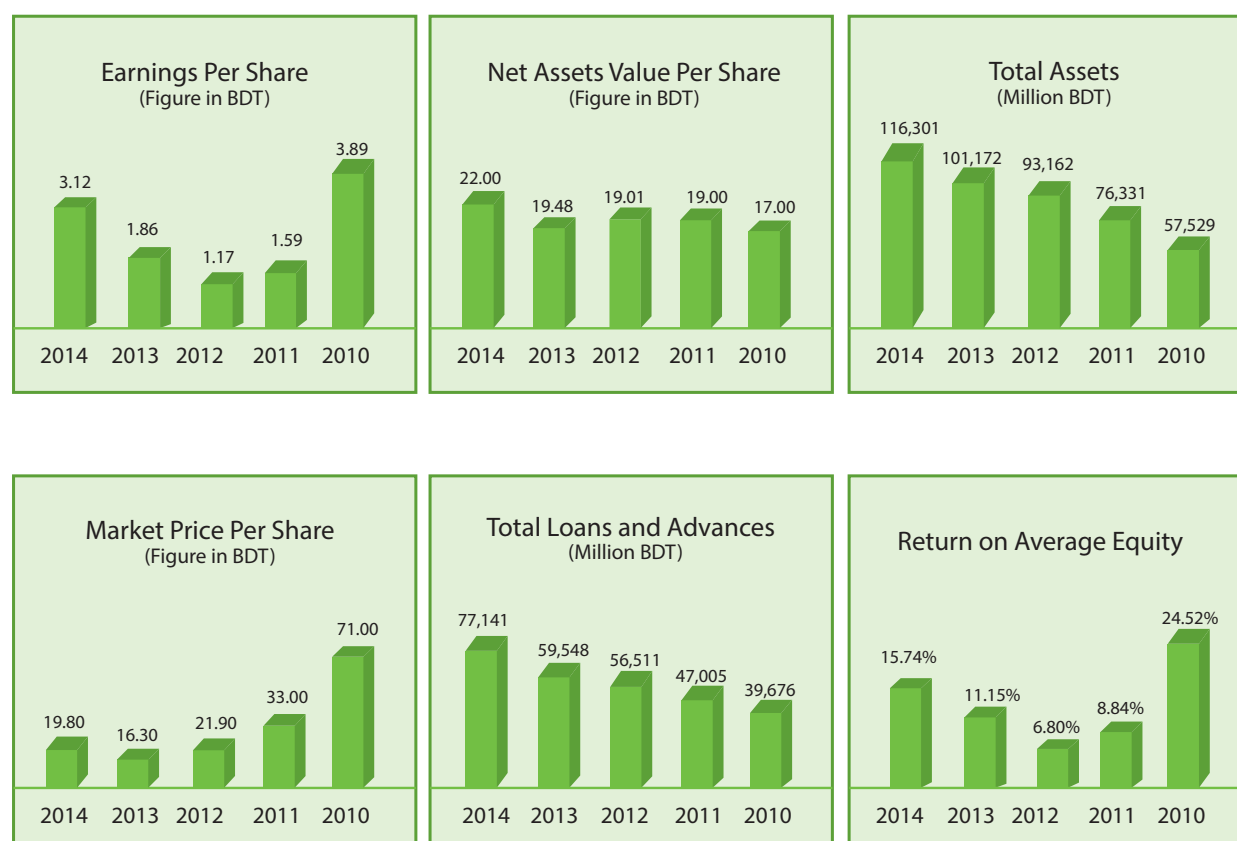
1.4 Financial Highlights

Major Financial Highlights

BDT in Million

Items	2014	2013	2012	2011	2010
Total Capital (Core+ Supplementary)	8,712	8,137	6,981	6,925	6,226
Core Capital	6,248	5,286	4,649	4,690	4,289
Supplementary Capital	2,464	2,850	2,332	2,235	1,937
Paid up Capital	3,078	2,798	2,543	2,543	2,120
Total Deposits	97,106	84,373	75,140	59,051	45,129
Total Loans and Advances	77,141	59,548	56,511	47,005	39,676
Imports	51,593	44,273	39,427	36,945	27,653
Exports	36,154	32,479	25,455	26,596	16,843
Operating Income	5,725	4,619	3,507	3,104	3,399
Operating Expenditure	3,122	2,593	2,175	1,899	1,397
Profit before provision and tax	2,603	2,026	1,332	1,205	2,002
Profit after provision and tax	962	573	327	404	988
Shareholder's Equity	6,770	5,449	4,834	4,815	4,379

Five-Year Graphical Review





Key Management Ratios

Figure in BDT/Percentage

Items	2014	2013	2012	2011	2010
Earnings per Share (Figure in BDT)	3.12	1.86	1.17	1.59	3.89
Net Asset Value (NAV) per share (Figure in BDT)	22.00	17.71	19.01	18.93	17.22
Dividend - Cash	-	-	-	12%	-
Dividend - Stock	20.00%	10.00%	10.00%	-	20.00%
Return on Average Equity	15.74%	11.15%	6.80%	8.84%	24.52%
Return on Average Assets (ROAA)	0.88%	0.59%	0.39%	0.61%	1.79%
Classified Loans as % of Total Loans and Advances	2.67%	3.62%	3.69%	2.54%	2.28%
Lending - Deposit Ratio	79.44%	70.58%	75.21%	79.60%	87.92%
Capital Adequacy Ratio	10.77%	11.57%	10.71%	11.96%	11.49%
Market Value per Share	19.80	16.30	21.90	33.30	70.80
Price-Earning Ratio (Times)	6.34	7.96	18.74	20.95	18.22



Contribution to National Exchequer

At MTB, we recognize that we have certain responsibilities to the development of the society and the country as a whole. MTB has contributed significantly to the government exchequer during 2014. The details are:

Contribution to National Exchequer

Million BDT

Particulars	2014	2013
Income Tax from Bank Earnings	743	642
Income Tax, VAT and Excise Duty deducted at source	1,307	1,284
Income Tax from Employees' earnings	52	32
Total	2,102	1,958



2. SUSTAINABILITY APPROACH

2.1 GRI Reporting Framework

The year 2014 reporting is our first ever sustainability report based on GRI reporting framework G4 guidelines. This report describes the economic, environmental and social impacts originating from our business process, together with our key sustainability initiatives over the last 12 months, our plans for the future and helps us to share our experiences with our customers, our people and the community.

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

The Purpose and Scope of This Report

This report addresses the economic, environmental and social impacts resulting from Mutual Trust Bank's activities in the financial year 2014. 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 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.

As this is our first sustainability report, significant changes regarding scope, boundary, or measurement methods and explanation of the effect of any restatement of information comparing to the previous report is not applicable for this year.

The sustainability report will be prepared once in a year describing activities and achievements throughout the year.

Global Reporting Initiative

While preparing this report we have not only taken into cognizance as regard to indicators but also other additional indicators of the internationally accepted Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (G4), to GRI B level. This guideline provides a framework for reporting on the economic, environmental and social impacts of companies in terms of their sustainability, their targets, the activities that they undertake in relation to these impacts and the results of these activities.

Subsidiaries are not within the purview of this report

The report for the year 2014 covers only bank's operations run by the Corporate Head Office (CHO), MTB branches and other direct networks in Bangladesh. MTB has three subsidiary companies, Mutual Trust Bank Securities Limited (MTBSL), MTB Exchange (UK) Limited (MTB UK) and MTB Capital Ltd (MTBCL). Impacts of the activities of our subsidiaries are not within the purview of this report.

MTBSL is engaged in buying and selling of securities on behalf of its customers. MTBSL offers margin loan to the customers against their margin for investment at the companies listed under Securities and Exchange Commission, as per established guidelines. It also undertakes investment of the bank's fund at the capital market.

Bangladesh Bank (BB), the central bank of the country, vide letter No: BRPD(M)204/25/2010-289 dated 19/08/2010 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 7282261 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 participate in transactions, activities and operations commonly carried out or undertaken by remittance and exchange houses. MTB UK enables foreign currency inflow to the country from Bangladeshi expatriates and wage earners living in the UK.

The Bank obtained consent to embark upon Merchant Banking from the Bangladesh Securities and Exchange Commission (SEC) vide its certificate No.MB-55/2010 dated December 06, 2010 under the Securities and Exchange Commission Act, 1993. The operation has started as on April 17, 2011. The main activities of the company are issue management, underwriting, portfolio management whether discretionary or non-discretionary, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, etc.

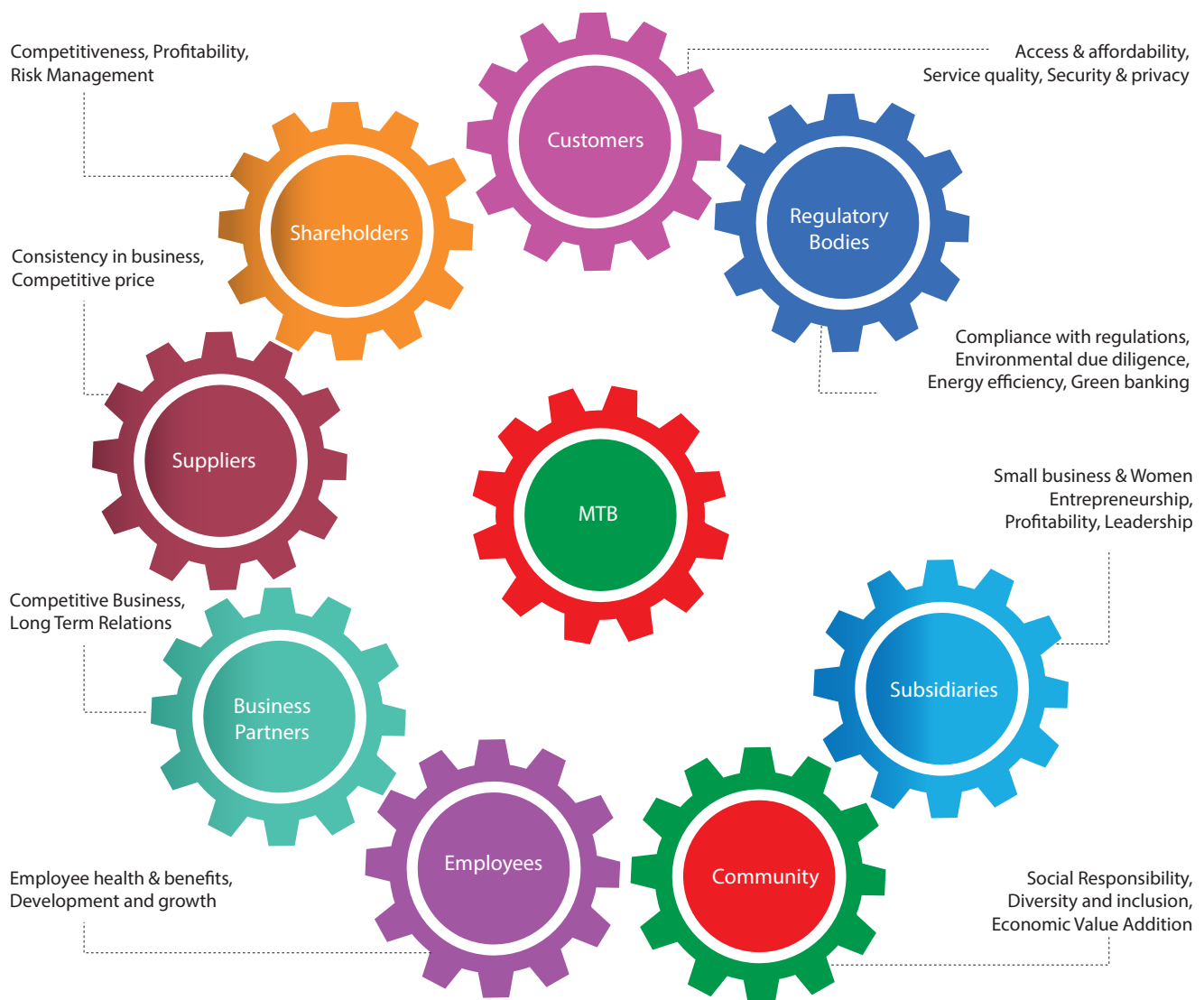
2.2 Stakeholders' Engagement



Materiality Issues through Engagement of Stakeholders

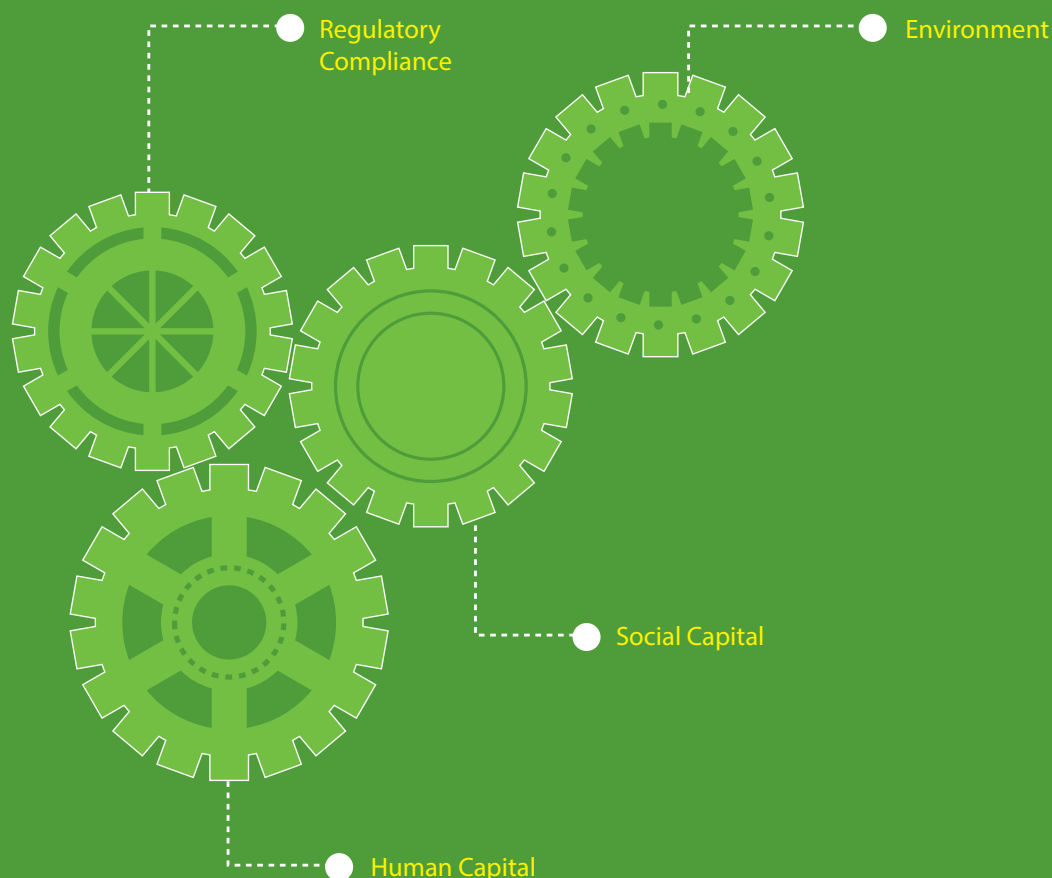
"Materiality" means different things to different organizations. Issues about which MTB stakeholders are concerned and think those may have sound impact on business of MTB are the "materiality" issues to MTB. In order to define materiality for MTB, we conducted a materiality analysis engaging all stakeholders.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

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



Materiality Issues

To identify the materiality issues, we went through a rigorous process of listing, ranking, mapping, and finally arrived at an exhaustive list of sustainability issues that are the most relevant to MTB. Through a qualitative analysis of the feedback of stakeholders, issues are categorized into more homogenous themes and thus are grouped into 04 (five) major themes of materiality.



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

1. Environment

- 1.1 Energy efficiency
- 1.2 Green banking

2. Social Capital

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

3. Human Capital

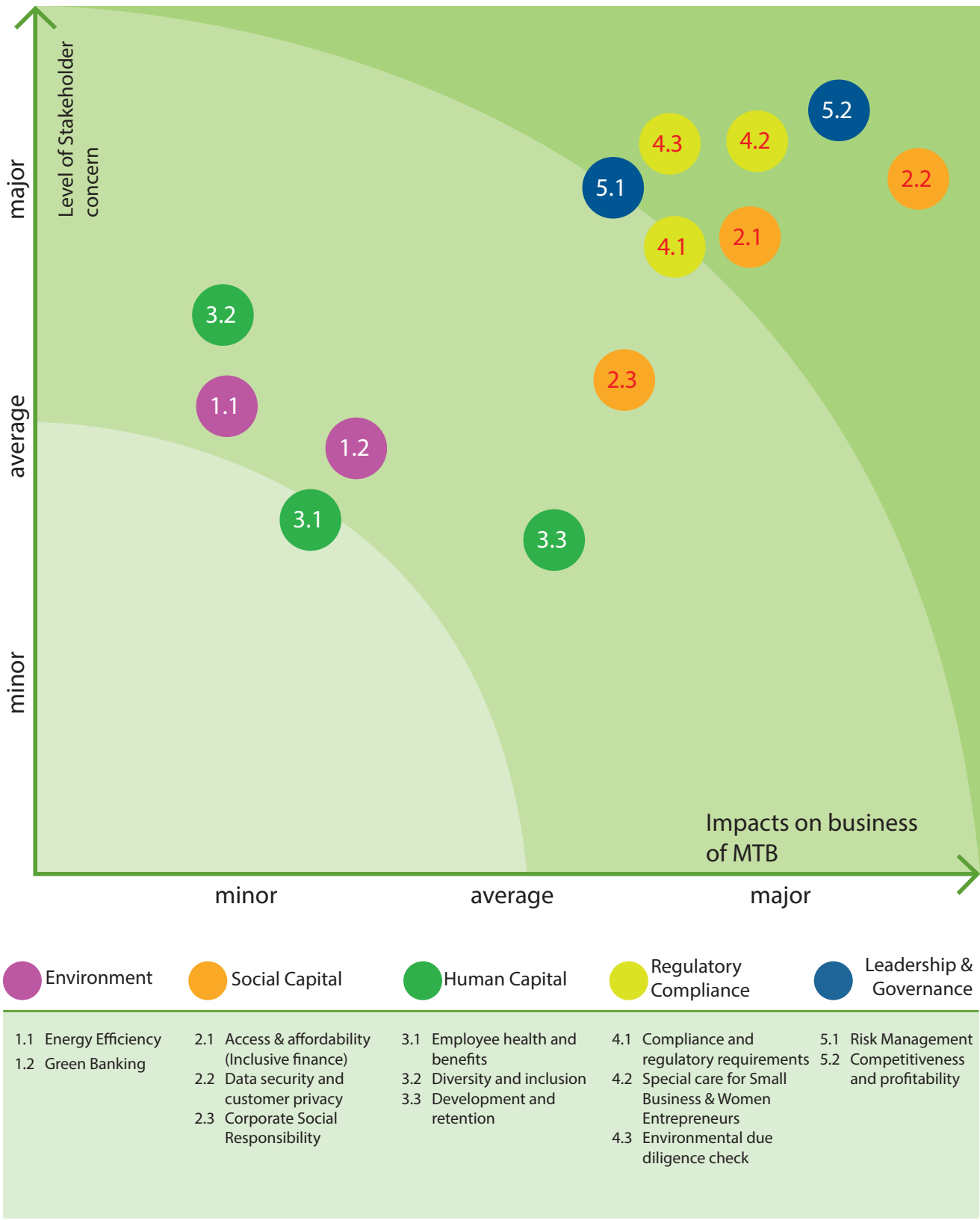
- 3.1 Employee health and benefits
- 3.2 Diversity and inclusion
- 3.3 Development and growth

4. Regulatory Compliance

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

2.3 Materiality Mapping

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





3. ENVIRONMENT CAPITAL

3.1 Energy Savings

For ensuring a greener and an environmental friendly bank in true sense, MTB Centre, MTB Tower, Corporate Head Offices of the bank have been designed as truly green buildings with motion censored lighting. No human intervention is needed to turn lights off and on. Solar Power System is/are installed on the roof top of MTB Centre; total environment is designed in such a way that it can reduce energy consumption significantly. MTB Tower has also introduced the facilities of solar panel system, rain water harvesting, and eco-friendly carpet, a carpet made with natural fibers like wool without using any chemical treatments.

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

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

3.2 Energy Consumed in 2014

Description	Electricity (KWH)	Diesel (LTR)	Octane (LTR)	CNG (m ³)	Paper (Ream)
All MTB Branch Consumed	5,387,518	565,710			2,300
MTB Centre Consumed	1,571,712	8,000	31,888.35	4,850.00	250
MTB Tower Consumed	817,599	12,000			-
MTB Square Consumed	495,601	5,980			-
ATM (all)	2,160,000	-			
KIOSK (all)	60,000	-			
Total	10,492,430	591,690	31,888.35	4,850.00	2,707

3.3 Solar Energy Consumption at MTB in 2014

Solar powered branches

MTB has established nine solar powered branches located at Ishwardi, Belkuchi, Hasnabad, Syedpur, Sarulia Bazar, Cox's Bazar, MTB Centre, MTB Square, and MTB Tower and nine solar powered ATMs located at Kapasia (two), Naogaon, Syedpur, Aman Bazar (two), Kamrangir Char, Sreenagar and Raipur which save 90% energy compared to conventional banking outlet.

Solar home systems

Mutual Trust Bank is committed to enlighten every rural home with green electricity. At present, only about 35% of the rural households in Bangladesh have access to grid electricity. For the rest of the areas that are not connected to the national grid, life comes to almost a standstill there after sun-set. Giving priority in this sector, MTB Financed Organizations installed solar system in homestead as well as enterprise level such as Mobile Phone BTS.

Around 1000 more households were benefited from solar home system in the year 2014. Almost 15,000 households were lighted by solar home system by companies and NGOs financed from MTB. MTB had disbursed Tk. 30 million in this sector.

Saving CO₂ emission

For observing Earth day an instruction mail was circulated through our intranet service to all our employees regarding switching off the AC system at our corporate office and branches. For awareness building on World Environment Day MTB spent BDT 119,493 million in this year.

Energy Consumption & GHG Emission - 2014

Factor	Consumption	Mega Jules	CO ₂ Emission (Tonnes)
Electricity Consume(KWH)	10,492,430	37,772,748.00	14,270.54
Diesel Consume (Liter)	591,690	21,300,840.00	1,971.61
Octane (Liter)	31,888.35	1,020,427.20	94.45
CNG (m3)	4,850.00	155,200.00	69.26

3.4 Energy efficiency Table

Reduced Rim of papers in 2014 through IT enabled services

Applications	No. of Application	Number of Sheets per application	Rim of Paper
E-Attendance entries (Total Entries = 3,69,218)	8,205	1	16.41
i-Mail Correspondence	1,771,187	1	3,542.37
Total Sent Mail	1,461,738	1	2,923.48
Total Received Mail	2,262,546	1	4,525.09
No. of circular circulated	505	1	1.01
No. of leave application on i-net in 2014	12,212	1	24.42
No. of Online Requisition to MID	742	1	1.48
Employees Yearly Objectives settings for Performance Management System	12,273	3	73.64
No. of IT Help desk entries	303	1	0.61
No. of CBS User authority change E-request	2,133	1	4.27
No. of Training E-invitations	3,083	1	6.17
No. of bills lodged over Auxiliary Staff Billing System	4,020	1	8.04
No. of Cheque Requisitions for MICR printing	139,203	1	278.41
Loan Disbursement Letter	13,116	5	131.16
Total	5,691,265.84	20.00	11,536.55

Environment saved through reduced Paper consumption	Total Paper Usage
No. of Sheets of A4 paper	5,768,275.84
Energy saved in KWh (embodied energy)	207,976.34
CO ₂ emission in tonnes saved	129.78
Saved amount of land required to sequester the CO ₂ (ha)	24.66

Reducing carbon footprint

MTB Green Energy is designed to provide financial support to the prospective customers for set up of renewable energy projects such solar, biogas, wind, hydro and any other potential RE plants to meet up the country's need for electricity and gas as well as to protect the climate by reducing carbon emission. MTB Financed two new brickfield operating modern environment friendly less carbon imitating technology as well as MTB financed one Brick field to upgrade environment friendly new

technology from conventional technology in the year 2014. MTB has financed BDT 280.00 million in 3 Hybrid Hoffman Kiln (HHK) projects in 2014.

MTB promote and encourage its stakeholders regarding environmental-friendly practices, and reducing carbon footprints from banking activities. MTB has created well-functioned and well- equipped modern facilities with a view of establishing fully IT based green marketing system. Customers are continuously encouraged through e-mail and other electronic means to

use those environment-friendly modes of banking. This appears in numerous forms - practicing online banking, introducing various Alternate Delivery Channels (ADC) i.e. internet banking, SMS banking, ATM booths, Kiosks, Contact Centre, Mobile Banking with free Android application, Kiosks, POS terminals, ATMs etc. under one umbrella that provides customers hassle-free service and paperless banking. By providing these facilities, customers do not need to come to the branches for their small services which ultimately saves significant

E- Notification-SMS & Statements

Particulars	Quantity
Number of E-Statement Sent (Credit card)	1,03,535
Number of SMS Sent (Transaction Alert)	19,11,486
Number of SMS Sent (Push-pull query)	11,682
Number of Other SMS (Campaign, Alerts etc.)	11,83,482

Internet Banking

Particulars	Number of Transaction	Volume of Transaction in BDT
Paid Utility Bill - Qubee and Banglalion Bill	2,979	30,96,867.71
Credit Card Bill	3,619	88,236,761.47
Mobile Recharge	137,801	2,21,52,431.94
Fund transfer within bank	328,742	1,14,48,52,905.45



3.5 Green BANKING

Green banking

Green banking is an innovative and optimistic approach that emphasizes an eco-friendly movement to prevent environmental degradation in order to make this earth more habitable for future generations. It deliberates on the rapid changes in the climate pattern and also considers all the social and ecological factors with an aim to protect the environment, and uphold the natural resources. Creating awareness of climate change and environmental protection is a fundamental element of MTB's Green Banking activities.

MTB's green activities are concentrated in terms of in-house and green financing activities. MTB tries to avoid as much paper work as possible and relies on online/electronic mode of transactions and communications. MTB firmly believes that by limiting paper consumption it can contribute to deforestation. MTB's aim to spread awareness and consciousness amongst its clients and employees about environmental good practices and facilitating eco-friendly practice in business is another step towards green banking.

As a responsible business entity, MTB concerns about their proficiency and global research to support environmentally sustainable growth with the intention to use its values in corporate social responsibilities and believes that its every 'Green Banking' step would contribute a little in ensuring a greener world.

MTB is one of the pioneer banks in the country in executing Bangladesh Bank's Green Banking Guidelines in phases. Actions taken by MTB are:

- To enhance Green Banking practices in the bank, MTB has developed its own 'MTB Green Banking Policy' as per the instruction of Bangladesh Bank. This policy and strategy covers those areas that

ensure a sustainable environment i.e. in-house environment management, green financing, awareness rising among stakeholders and environmental risk management.

- MTB has formulated the 'MTB Green Office Guide', a tool for educating and building awareness of employees regarding environmental issues and improving in-house management.
- MTB has established a separate and independent 'Green Banking Cell' as a part of awareness development, to conduct the task of developing policies, designing, evaluating, and administering in relation with Green Banking issues of the bank.
- MTB has incorporated 'Environmental Risk Policy' with its 'Credit Policy with Credit Risk Management Guidelines'. The overall purpose of Environmental Risk is to understand and manage risks that arise from environmental concerns.

Environmental risk, an inherent part of credit risk, contains contents of which are followed and abided by all concerned and reviewed under Environmental Due Diligence (EDD) checklists.

- MTB Tower has a state-of-the-art rain water harvesting plant. It has a capacity of storing 10,000 liters of water. There are five water tanks in MTB tower for temporary storing of rain water which are then preserved in a single tank after completing the following purifying process for general use purpose.
 - a. Micro-organisms are killed through sodium hypochlorite [Na (OCI)Cl].
 - b. Acid balance of rain water is maintained by using sodium hydroxide (NaOH).
 - c. Dust particles are removed by using 5 (five) micron cartridge filter.



MTB Tower solar panel system has 135 solar panels with a capacity of 36kw; (capacity depends on the solar power per day).

Each year 80% of rain water captured which is filtered for regular use and 200 ml is available as a supplement of main supply. There are five water tanks in MTB tower for rain water storage and after purifying it is preserved in one tank.

MTB is always enthusiastic to participate and to arrange various programs on environmental issues. The bank also arranged three training programs for its employees during 2014 on environment related

matters.

MTB has its own Environmental Management System that enables bank to reduce its environmental impacts and increase its operating efficiency through set up several processes and practices. MTB is continuously developing its Green Banking products and services in the country.

MTB has a wide range of Green Loan Products. MTB Green Energy Loan is an environment friendly loan enables the prospective customers to set up renewable energy projects such as solar, biogas, wind, hydro and any other potential renewable

plant. Any individual, business entrepreneurs, NGO, institutions having capacity to repay may apply for the loan. Now the bank is financing around BDT 45 crore through this loan. Besides, the bank is a pioneer (as banking financial institution) to make a community based solar irrigation finance. Of their green energy loan, they only use BDT 7.96 crore from the refinancing scheme of Bangladesh. MTB is one of the participants of the BB's refinancing scheme for green products. MTB's green products and financing those products in 2014 are given below:

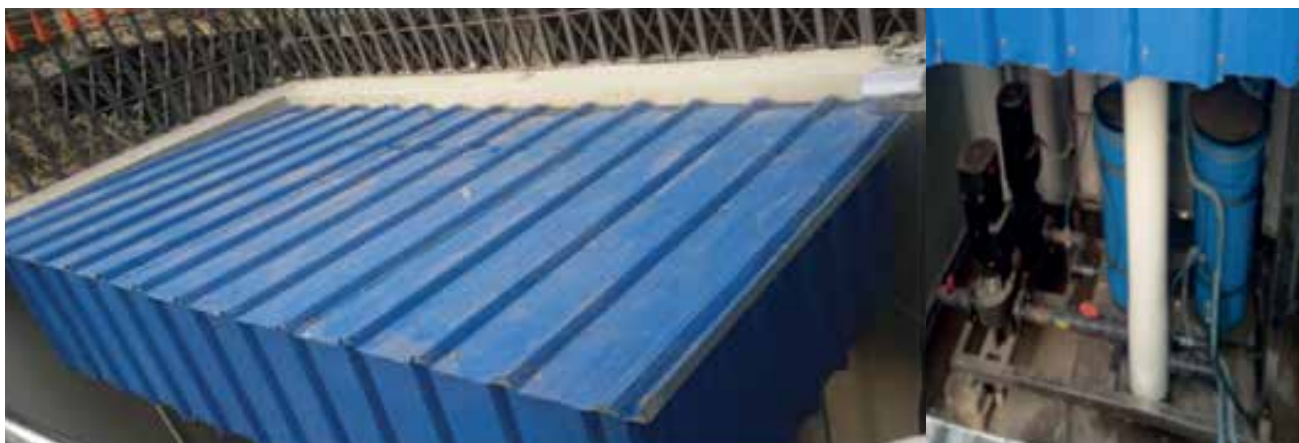


Figure: Rain Water Collection at MTB Tower



Figure: Solar Energy for Producing Electricity

MTB's finance in Green Products year by year:

BDT Million

Product Name	2014	2013	2012
MTB Krishi	1267.23	1071.43	719.82
MTB Krishijat	337.50	417.00	48.60
MTB Green Energy	130.30	83.20	130.50

As per Bangladesh Bank circular, banks scheduled before 2013, will have to disburse 5% of its total funded loan. Accordingly, MTB is looking forward to disburse BDT 1,250 millions in direct green financing in 2015. MTB is determined to make its operations as efficient and sustainable as possible and to improve the environment condition by reducing environmental

degradation, biodiversity depletion and minimization of environmental risk through green banking with an ultimate goal to ensure a greener world.

Green Energy

Promoting Renewable and Sustainable Energy Efficiency
MTB Green Energy is designed to

provide financial support to the prospective customers for setup of renewable energy projects such as, solar, biogas, wind, hydro and any other potential RE plants to meet up the country's need for electricity and gas as well as to protect the climate by reducing carbon emission. The product was launched in 2009

BDT Million

Sector	Sanctioned Limit (in 2014)	Outstanding (31.12.2014)
Brick Field (Environment friendly technology)	29.50	30.28
Solar Home System	70.00	56.37
Solar irrigation Plant	16.30	17.79
Total	115.80	104.44

MTB Financed two new brickfields operating modern environment friendly less carbon emitting technology as well as MTB financed one Brick field to upgrade environment friendly new technology from conventional technology in the year 2014. MTB Financed Organizations installed solar system in homestead as well as enterprise level such as Mobile Phone BTS. Around 1000 more household was benefited from solar home system in the year 2014. Almost 15,000 household were lighten by solar home system by companies and NGOs financed from MTB.

MTB is one of the leading, pioneer financier of solar irrigation plant and drainage channel in the off grid area across the country .The loan is disbursed through Farmers Cooperative Krishak Samabay Samity). 6 plants were set up and operational under finance of MTB in the year 2014 with Tk. 16.30 million. So far total 24 pumps were set up and in operation under MTB Finance; combined discharge capacity of the pumps is 16.4 million Lit/Day. A total 2659.33 Bigha land is being brought under irrigation through MTB financed initiatives.



Solar Irrigation: MTB is the lead financier in Bangladesh.



First ever cycle chain manufacturing industry, an import substitute product, in Bangladesh financed by MTB SME Banking Division.





4. SOCIAL CAPITAL

4.1 Access & Affordability

Online Banking to widen Accessibility

MTB is now well-structured and consolidated and ready to move forward at a faster pace. MTB has been one of the pioneers in introducing Online Banking and it covers 103 bank branches, 176 ATM booths located in prime commercial, urban and rural areas of the country, more than 3,700 shared ATMs, 8 MTB Smart Banking kiosks, and 1,986 Point of Sales (POS) machines. MTB offers fully integrated real-time Online Banking Services, a 24/7 modern Contact Centre, Internet and SMS Banking to its growing customer base, through a dedicated team of experienced Relationship Managers and Alternative Delivery Channels (ADC). Clients can also have access to their accounts through Internet & Mobile Banking. Online banking system is a great way to reduce wastage of paper.

Alternate Delivery Channel is Next to Customer's Doors

MTB aspires to be a technically sound and leading bank, where customers find the latest banking solutions with state-of-the-art technology. To facilitate its customers, MTB has launched many other alternative ways to deliver banking services without coming to the bank premises. Through Internet banking, customers can avail services like balance inquiry, mini statement of account, PIN change, fund transfer and mobile & internet bill payment. As MTB is continuously working for the digitalization of banking services, it has developed a mobile app that facilitates smart banking with smart phone devices. Through

mobile banking, MTB account holders can access their MTB transactional accounts with the MTB mobile app, which can be downloaded from both the Play Store and the App Store. This app empowers our customers to monitor and manage their finances at any time, from anywhere. Customers can avail the MTB Flexipay installment program using MTB Credit Cards with 17 merchants and 442 outlets across the country. Other attractive offers are also provided to our esteemed customers who use MTB cards throughout the year.

Apps for iPhone & Android Phone

Apart from the application for the Android devices, the bank has introduced the App for the ios devices like iPhone and iPad.

E-commerce

MTB is offering an E-commerce service to its internet banking account holder enabling them to shop online, wherever they are, office or home, regardless of time and distance.

Supporting the entrepreneurs through SME Service Centers

SMEs are the fulcrum of the economy of Bangladesh. Hence, SME Banking is the core of MTB's business strategy. Banking SMEs are no more costly, risky and difficult but are more respectable and more profitable. We are increasing MTB SME Banking footprint in a most structured and sustainable manner that will ensure Double Bottom Line for

E-commerce

Internet banking account holder enabling them to shop online, wherever they are, office or home, regardless of time and distance

MTB; Social Development and Shareholders Wealth Maximization."

MTB serve the entrepreneurs and community through its nationwide well distributed branch network. Besides dedicated SME Help Desk in every branch of MTB there are 14 SME/Agri Branch exclusively serving the financial needs of community.

MTB SME Banking Division ensures a portfolio mix to serve both profit generating enterprise and socially, environmentally and sustainably ensuring initiatives equally. MTB SME Banking has a significant market share in Agri and green energy besides financing to SME enterprises.

MTB provides BDT 7027.75 million to small and medium enterprises/loans (including agricultural loan) for expansion or promotion of their business, which ultimately created productive new off-farm employment.

We continue to support the promising small entrepreneurs till last year through SME and micro financing and other sophisticated products and services tailored to their specific needs, impacting the lives of mass people. We introduced fully equipped agricultural branches to widen the access to finance and assist our agro community with the most specialized and innovative banking solution available.

MTB Customer Charter

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

Customers' Rights and Obligations:

Customers' Rights:

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

Customers' Obligations:

1. Customers shall follow the banking norms, practices, functional rules, etc.
2. Customers shall abide by the terms and conditions prescribed for each banking product and service.
3. Customers shall maintain disciplinary arrangement at the customer service points.
4. Customers shall convey their grievance to the bank in proper way or in prescribed form.
5. Customers shall convey the bank any changes in their address, contact numbers, Know Your Customer (KYC) & Transaction Profile (TP).
6. Customer shall not try to show unreasonable persistence, demand, argument & behavior.
7. Customers generally shall ask any query at prescribed

desk such as Customers' Service Desk, Help Desk, Information Desk or Enquiry Desk at first instance.

8. Customer should avoid misunderstanding as far as possible.

4.2 Complaint Management

At MTB, we believe in providing the best of services to our customers. We provide customers with easy access to information, products and services, as well as the means to get their grievance redressed. If you have a grievance, please feel free to contact our Complaint Cell.

Complaints Management Cell Address:

Mutual Trust Bank Ltd.
Corporate Head Office
MTB Centre, 26 Gulshan Avenue
Gulshan 1, Dhaka 1212

Email Address:

complaint@mutualtrustbank.com

Customers can also lodge complaints directly from MTB's website through the link:

<http://www.mutualtrustbank.com/customer-complaints/>

More Data Security

MTB being a seasoned user of Information technology since its inception has brought about a momentous transformation in its banking operations. The bank introduced online banking facilities through all branches since inception, including successful implementation of the BACH operation. With introduction of state-of-the-art technologies, the bank is also keen on improving its IT potentialities, which are important for bank's sustainability.

MTB is one of those banks among all other private commercial banks within the country, being the largest investor at the moment in developing its information technology. The data center of the bank has already been equipped with the state-of-the-art modern servers and network equipment from world-renowned vendors.

As part of its business continuity plan, the Bank established a world-class Disaster Recovery site to safeguard its customer interests as well as to comply with regulatory obligations by Bangladesh Bank.

1. The HOT DR site at Bhuiyan Center, 68, Dilkusha C/A which is within the range of capability of data providers for synchronous data replication. Hot DR site is moved to MTB tower, 111 Kazi Nazrul Islam Avenue by October, 2014.
2. The COLD DR Site at Square hub station at Kashimpur, Gazipur for asynchronous data replication that also fulfills the geographical preconditions for a DR site.

MTB always feels the need to upgrade to a new world-class Core Banking System (CBS) with Centralized Database approach based on UNIX platform. MTB is working on upgrading to new CBS for bringing better security and higher level of service. In this regard, the management formed a committee named 'Core Banking Implementation Committee'.

4.3 Corporate SOCIAL RESPONSIBILITY

Building the Community

Corporate Social Responsibility (CSR) has recently been a buzzword in our country and many institutions especially the financial ones have set-up different foundations to cater to this growing arena. Bangladesh Bank has also given special emphasis on this to help develop our country's economy.

At Mutual Trust Bank Ltd (MTB), from the very beginning, CSR issues have been enveloped in the running of the business. From the training of our staff on Green Banking to the promotion of archeological sites or the distribution of winter clothes with the active engagement of our staff, CSR has always been playing an important role and with a view to continue this in future, MTB Foundation, headed by the founding chairman of the Bank, has started its formal journey in 2005 to play its part in the development of the country's socio-economic status through the provision of initiatives that directly cater to the needs of the underprivileged of our society.

MTB CSR projects in 2014

- Health Care Clinic at Char Patila, Char Kookrimukri
- Artists in Residency Program hosted by Art Beyond Borders
- World Environment Day Tree Plantation and Distribution Program
- MTB Bravery Awards acknowledging courageous initiatives by individuals
- Education for Blind and Partially-sighted people
- Promoting Knowledge through distribution of free newspapers amongst Dhaka University resident students
- Winter clothes distribution drive 2014

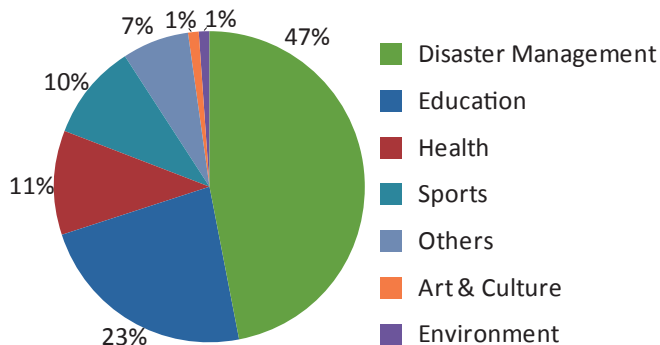
The areas of Winter Clothes Distribution Drive during 2014 were country's cold prone areas such as Naogaon, Dinajpur, Thakurgaon, Rajshahi, Kushtia, Tangail, Sirajganj, Gobindaganj, Jamalpur, Dhaka and Chittagong.

2000 pieces of Winter Blankets were distributed through the MTB Branches countrywide, 500 pieces were handed over to Bangladesh Bank, 1000 pieces to Dhaka University Alumni Association (DUAA), 500 pieces to Association of Bankers Bangladesh (ABB), 400 pieces to Cadet College Club, 1000 pieces to Jamalpur Municipality and 500 pieces to Muslim Shishu Palli.

Sector wise CSR

Initiatives	Donation (BDT)
Education	4,988,000
Health	2,395,750
Disaster Management	10,000,000
Environment	119,493
Sports	2,150,000
Art & Culture	235,000
Others	1,444,500
Total	21,332,743

Chart: Sector wise CSR



MTB CSR Activities in Picture



MTB sponsors 1st MTB DUAA Samson H. Chowdhury Journalism Awards 2014 jointly with Dhaka University Alumni Association (DUAA)

Blood donation program of MTB on the occasion of MTB's 15th Anniversary



MTB hands over Scholarships amongst the poor and meritorious students of Amirjan High School



MTB Honors Late Liaqat Ali with Bravery Award

MTB hands over winter blankets to Bangladesh Bank for distributing to the underprivileged



MTB distributes relief materials amongst the flood-affected people



MTB hands over winter blankets to Dhaka University Alumni Association (DUAA) for distributing amongst the destitute

MTB observed World Environment Day 2014



MTB observed World Environment Day 2014



Winter blankets distribution
by MTB Branches

MTB hands over BDT 1 Crore
to the Prime Minister's Relief Fund
for flood-affected people



MTB distributes relief
materials amongst the
flood-affected people

Sustainable impact creation

MTB generates sustainable impact in terms of not only financial impact rather environmental , social , pro poor sector wise lending through its products around the year across the country.

	2014		2013	
Concentration of Loans and Advances:	BDT	% of Funded loan	BDT	% of Funded loan
Loans and Advances to Institutions in which the Directors of the Bank have interest	-		-	
Advances to Managing Director & other Senior Executives	577,256,326		541,779,204	
Advances to Industries				
Agriculture	1,150,828,592	1.49%	719,214,450	1.21%
RMG	4,098,523,804	5.31%	4,047,417,000	6.80%
Textile	6,033,216,578	7.82%	4,052,114,000	6.80%
Ship Building	754,040,000	0.98%	695,510,000	1.17%
Ship Breaking	1,178,460,000	1.53%	1,247,600,000	2.10%
Other Manufacturing industry	14,297,263,878	18.53%	10,339,411,000	17.36%
SME loans	4,918,472,557	6.38%	2,970,252,172	4.99%
Construction	1,031,422,788	1.34%	658,548,890	1.11%
Power, Gas	776,085,400	1.01%	884,339,000	1.49%
Transport, Storage and Communication	711,851,500	0.92%	918,403,000	1.54%
Trade Service	12,215,662,100	15.84%	7,809,629,000	13.11%
Commercial real estate financing	4,150,187,086	5.38%	3,849,930,361	6.47%
Residential real estate financing	1,025,040,533	1.33%	966,656,109	1.62%
Consumer credit	1,590,214,611	2.06%	1,593,684,369	2.68%
Capital Market (Loan provided for brokerage or merchant banking, to stock dealer or any kind of capital market activities)	4,248,620,000	5.51%	4,328,390,000	7.27%
NBFIs	7,728,905,299	10.02%	4,987,172,400	8.37%
Others	10,654,866,997	13.81%	8,938,311,636	15.01%
	76,563,661,723		59,006,583,386	
Total	77,140,918,049		59,548,362,590	

Economic Value Addition

The bank's overall mission is to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused bank that offers an array of products and services in search of excellence and to create impressive economic value. This section covers the value we deliver to our shareholders and the nation at large. The bank's policy has been to deliver optimum value in a manner that is consistent with the highest levels of

fairness and transparency. For the bank, it has not been a case of building financial value and enhancing the bottom line at any cost, but rather participating in a process of creating value through fair and ethical means. Building sustainable value for all stakeholders is an important corporate goal. Mutual Trust Bank's value addition during 2014 Value Added Statement shows how much value (wealth) has been created by the bank through

utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders i.e. employees, shareholders, government etc. In the year 2014, bank's total value addition was BDT 3,730 million; 40% distributed to employees as salaries, 9% to shareholders as dividend & reserve, 26% to government as income tax and rest of the amount used for business expansion and growth

Value Added Statements

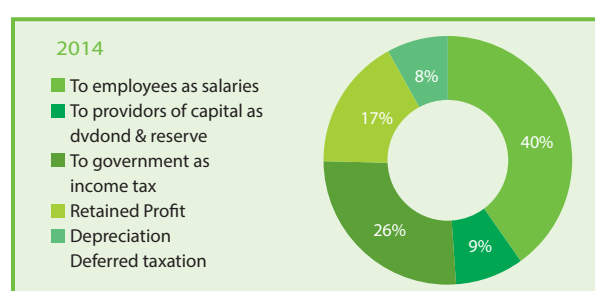
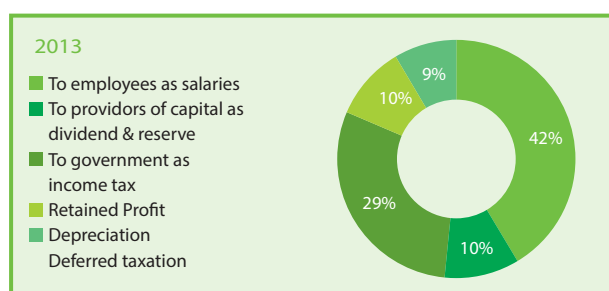
BDT in million

Particulars	2014	2013
Income from banking services	13,606	12,576
Less: Cost of services & supplies	9,203	9,058
Value added by banking services	4,404	3,518
Non-banking income	-	-
Provision for loans & off balance sheet items	(674)	(627)
Total	3,730	2,891

BDT in million

Distribution of value addition	2014		2013	
	Amount	%	Amount	%
To employee as salaries	1,496	40%	1,222	42%
To providers of capital as dividend & reserve	344	9%	279	10%
To government as income tax	968	26%	826	29%
Retained profit	617	17%	294	10%
Depreciation	305	8%	270	9%
Total Value Addition	3,730	100%	2,891	100%

Graphical Presentation



Economic performance

Economic Value Added (EVA) is the most successful performance metric used by the bank. It is a systematic approach to evaluating the performance attributes of the bank's products in relation to the resource expenditures required to enjoy its benefits. As a financial institute, we are committed to delivering maximum value to all of our shareholders/equity providers.

The EVA for the year 2014 is shown below

BDT in million		
Particulars	2014	2013
Average Shareholders' Equity	6,110	5,141
Add: Average Cumulative Provision for Loans & Advances	2,342	2,063
Average Equity of Shareholders	8,452	7,204

BDT in million		
Earnings	2014	2013
Profit after tax	962	573
Add: Provision for Loans	674	627
Earnings	1,635	1,200
Average cost of Equity (Shanchay patra rate + 2% premium)	15.19%	15.19%
Cost of average Equity	1,284	1,094
Economic value added	351	106
Growth over last year	232%	180%

Market Value Added Statement

Market Value Added (MVA) is the difference between the current market value of the bank and the capital contributed by investors. If MVA is positive, the bank has added value. The amount of value added

needs to be greater than the bank's investors could have achieved investing in the market portfolio, adjusted for the leverage of the bank relative to the market. A high MVA denotes that the bank

has maximized the wealth for shareholders. The calculation of market value added is tabled below.

Particulars	Number of Shares	Value per share
Market Value	307,763,306.00	BDT 19.80
Book Value	307,763,306.00	BDT 10.00
Market value added		BDT 9.80

Empower communities through agriculture/rural credit

MTB has disbursed BDT 1334.77 million (BDT 230.93 million through own network and BDT 1103.84 million our NGO network) as short

and long-term credit in agriculture/rural sectors during 2014. This financing helped to create enormous employment

opportunities in farms, especially in the fields of crops & fisheries. Total numbers of beneficiaries were 52,324 for the year.

Technological Advancement

MTB utilizes state-of-the-art technology to facilitate customer satisfaction. NRB Division is highly susceptible to international monetary functions, therefore technologies utilized at the MTB NRB Division concentrates solely on faster adaptation of any contingencies. NRB Division and ADC have almost completed the development of a sophisticated software framework that is performing the following functions from January 2015:

1. Directly crediting MTB accounts through exchange houses
2. Account transfer to other banks
3. Cash over the Counter facility at MTB Branches

This software is connected using Host-to-Host connectivity, Application Programming Interface (API) where exchange houses are enjoying online-direct-access to their NRT & NRFC account.



5. HUMAN CAPITAL

5.1 Procession towards Excellence: "Unlocking New Horizons"

Group MTB, together with its workforce, is marching on to touch the zenith of excellence by serving all its customers and clients through positive attitude and pro-activeness. MTB relentlessly strives to develop and pertain the existing workforce including the new entrants in order to ensure their best possible contribution towards the achievement of MTB3V. The skilled HR Team has already brought a revolutionary change in all HR functions to ensure constant support to its employees, customers and clients. MTB Group HR, in order to make the organization one of the best and

competitive amongst peer banks, emphasizes on people for being more congenial, acquisitive, professional and skilled in every aspect of the business. Now, the bank already has become one of the best performing banks of the country in certain categories using its innovative technology by the shining MTBians. HR supports and upholds MTB's goals by fostering a positive and engaging work environment while identifying and responding to the changing needs of our diverse banking industry. MTB maintains all options to motivate its people by offering competitive emolument,

compensation and benefits. MTB maintains a performance-driven culture wherein employees are promoted based on their performance, which encourages others. MTB facilitates internal communication amongst the MTBians through providing its own internal networking system named "MTB Corporate Intranet". This helps MTBians exchanging mails or any other important documents with each other within a very short time. Besides, employee information, training, circulars, upcoming events, recognition programs are cascaded through it.

5.2 Employee health & benefits Compensation & Benefits

MTB has an agile compensation and benefits system that tracks costs, helps to ensure pay equity, is linked with performance which is understood by employees, and keeps in touch with employee desires and what's coveted in the market, while maintaining a balance with the business affordability. The compensation and benefits are regularly reviewed through market and peer group study. Currently, the level and structure of Remuneration is very attractive to motivate and retain performers. In MTB, the Board of Directors are not eligible for receiving any compensation/honorarium for attending meetings only. On the

other hand, all employees are paid competitive remuneration package. The structure and level of remuneration are reviewed time to time considering cost of living, employees satisfaction and peer review performance and affordability.

Employees are paid bonus based on yearly business performance. In addition to monthly competitive base pay and a good number of allowances, MTB has variety of market-competitive Benefits schemes designed to motivate the employees. The various cash and non-cash benefits include:

- Company car for Top Level Executives

- Car loan scheme for Executive
- Car maintenance allowance
- Leave fare assistance allowance
- Medical treatment allowance
- Maternity benefits
- Car loan facility
- House loan facility
- Staff loan at reduced interest rate
- Mobile phone allowance
- Travel allowance
- Technical allowance
- Festival bonus
- Allowance for employees' meritorious students
- Annual leave
- Maternity leave
- Study leave etc.

MTB also provides the following benefit plans for its employees upon retirement according to individual's entitlement:

1. Provident Fund
2. MTB Welfare Fund
3. Gratuity
4. MTB Employees Medical Assistance Fund
5. MTB Employees Death Benefit Plan
6. MTB Foundation

These funds are controlled by a Trustee Board, and decisions regarding investing and encashment of these funds are based on the Board's judgment. The Trustee Board works to ensure that the employee on retirement will get full coverage of their portion of the fund. Provident Fund contributions are made by employees (10% of basic salary per employee) and employer (Same amount as paid by employee). Welfare Fund and Benevolent Fund are deducted from salary based on designation of the employee. The fund position as of December 31st, 2014 was as follows:



Death Benefit Fund

"MTB Employees Death Benefit Plan" has been formulated to protect the families of the employees from financial burden due to premature death. This policy is in effect since November 18, 2004. All employees (confirmed, unconfirmed and on contractual service) are entitled to the benefit of this plan. The scheme is applicable to Bank's employees only and not to any other member

of his/her family. The fund is governed by a "Board of Trustees" consisting of 8 (eight) members as under:

Chairman	:	Managing Director.
Vice Chairman	:	Deputy Managing Director.
Member Secretary	:	Head of Human Resources Division, Head Office, Dhaka.
Treasurer	:	Head of Financial Administration Division, Head Office, Dhaka.
4 Members	:	Two from Executives, Two from Officers

The Employees Death Benefit Fund is maintained by Group Finance Division, Corporate Head Office (MTB), Dhaka.

Benefits entitled under the plan:

In case of death of an employee while in active service, financial benefit to the bereaved family of the deceased will be paid to the nominee of the employee:

Category	Amount (BDT)
Deputy Managing Director to Managing Director & CEO	10.00 Lac
Senior Vice President to Senior Executive Vice President	8.00 Lac
Assistant Vice President to Vice President	7.00 Lac
Junior Assistant Vice President to First Assistant Vice President	6.00 Lac
Assistant Officer to Senior Officer	5.00 Lac
Other Staff	3.00 Lac

MTB Employees' Service Benefit Fund - 2014

Name of the Funds	No. of employees benefited	Total amount disbursed in BDT
MTB Employees' Provident Fund	56	2,32,13,955
MTB Employees' Gratuity Fund	18	9,694,224
MTB Employees' Welfare Fund	27	1,157,000
MTB Employees' Medical Assistance Fund	227	43,98,216
MTB Employees' Death Benefit Plan	3	17,00,000

Employee Promotion

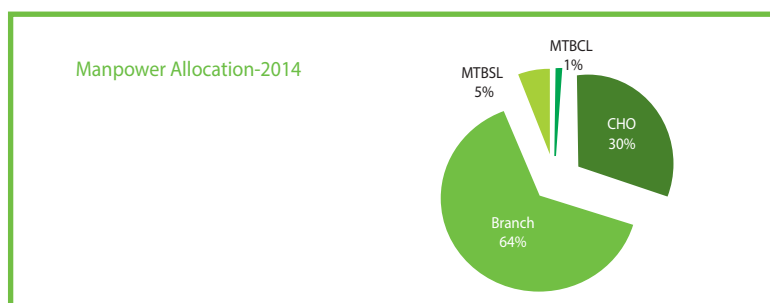


5.3 Diversity & Inclusion

Manpower Planning and Recruitment

The manpower planning of MTB is linked with the overall strategic plan of the Bank. This manpower planning process not only defines the number of human resources to be hired within a given time-frame, but also the types of number of human resources and the required competencies and skills that will be essential to fulfill the requirement of human resources as well as to achieve the business goals.

The ongoing recruitment of MTB is primarily governed by 1-year manpower planning outlined in 2014. To fill up the vacancies and ensure that the additional human resources are assessed, selected and placed on-time as per required competencies, the Recruitment & Selection team works dedicatedly as per organization's 'best fit' philosophy.



At the end of 2014, total number of employees was reported as 1586 in 2 major employment categories.

Employment Type	Male	Female
Permanent	1,181	252
Probation	121	32
Total	1586	

Employment Level	Male	Female
Entry Level	857	217
Mid-Level	235	55
Senior Management	210	12
Total	1586	

In 2014, the Recruitment & Selection team has facilitated to select a total of 259 new hires, both fresh and lateral entry.

New Recruitment in Number of Employee	Male	Female
Number of Employee	209	50
Percentage	80.69%	19.31%
Total	259	

New Recruitment in 2014 shown by level		
Entry Level	164	44
Mid-Level	24	2
Senior Management	21	4
Total	259	

New Recruitment in 2014 shown by age group		
Below 30 years	134	45
30 years to 50 years	74	5
50 years and above	1	-
Total	259	

Demographic Diversity

MTB believes that diverse, heterogeneous teams can make synergy by way of generating greater creativity, innovation and business development. We are cognizant that an inclusive culture maintains and drives workforce diversity by fostering the exchange of ideas and collaboration among individuals and across groups. To speak simply, our constant success depends in part on maintaining a plurality of perspectives.

We practice equal and indiscriminate employment opportunity for competent candidates regardless of their gender, age, locality or ethnicity. While recruiting fresh graduates, MTB source the pool from different recognized public and private universities and academic institutions; with a view to creating a diverse work force.

Our ration of male and female employees has been increasing over the time. Currently, approximately 18.00% of total employees are female. On the other hand, 8.34% of the Board of Directors represents females.

No. of employees by age group

Age group	Number	Percentage	Male	Female
Below 30 years	405	25.54%	298	107
30 years to 50 years	1,134	71.50%	957	177
50 years and above	47	2.96%	47	
Total	1,586			

Gender diversity among employees

Gender	Number	Percentage
Male	1,302	82%
Female	284	18%
Total	1,586	

In 2014, new intake of female employees was approximately 19.31%. We are gradually encouraging the women to take up leadership opportunity which will ensure a more balanced work force.

Employee Turnover

The opportunities for career growth, attractive compensation, benefit packages and a congenial work culture helped the Bank to maintain a healthy attrition rate of 2.90% in the year 2014.

MTB believes that the career growth may be ensured in two ways-vertically and horizontally. So, whenever possible Human Resources Division seeks opportunity to mobilize employees across different functions and thus assists them to progress with varied skills and experience.

Employee turnover by age group and gender:

Age group	Gender	No. of Emp.	Percentage
Below 30 years	Male	12	32.61%
	Female	3	
30 years to 50 years	Male	25	63.04%
	Female	4	
50 years and above	Male	2	4.35%
	Female		100%
Total		46	

Employee turnover by gender:

Gender	No. of Emp.	Percentage
Male	39	84.78%
Female	7	15.22%
Total	46	100%

Male: Female ratio	4: 1	Stability/ Retention rate	84%
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Group Human Resources (GHR) has recruited 254 employees in the year 2014. MTB new joiners or accession rate is 16 %. Our turnover rate is 2.2%.

We are focusing to recruit new employees, with experience to ensure diversity in manpower considering service excellence, wealthy working environment, scope of personal development after becoming eligible through aptitude tests. Many ex-employees of MTB have expressed their intention to come back. Accordingly, GHR reappointed few of them after becoming eligible in aptitude tests.

MTB gained reputation for its Good Working Environment.

5.4 Development & Growth

Learning & Development

LVC is a value creation framework for learning and knowledge enhancement as strategic levers. MTB believes that without proper training the value of human capital can never be augmented. Considering this, the bank has arranged 197,267 man hours of local and foreign training in 2014. MTB continuously thrives to transform Human Resources into Human Capital through appropriate training, in every aspects of working area, which in turn helps the Bank to achieve a sustainable growth. GHR regularly undertakes effectively

designed training programs targeting the right group of employees through proper training need assessment.

In 2014, MTB GHR and MTB Training Institute (TI) arranged 70 professional training courses and 40 workshop/seminars for 1,467 enthusiastic participants. Among participants, 300 employees were sent to attend various local training programs/conferences and 19 employees in abroad.

Average number of hours of training per year per participant is approximately 22.51 hours.

The whole capacity building efforts is pivoted on the unique understanding of banking sector as well as required behavioural skills to create a group of competent professionals with strong leadership skill. The banking sector is complex and diverse with evolving nature of threats and the risks. So, the training module is updated time to time for employees of the Bank in the changing context of financial market.

Training on	No. of Training
Foundation training	7
Risk Based Capital Management in Banks for Top Branch Managers	3
Prevention of money laundering and terrorist financing	15
Risk awareness and mitigation in automated cheque clearing and Electronic Fund Transfer (EFT)	2
Foreign trade	7
Good etiquette vs good business & customer friendly services	8
Credit management & loan documentation	5
Negotiable Instruments Act	3
SBS-1& 2 (Assets & Liabilities; Deposits)- sectoral code, economic purpose code	1

MTB family is consists of 1600 members. GHR has doubled its employees in compare to the year 2009 . Employee stability rate of MTB is 84% which indicates a positive attitude of MTB towards retaining its human resources, resulting significant growth.

Sincere and dedicated employees of GHR is discharging ther duties efficiently. GHR has established its reputation for its Green HR practices and conducive working environment.

In 2014, we have streamlined the MTB group organogram including the reporting lines to ensure more accountabilities and responsibilities.

MTB has established its existence as the most aspiring place of work in terms of the following:

- Iconic Board Members
- Efficient Mangement Team
- Diversified workforce
- Conducive work environment
- Complied with rules and regulations
- Employee-oriented bank

Management Development Program

The development of all employees within MTB is a key strand of the training and development strategy. The identification of leadership/management potential will happen via the "Growing Leaders" program. The leadership development program is designed to equip all senior and middle range managers with the necessary skills and behaviours to lead MTB to meet business challenges. All managers are to participate in the program and actively pursue their own development plans with the support of their Line Manager and the training and development Manager.

Training & Development

MTB Group Human Resources provides all types of training and workshop to all the employees and develops their knowledge and skills as required. MTB has its own training institute - MTB Training Institute (MTBTI), where all internal training programs are organized. GHR continuously sends people to in-house, local, external and foreign trainings, workshops, seminars and symposiums to keep pace with the ever-changing banking environment. In order to foster the knowledge in the field of International Trade and Finance, MTB nominated twenty-three (23) MTBians for Certificate in International Trade and Finance (CITF) certified by IFS School of Finance, UK conducted by ICC Bangladesh.

The motive was to develop leadership and motivational qualities, customer handling, grooming, team building, enhancing presentation skills, acquiring second and third languages etc. MTB designs Orientation and Induction Programs for all its newly-joined employees, which helps them to be acquainted with MTB's culture and work process and to feel easy in the new environment and its people. This short course is mandatory for all new entrants.

Training & Learning	2010	2011	2012	2013	2014
MTBTI Training	35	40	52	70	74
Local Outsourced Training	145	160	33	66	70
Foreign Training	14	6	5	3	13
No. of Participants	813	858	1,187	1,130	1,467

Training Calendar						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
 29	 30	 31	 01	 02	03	04
 05	 06	 07	08	09	 10	11
 12	 13	14	 15	 16	17	18
 19	 20	 21	22	23	24	25
 19						
 26	 27	28	 29	30		

Training	2010	2014
Participation rate	83%	92.5%
Per Empl. Cost	BDT 11,650	BDT 7,735
Budget	BDT 9.5 m	BDT 20.11 m

MTB calendar facilitates the training candidates to apply online and be informed about the training time and schedule. The training calendar also shows the future training schedule as well as the probable participants in the training. This reduces the cost of the training application paper, time and cost of the organization.

Congenial Work Environment:

MTB Group Human Resources (GHR) provides services and support to its staff in ways that embrace the organization's mission of innovation and tradition of excellence. Committed to cultivating a superior service-oriented culture, the MTB Management seeks to provide benefits to employees that improve health and a sound work/life balance. Through employee

orientation and professional development, MTB fosters the values of inclusiveness, camaraderie, long-term employee engagement, and life-long learning. In all areas of work, the MTB GHR firmly upholds the tenets of confidentiality, accountability and trust.

MTB reigns such a work atmosphere which is beyond the boundaries of race, religion, lineage, gender or any

other grouping. Zero tolerance is shown in discrimination as per HR policy and practice. Existing policies and procedures on staff misconduct are examined with the aim of streamlining the review of disciplinary cases by establishing the appropriate committees at top levels. MTB has anti-harassment and abuse policy and grievance handling systems.

Healthy and Safe Work Environment

Healthy, productive and motivated employees are the foundation of a successful organization. In MTB the physical, mental and social well-being of its employees always gets priority.

MTB helps employees assume responsibility for their own personal behaviour in

health-related matters, and support health-promoting general conditions within the Company. We continuously focus on improving health and safety of employees that includes proper work place design and decoration of head office and branches, maintaining the cleanliness at work space, holding awareness

session related to physical and psychosocial well-being, email communication on various health and safety related topics, sending alerts to employees on emergency situations, arranging fire drill sessions, financial support for medical care etc. To support the employees for any health hazard during office hour.



Bank employees are not usually exposed to work-related injury and occupational diseases because of its operating nature. Nevertheless, MTB also remains cautious so as not to create any hazardous work condition.



Fire Drill at MTB Centre



Fire Drill at MTB Tower



Performance Development Program

Performance objective is linked with Performance Management System (PMS). Performance objectives focus an employee's work to ensure that his or her actions are directed towards achieving organizational vision. These include areas such as

operations, business development, knowledge and professional objectives.

To reduce carbon emission, increase efficient usage of time, eliminate the complexity and to make more accessible to employees, Human Resources

Division has automated the entire performance appraisal process. Based on previous year performance appraisal, employees are promoted to the next grade. This year MTB has promoted total 421 employees as recognition of their commitment and services to

Parental Leave

	2014	2013	2012
Number of women employees that took maternity leave	21	21	21
Women that exited the bank within a year of returning to work	1	1	1
Women still employed 12 months after returning to work	20	20	20
Retention of employees who took parental leave	95%	95%	95%

Minimum notice period

Regarding operational changes minimum notice period before switching job is 3 months (12 Weeks) for regular employees.

Minimum notice period before changing department is 1-30 days as per situation or demand of concerned branch/department. An

exit interview of each employee who leaves the job is taken for ensuring the job satisfaction and the reasons of leaving MTB.

Work-life Balance

MTB upholds the philosophy of work-life balance, organizational practices and policies that actively support employees to achieve success at both work and home. Management is also open and shows flexibility in regard to a balanced work-life.

We have flexible work arrangement. Employees are entitled to sufficient annual leave

and sick leave with pay. To enjoy vacation with family, Bank provides Leave Fare Assistance Allowance to employees.

In MTB all female employees are eligible for Maternity Leave (Parental Leave) of six-month period. In 2014, a total of 22 female employees availed Maternity Leave. After completion of the leave, they returned to work and are still continuing with the organization.

On emergency situation, employees are at liberty to take leave without pay when their regular leave days are consumed. Employees can also pursue higher studies availing 'Study Leave' which is subject to Management approval.



6. REGULATORY COMPLIANCE

6.1 Compliance Report on BSEC's Notification

The Bangladesh Securities and Exchange Commission (BSEC) required all listed companies to report on the compliance of the conditions described in BSEC's notification dated August 07, 2012 on 'comply' basis.

MTB obtains certificate from practicing professional Accountants / Chartered Accountants / Chartered Secretaries / Cost and Management Accountants regarding compliance

of corporate governance guidelines of the commission. The issuer company should not engage its External/Statutory Auditors to perform Audit/Certification Services on compliance of corporate governance as required under condition number 7. In compliance with the notification, we have appointed Haque Shahalam Mansur & Co., Chartered Accountants for certification in this regard.

The Board of Directors of MTB has taken appropriate steps to comply with the conditions as detailed below:

14 (fourteen) meetings of the MTB Board of Directors were held from January 01, 2014 to December 31, 2014. Attendance of the Directors is given below:

Sl No	Name	Position	Meeting held	Meeting Attended	Remarks
1	Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Chairman	14	14	
2	Mr. M. A. Rauf, JP	Vice Chairman	14	12	Leave of absence was granted by the Board
3	Mr. Syed Manzur Elahi	Director	14	12	Leave of absence was granted by the Board
4	Dr. Arif Dowla (Representing Advanced Chemical Industries Ltd.)	Director	14	11	Leave of absence was granted by the Board
5	Mr. Hedayetullah	Director	14	11	Leave of absence was granted by the Board
6	Mr. Md. Abdul Malek	Director	14	14	
7	Mr. Md. Wakiluddin	Director	14	14	
8	Mrs. Khwaja Nargis Hossain	Director	14	14	
9	Mr. Anjan Chowdhury (Representing ASTRAS Ltd.)	Director	14	5	Leave of absence was granted by the Board
10	Mr. Q. A. F. M Serajul Islam (Representing Pioneer Insurance Company Ltd.)	Director	14	14	
11	Mr. Anwarul Amin	Independent Director	14	14	
12	Dr. Sultan Hafeez Rahman	Independent Director	14	9	Leave of absence was granted by the Board
13	Mr. Anis A. Khan	Managing Director & CEO	14	14	Ex-Officio Director

The pattern of shareholding of Mutual Trust Bank Limited as on 31.12.2014 as per BSEC's Notification No. SEC/CMRRCD/2006-158/134/Admin/44, dated August 07, 2012, is stated below.

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

b) Shareholding by MTB:

i) Shareholding Distribution by MTB Directors:

Sl No	Name	Designation	No. of Share	% of Share as on 31.12.2014
1	Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Chairman	15,388,150	5.00
2	Mr. M. A. Rauf, JP	Vice Chairman	6,166,766	2.00
3	Mr. Syed Manzur Elahi	Director	10,515,238	3.42
4	Dr. Arif Dowla (Representing Advanced Chemical Industries Ltd.)	Director	10,258,755	3.33
5	Mr. Hedayetullah	Director	6,158,803	2.00
6	Mr. Md. Abdul Malek	Director	6,204,433	2.02
7	Mr. Md. Wakiluddin	Director	6,160,884	2.00
8	Mrs. Khwaja Nargis Hossain	Director	6,155,451	2.00
9	Mr. Anjan Chowdhury (Representing ASTRAS Ltd.)	Director	7,694,051	2.50
10	Mr. Q. A. F. M Serajul Islam (Representing Pioneer Insurance Company Ltd.)	Director	21,649,259	7.03
	Total		96,351,790	31.3%

ii) Shareholding Distribution by MTB Management:

1	Managing Director & CEO	3,218 shares
2	Company Secretary & DMD	18,376 shares
3	Chief Financial Officer	Nil
4	Head of Internal Control & Compliance	Nil
5	Spouses of above Executives	Nil

c) Shareholding by other Executives (Top 5)

i)	Md. Hashem Chowdhury, AMD	17,737 shares
ii)	Md. Zakir Hussain, DMD	Nil
iii)	Syed Rafiqul Haq, DMD	Nil
iv)	Md. Nurul Islam, SEVP	Nil
v)	Syed Rafiqul Hossain	Nil
vi)	Shareholders holding ten percent (10%) or more shares	Nil.

6.2 Compliance & regulatory requirements

Earnings per share

Basic earning per share has been calculated in accordance with BAS 33 “Earning per Share” which has been shown on the face of statement of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Reporting period

These financial statements of the bank and its subsidiaries cover one calendar year from 01 January to 31 December 2014.

Compliance report on Bangladesh Accounting Standards (BASs)

The institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS). MTB has applied all the applicable IAS and IFRS as adopted by ICAB while preparing the financial statements.

Name of the BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statement of Cash Flows	7	Applied
Accounting policies, Changes in accounting Estimates & Errors	8	Applied
Event safter the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plantand Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employees Benefits	19	Applied
Accounting for Government Grantsand Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investmentin Associates	28	N/A
Interest in Joint Ventures	31	N/A
Financial Instruments: Presentation	32	Applied
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provision, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financia Instruments: Recognition and Measurement	39	Applied
Investment Property	40	Applied
Agriculture	41	N/A

Compliance report on Bangladesh Financial Reporting Standards (BFRS)

Title of the Standard	BFRS No.	Status
First-time Adoption of Bangladesh Financial Reporting Standard	1	N/A
Shares Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	N/A
Noncurrent Assets Held for Sale and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied

Anti-fraud Controls in MTB

In order to effectively handle money laundering issues, MTB has its Anti-Money laundering Department. The department conducts its operation upholding the provisions of the Anti-Money Laundering and Anti Terrorism Regulations. MTB has already formulated guidelines on policies and procedures in prevention of money laundering and terrorist financing. In order to implement the underlying requirements, account opening personnel identifies particulars of the clients. Transaction Profiles and Know Your Customer (KYC) Profiles are duly maintained. Anti Money laundering functions are performed with due attention in all MTB branches under strict control centrally. Adequate awareness has been created amongst all concerned to prevent opening of suspicious accounts and identifying suspicious transactions. In order to ensure the compliance of all the instructions given on different occasions by Bangladesh Bank (BB), Central Compliance Unit (CCU) has been established and Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officers (BAMLCO) have been designated.

MTB always positioning the usage of the modern technology in its every area of operations. As a part of this process, MTB enhances its screening process towards prevention of AML. The bank is going to sign an agreement with Election Commission Bangladesh (ECB) for authentication of the information of clients/customers, who have opened A/Cs or going to open A/Cs with MTB.

Statement of Compliance

The consolidated and separate Financial Statements of the Group at the end for the year 31 December 2014 have been prepared under the historical cost convention and in accordance with Bangladesh Financial Reporting Standards (BFRSs), the "First Schedule" (section-38) of the Bank Companies Act 1991, (as amended in 2013) and as per the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act, 1994, the Bangladesh Securities and Exchange Rules 1987, Stock Exchanges' listing regulations and other prevailing laws and rules as applicable in Bangladesh.

Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail. As such the Financial Statements of the Group is prepared with certain departure(s) from IFRSs as allowable in IFRSs, in order to comply with the prevailing rules and regulations.

Money Laundering Risk Management:

- MTB has its policy guidelines developed in line with the Guidance Notes on Prevention of Money Laundering of Bangladesh Bank and instructions of BFIU on Combating the Financing of Terrorism.
- The Managing Director & CEO of the bank sends a yearly message to all employees. Apart from this, the MD & CEO sends awareness building messages on a regular basis.
- The bank identifies and suggests correct and full documentation in terms of Know Your Customer (KYC), which enables prudential Prevention of Money Laundering.
- MTB determines training needs and arranges regular training for employees on Prevention of Money Laundering and Combating the Financing of Terrorism.
- The bank ensures regular monitoring, compliance and accountability both at the Corporate Head Office and at the branch level through the Chief Anti-Money Laundering Compliance Officer (CAMLCO) and the Branch Anti-Money Laundering Compliance Officer (BAMLCO).
- The branches update KYC and Transaction Profiles (TP) of the customers at least once a year.
- MTB Corporate Head Office holds quarterly meeting of Central Compliance Unit (CCU) to ensure compliance with AML instructions.
- Anti-Money Laundering Department reports the activities regarding Money Laundering Prevention and Combating the Financing of Terrorism to the Managing Director and CEO, who oversees the bank's AML campaign.
- The bank ensures the status of Anti Money Laundering compliance at the MTB branches and offices.
- MTB has integrated core banking software (CBS) regarding customer information, which helps the branches maintain the updated KYC and TP and monitor and detect suspicious transactions with the support of the bank's integrated CBS.
- Each branch has at least one official with assigned specific AML compliance responsibilities.
- MTB has Customer Acceptance Policy (CAP) in place.
- The bank has strengthened its Anti Money Laundering Department with requisite manpower.
- MTB screens the customers with the United Nations Security Council Resolution (UNSCR) sanction list.
- The bank arranges a Branch Anti Money Laundering Compliance Officer Conference for awareness building on Anti Money Laundering and Combating the Financing of Terrorism issues. The bank also holds regional training for the employees of the bank.
- MTB submits CTR Reports to Bangladesh Financial Intelligence Unit through the goAML software provided by them.

6.3 Focus on SME

Economic environmental and social value Generated through SME

SMEs are the engine of growth in Bangladesh, which can help the country to become a middle income country by 2021. As such, SME is considered a priority sector as announced by the present government of Bangladesh.

SMEs are, indeed, play significant role for sustainable and inclusive growth in Bangladesh. We, at MTB, believe that a bank needs to support the country's economy by adopting Social Development approach in its business model through SME Banking and Inclusive Banking. Hence, MTB can support the vision of inclusive and sustainable growth in Bangladesh.

MTB SME Banking started its journey in 2007. The business segment is growing constantly in a sustainable manner. Its portfolio comprises 9.68% of MTB Total Loan portfolio, is sound and diversified. Following is the business structure of SME Banking in MTB.

Bangladesh Bank and SME Foundation for the 1st time introduced SME Banking Award in 2014 in the financial market of Bangladesh. In total, 32 Banks and 9 NBFIs applied for the awards in 5 (five) sub categories and one overall category; SME Bank of the Year-2014. MTB SME Banking has differentiated itself in the market in its business approach. Some of the unique features that awarded us with the honor of "Best SME Bank of the Year 2014":

- MTB charges affordable interest rate to SMEs; on average at 13.50%. Affordable interest rate facilitates SMEs to do business in a more sustainable manner. Our exposure to manufacturing sector is around 40% and less in trading sector.
- Financing in the manufacturing sector helps economy by creating jobs.
- We finance mostly to Small Enterprises; our exposure is 67%. We also finance mostly to Rural Enterprises. 68% of our exposure is to rural SMEs.

SME Banking: Agri Business and Inclusive Banking

MTB is continuing its contribution to Agri finance in an increasing rate. MTB achieved and exceeded the target of Bangladesh Bank for disbursement of Loan in Agricultural sector.

As recognition of this, MTB Received appreciation letter from Bangladesh

Bank for disbursement in Agri sector for the FY 2013-2014.

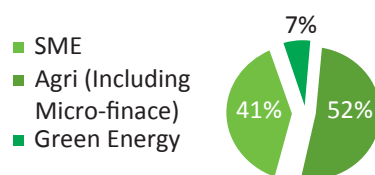
MTB also participated in the 4th Agro Bangladesh Expo 2014: Food Pro Bangladesh and Rice & Grain Tech Expo, Dhaka organized by Ministry of Agriculture, Government of Bangladesh.

MTB SME Banking division ensures a portfolio mix to serve both profit generating enterprise and social, environmental sustainability ensuring initiatives' equally. MTB SME Banking has a significant market share in Agri and green energy, besides financing to SME enterprises.

Segment	Outstanding (BDT Million)	Percentage (%)
SME	366	52.01

Agri (including Microfinance)	289.1	41.14
Green Energy	48.14	6.85
Total	702.77	100

Business Share of MTB SME



For SME Sector MTB provides some unique feature to ensure its support for growth of the sector:

- MTB charges affordable interest rate to SMEs; on average at 13.50%. Affordable and most attractive interest rate facilitates SMEs to do business in more sustainable manner.
- MTB has exposure to manufacturing sector is around 40% and less in trading sector. Financing in the manufacturing sector helps economy by creating jobs.
- MTB finance mostly to Small Enterprises; the exposure is 67%.
- MTB also finance mostly to Rural Enterprises. 68% of MTB exposure is to rural SMEs.

Agro Credit: Sector specific disbursement

Agriculture is the life blood of Bangladesh economy and as rural areas are hub of production. So MTB put proper emphasis in its product design for Agro and agro processing segment.

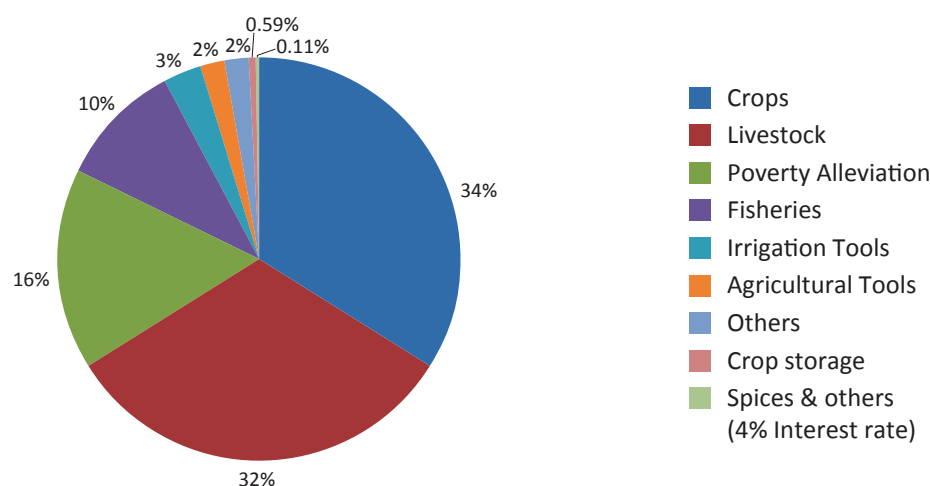
MTB disburse a huge volume of agro loan directly at farmers' level as well as through NGO MFIs. As a result of MTB commitment and performance in this sector.

Specific sector wise Agro loan disbursement for last two years is as follows:

BDT Million

Sl. No.	Sector	2014-2015 (Up to December, 2014)		2013-2014 (Up to December, 2013)	
		Disbursement	Outstanding as on 31.12.2014	Disbursement	Outstanding as on 31.12.2013
1.	Crops	347.83	920.85	333.06	672.21
2.	Fisheries	74.84	279.25	89.63	226.62
3.	Livestock	200.54	860.65	408.06	770.52
4.	Irrigation Tools	3.65	65.25	26.40	69.30
5.	Agricultural Tools	33.67	62.19	19.04	35.08
6.	Crop storage	1.10	15.74	7.79	17.10
7.	Poverty Alleviation	124.30	436.71	199.67	418.11
8.	Spices & others	1.80	3.05	1.20	1.20
9.	Others	9.77	40.81	7.49	38.77
	Total	797.5	2,684.5	1,092.34	2,248.91

Chart : Sector wise Agricultural Loan 2014



Agro Credit: Disbursement Chanel wise

Agri credit	Disbursed	Beneficiary no.
Own Network , 2014	230.93	541
NGO-MFI Network, 2014	1,103.84	Approx 51,783 borrower through 45 NGO MFI
Total	1,334.77	52,324

Micro-Finance Institutions (MFIs) fund revolve weekly basis so actual impact borrower is much higher. MTB had funded highest number of partner NGOs –MFIs. MTB has been financing more than 100 MFIs, which is the highest in Bangladesh and

expecting to be the highest around the world for a commercial bank. MTB partner NGO MFIs ranges from top 10 MFIs to new very small size marginal MFIs to ripple down the impact at all level. The disbursement through the NGOs-MFIs created a

huge employment opportunity especially in agriculture and brings a positive and fruitful impact in poverty alleviation. MTB partner NGOs-MFIs have around 3.00 million beneficiary members.

Cultivation of maize, spice & oil-seed

As per guidance of Bangladesh Bank, MTB put special emphasis on import substitute crops e.g maize, spice &

oil-seed. This year BTD 3.00 Million was disbursed at 4% among 67 beneficiaries in Narayanganj and

Panchagar District.

Alliance & Partnership

Strategic alliance and partnership is one of the key points of mutual development and business growth. MTB participated in all major Refinance and Pre-finance funds of Bangladesh Bank, SME Foundation, Japan International Cooperation Agency (JICA) and other key partners over the years. In consistency with this strategic approach, MTB participated in the following partnership this year:

- Agreement for participation in Bangladesh Bank Revolving Refinance Fund for providing loan facility to 10 Taka Account holders (i.e.) marginal population.
- Agreement for participation in Bangladesh Bank Refinance Scheme for New Entrepreneurs in Cottage, Micro and Small Enterprise Sector (NEF)

Strategic Outlook

For increasing footprint in a sustainable manner, MTB's SME Banking Strategy for 2015-2020 is being formulated on the specific area of business and process.

- Distribution Strategy
- Customer Strategy
- Business Process Strategy
- Niche Strategy

Recognition for MTB SME

MTB has awarded as SME Bank of the Year 2014 at the SME Financing Fair-2014



SME Bank of the Year Award 2014

MTB has been Awarded
as the SME Bank of the Year 2014
at the SME Financing Fair 2014

Bangladesh Bank and SME Foundation for the 1st time introduced SME Banking Award in 2014 in the financial market of Bangladesh. In total, 32 Banks and 9 NBFIs applied for the awards in 5 (five) sub categories and one overall category; SME Bank of the Year-2014.

We Plan to

- Adopt a Hybrid Model for SME Banking Operation to smooth the functionality as well as creating efficiency and ensure sustainable growth.
- Strengthen Strategic Alliance with National and International Key partners including Bangladesh Bank, SMEF, DFID, IFC, ADB, JICA etc to achieve strategic competency in the ever changing business scenario.
- Conduct SME Banking Diagnostic by International agency and revamp SME Business Model based on the diagnosis.
- Identify more branches to develop them as SME Hub, SME Priority and SME Service Branch for one stop concentrated services to SME cluster wise Clients.
- MTB's niche Value Centers Development for special segment i.e. Agri Finance, Green Finance & W/E Finance to promote inclusive banking as well as better service and management to the special needs of these segments.
- Conduct Comprehensive SME Product Review- Fine Tune, Re-launch, and withdraw to fulfill the need of existing market and create momentum.

Initiate SME Banking Campaign & Promotion similar to other retail based banking products to enhance visibility of SME product as well as secure more prospects.

MTB SME eyes to be a significant financing partner for the development of the country and hence contribute toward the Sustainable Development Goals (SDGs).



“SMEs are the engine of GROWTH in Bangladesh, which can help the country to become a middle income country by 2021”

6.4 Focus on WOMEN ENTREPRENEURS

MTB also recognized as Women Entrepreneur Friendly Bank of the Year 2014 besides SME Bank of the Year 2014 at the SME Financing Fair-2014 for its efforts to promote the Women entrepreneurship development.



Best Women Entrepreneur Friendly Bank
of the Year 2014



MTB has been recognized as
Best Women Entrepreneur Friendly Bank of the Year 2014
at the SME Financing Fair 2014

MTB was also recognized as Best Women Entrepreneur Friendly Bank of the Year 2014 besides SME Bank of the Year 2014 at the SME Financing Fair-2014 for its efforts to promote the Women entrepreneurship development. Some feature of MTB SME finance:

- MTB Women Entrepreneur Financing is friendly & proactive.
- MTB SME offers very competitive and convenient interest rate for women entrepreneur. Average Lending rate for Women Entrepreneur loan is 9.50%
- MTB SME focuses on Productive Sector rather than trading.

Major exposure of MTB Women Entrepreneur is in productive Manufacturing Sector .The exposure to this sector is 60% of MTB SME portfolio.

- MTB SME plays a key role in financing marginal SME entrepreneur who don't have any collateral .95% of Women Entrepreneur loan provided by MTB SME is collateral free.

MTB SME partners with SME Foundation for serving Women Entrepreneur nationwide with the product MTB Gunabati which offers single digit interest rate.



Women Entrepreneur Cell Initiatives:

Besides regular business, MTB Women Entrepreneur Cell participated in various promotional events with a view to promoting MTB SME and its clients.

The Cell participated at "Women SME Conference & Product Display" at Dhaka organized by SME & Special Programs Department of Bangladesh Bank on May 2014 and later in July of the same year, the Cell participated at "National Trade Fair and Workshop 2014" held at Dhaka organized by "For The Women By The Women Forum". MTB Women Entrepreneur Cell participated as the title

sponsor at the "Trade Fair 2014" held at Jessor organized by Association of Grassroots Women Entrepreneurs Bangladesh (AGWEB) on December 2014.

MTB is recognized as "The Best Women Entrepreneur Friendly Bank of the Year 2014" along with "SME Bank of The Year 2014" at the SME Financing Fair 2014 for its efforts to promote the development of women entrepreneurship.



Ms. Tania Wahab
Managing partner of Karigar

A thriving leather goods company was awarded as Outstanding Women in Business of the Year 2013 by Daily Star-DHL Bangladesh Awards 2013. She started her business in 2005 as a fresh graduate with 10000 Tk. and support from family. MTB was the 1st commercial bank to provide her loan facility. Since 2009, MTB has become a partner of her journey with several Loan products, now the "Karigar" creates opportunity of full time employment to 20 people and for another 100 as part time.

6.5 Credit Rating

MTB Credit Rating Reaffirmed

	Current Rating	Previous Rating
Long Term	AA-	AA-
Short Term	ST2	ST2
Based on Financials	December 31, 2013	December 31, 2012
Date of Rating	June 23, 2014	June 23, 2013
Validity Date	June 22, 2015	June 22, 2014

AA- : Higher Safety for Timely Repayment

ST 2 : High Certainty of Timely Repayment

Outlook : Stable

Rated by: Credit Rating Information and Services Limited (CRISL)



6.6 Environmental Risk Management

Risk is inherent in all commercial operations. In lending operations, in order to ensure asset quality, risks are required to be managed properly and intensively. Bangladesh Bank, underscoring the essence of proper risk management in different areas of banking operations, issued six core risk management guidelines. Credit Risk Management is one of them. In line with the Credit Risk Management (CRM) guidelines of Bangladesh Bank, 'Policy Guidelines of Credit Risk Management' was approved by the Board of Directors of MTB at its 61st meeting held on Dec 13, 2005 for the first time.

As of latest, MTB Board of Directors approved the "Credit Policy With Credit Risk Management Guideline 2014" on the 172nd Board Meeting

held on Dec 07, 2014.

In recent years, environmental degradation has been a major cause of concern across the world. Bangladesh is very much vulnerable to environmental degradation and climate change. Financial sector of the country is also exposed to different risks associated with the above threats through its financial operations. Environmental risk, being a facilitating element of credit risk, needs to be managed properly.

Upon receiving the proposals for financing, Marketing/Relationship Management has to conduct a preliminary environmental risk review, using Environmental Due Diligence (EDD) checklists. There is a General EDD checklist and ten Sector

specific EDD checklists and a Guidance Matrix.

Potential borrowers have to submit various documents to the DOE (Department of Environment, Government of Bangladesh) for obtaining the Environmental Clearance Certificate. new and expansion of existing business activities.

Marketing/Relationship Management has to obtain copies of these documents as the background for completing the EDD checklists. However, discussions with the potential borrower should form the basis for administering the EDD checklists.



General EDD Checklist

There are environmental issues that tend cut-across all sectors. The cross-cutting aspects include the possible sources of risks legal compliance or compliance to environmental laws, appropriateness of land for the intended purpose, climate change impacts if any - and also the management systems of the potential borrower to manage these risks.

These aspects are covered in the General EDD checklist. To determine whether these will become environmental risks, the General EDD checklist is used.

General Environmental Due-Diligence Checklist

Particulars	Yes / No / NA
Possible sources of environmental risk	
1. Environmental clearances: * In the proposal for financing, have all the applicable compliances to environmental laws, i.e. site clearance certificate and environmental clearance certificate, been obtained from the Department of Environment (DOE)? * Have these clearances been obtained after submitting the appropriate documents for the different pollution category of industries (Green, Orange-A, Orange-B and Red)?	
2. Land location/site: * Is the land location/site free from vulnerability from an environmental perspective? Vulnerability can arise due to the issues such as the location being on the river bank (floods) and on national parks/forests (non-compliance)?	
3. Climate change: * Is the proposal for financing protected against climate change related impacts such as cyclones, storm surges, floods and droughts if relevant? Borrower's Environmental Management Systems	
4. Commitment: * Is the potential borrower's top management committed to environmental management?	
5. Manpower: * Has the potential borrower planned for manpower resources to address environmental issues?	
6. Skills: * If so, is the manpower skilled to address environmental issues?	
7. Labour/social issues: * Does the management adopt good practices vis-à-vis occupational health & safety and associated issues such as child labour, forced labour, wage compensation, discrimination and working hours?	

Sector-specific EDD Checklist

Proposals for financing in different sectors are prone to different kind of environmental risks. Sector specific EDD checklist is additionally used if the proposal (for financing) is in any of the ten given sectors: poultry, dairy, cement, fertilizers, pesticides, pharmaceuticals, engineering and basic metal, housing, pulp & paper, sugar & distilleries, tannery, textile & apparels and ship breaking.

Sector wise Environmental Due-Diligence Checklist

Particulars	Yes / No / NA
1. Avian influenza: * Does the business activity take adequate management measures to protect from animal diseases/pathogens such as Avian influenza (strain HN51)?	
2. Solid waste: * Is the provision for appropriate management of solid waste including waste feed, animal waste, car casses, sediments and sludge from waste water treatment facilities? * Are there responsible methods to dispose the solid waste/sludge from the ETP been included in the design?	
3. Waste water/ETP: * Is the rean Effluent Treatment Plant (ETP) or appropriate waste water management processes to treat the waste waterd is charges Does the design ensure that there is no by pass arrangement for the ETP or waste water management processes?	
4. Hazardous materials: * Are there adequate systems for the handling, storage and transport of hazardous materials? And, is there adequate check to ensure only permissible hazardous materials are in use?	
5. Monitoring: * Has environmental monitoring, particularly protection from disease causing pathogens, been planned? Is environmental monitoring, particularly the effluent characteristics, proposed on a periodic/regular basis? * Is environmental monitoring, particularly of the air emissions (stack and fugitive), proposed on a periodic/regular basis?	
6. Air emissions: * Are air emission prevention and control measures systems installed from the combustion of fuel in turbines, boilers, compressors and other engines for power and heat generation?	
7. Noise: * Have noise control measures been put in place in grinding, handling and transportation? * Are measures to control noise from the large construction activities?	
8. Fire/explosions: * Have proper design provisions been made to prevent fire and explosion hazards that may arise from solvent use, handling and storage?	
9. Hazardous chemicals: * Does the design provide for handling, storage and transportation of hazardous chemicals in the manufacture of pesticides?	
10. Genetic resources: * Have proper procedures been follow ed if there is the use of particular genetic resources that have threats to biodiversity?	
11. Guidelines: * Is the pesticide manufacturing been carried out in line with the WHO Guidelines, Stockholm Convention and Rotterdam Convention?	
12. Bioethics: * Are good bioethics management approaches been adopted if genetically modified foods or related new areas of work are involved?	
13. Sewage: * Has a sewage treatment plant (STP) of a size appropriate to the requirements been included in the design? Is there a justification for the chosen size? * Does the STP design ensure that there is no by pass arrangement?	

Particulars	Yes / No / NA
14. Dust: * Does the proposed business activity have appropriate measures to control the dust pollution during construction?	
15. Debris: * Are there measures to manage the construction debris?	
16. Odour: * Are measures for preventing and controlling odour been planned?	
17. Water: * Are water consumption reduction approaches been adopted to reduce the overall water intake?	
18. Export requirements: * If it is an export-oriented business or part of the supply chain, have all the buyer environmental requirements been met?	
19. Certificate: * Do the management methods include obtaining a certificate from the exporting country?	

Matrix for quick guidance on potential environmental risks

Matrix A

Sl. No.	DESCRIPTION	Env. Clear	Land/Site	Clim Chge	Remarks, if any
A1	On the Coast	Yes	Yes	Yes	
A2	Inland- Flood Plain	Yes	Yes	Yes	
A3	Inland-Outside Flood Plain	Yes	No	No	

Matrix B

Sl. No.	DESCRIPTION	Env. Clear	Effi	Haz. Chem	Wste	Air Em	Others	Remarks, if any
B1	Agri-Poultry	Yes	Yes	Yes	Yes	Yes	Yes	Avian Flu
B2	Agri-Dairy	Yes	Yes	No	Yes	Yes	No	
B3	Cement	Yes	Yes	No	Yes	Yes	Yes	Noise
B4	Chemicals-Fertilizers	Yes	Yes	Yes	Yes	Yes	Yes	Noise
B5	Chemicals-Pesticides	Yes	Yes	Yes	Yes	Yes	Yes	WHO Guidelines, Fire/Explosion
B6	Chemicals-Pharmaceuticals	Yes	Yes	Yes	Yes	Yes	Yes	Genetics, Bioethics, Labour
B7	Engg. and Basic Metal	Yes	Yes	No	Yes	Yes	Yes	Noise, Fire/Explosion
B8	Housing	Yes	Yes	No		Yes	Yes	Noise, Debris
B9	Pulp & Paper	Yes	Yes	No	Yes	Yes	Yes	Noise, Odour
B10	Sugar & Distilleries	Yes	Yes	No	Yes	Yes	Yes	Water Avail, Odour
B11	Tannery	Yes	Yes	Yes	Yes		Yes	Odour
B12	Textile and Apparels	Yes	Yes	Yes	Yes	Yes	Yes	Labour, Fire/explosion & Export Reqt
B13	Ship Breaking	Yes	Yes	Yes	Yes	No	Yes	Labour

Yes : Source of Risk must be considered

No : Source of Risk not applicable

6.7 Risk MANAGEMENT

Investment in EDD & ERR

EDD & ERR-2014

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
1	No. of Projects applicable for Environmental Due Diligence (EDD)	117	65	110	185	477

		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
2	No. of Projects Rated (Environmental Risk Rating)	92	62	99	1,134	387
	Low	87	53	95	124	359
	Moderate	5	9	4	10	28
	High	-	-	-	-	0

3	Rated Projects financed	Total Number	79	61	86	134	360
		Low	74	53	82	124	333
		Moderate	5	8	4	10	27
		High	-	-	-	-	-
		Total Amount Disbursed (BDT in million)	2,655.41	3,929.92	7,202.98	16,304.46	30,092.77
		Low	2,213.69	3,354.43	7,103.03	15,986.71	28,657.86
		Moderate	441.72	575.49	99.95	317.75	1434.91
		High	-	-	-	-	-
	Loan classification as of Quarter end						
		UC	SMA	SS	DF	BL	
	No. of projects	130.00	1.00	1.00	-	2.00	
	Amount (BDT in Million)	16,248.72	5.00	20.00	-	31.00	

Robust Risk Management System

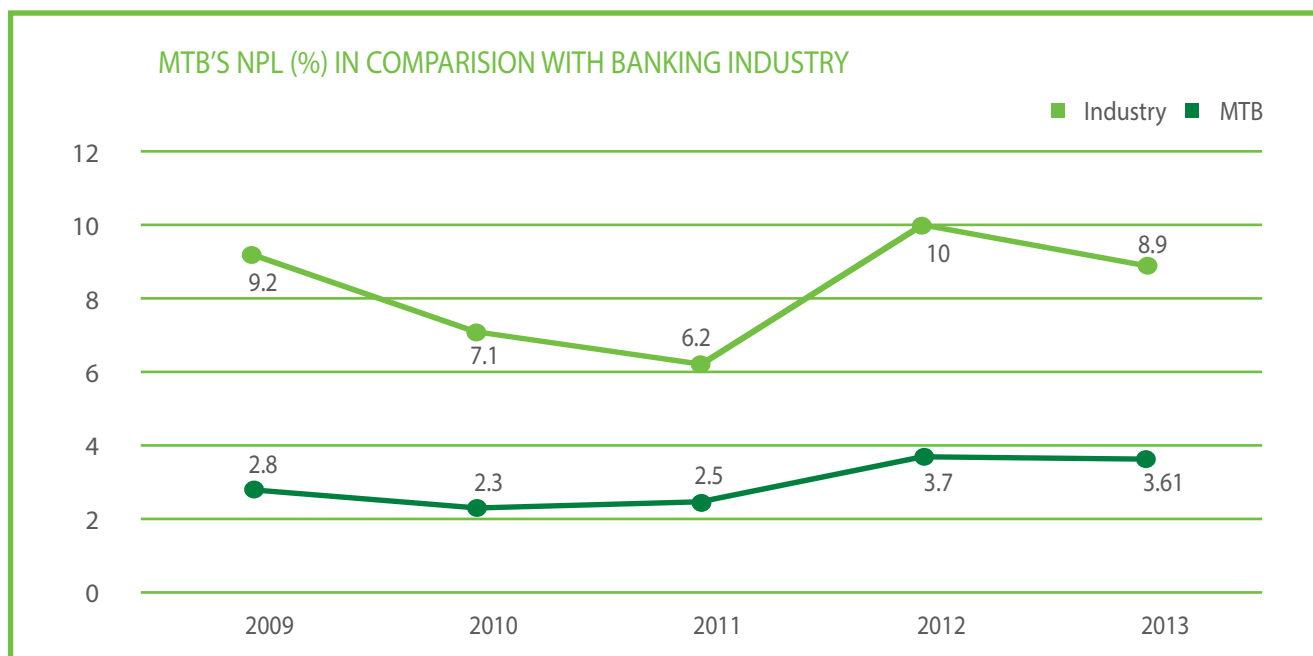
The prime objective of risk Management is to appropriately balance the trade-off between risk and return. MTB faces a varied and wide range of risks in its day-to-day business operation, and side by side it handles risks judiciously to ensure optimum return on asset and equity.

Managing risk prudently and efficiently to ensure profitability, capital adequacy and liquidity in a balanced manner is the main concern of the bank.

At the strategic level, the MTB Board of Directors (BOD), through the Board Risk Management Committee (BRMC) & Senior Management, set up risk governance structures & risk philosophy, endorse risk strategies, and reviews and approve risk policies, as well as the threshold limits of risks to be taken in line with the bank's risk appetite. These limits are continuously monitored by an experienced risk Management team and overseen by BRMC. At the managerial level, policies and strategies formulated by the BOD are implemented by middle

Management or units devoted to risk reviews. The operational level encompasses on-the-line risk Management where risks are actually created, such as at the front office or at the Credit desk of the bank.

Over the years, MTB has maintaining a lower NPL than that of the industry average (Financial Stability Report of Bangladesh Bank, 2013) which reflects the effectiveness of MTB's risk Management system.



Risk Management policies

The bank has put in place various Board-approved Risk Management Policies viz.

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

MTB Risk Management practice as per Basel norms

As a Basel compliant bank, MTB follows international best practices in risk Management as per Basel norms, which makes it more capital risk sensitive and risk resilient. MTB's capital structure is governed by 'Guidelines on Risk Based Capital Adequacy (RBCA) for Banks' issued by Bangladesh Bank (BB). RBCA guidelines encompass the risk Management framework of the bank by Pillar-I (Minimum Capital Requirement, MCR), Pillar-II (Supervisory Review Process, SRP) and by Pillar-III (Market Disclosures).

To comply with Basel Pillar-II norms (SRP), MTB has evolved Board-approved policy on the Internal Capital Adequacy Assessment Process (ICAAP), which covers identification and measurement of risks other than Pillar-I risks (i.e. Credit Risk, Market Risk and Operational Risk). SRP is intended not only to ensure that banks have adequate capital to support all the risks viz. residual risk, liquidity risk, Credit concentration risk, reputation risk, strategic risk, settlement risk, evaluation of six core risk areas, environmental risk and other material risk in their businesses, but also to assist banks to develop and to use better risk Management techniques in monitoring and managing those risks.

Non-performing loan (NPL) Management

Despite all efforts of Credit Monitoring Department (CMD), if any loan becomes classified, Special Asset Management Division (SAMD) comes into effect. SAMD operates independently to prepare and to implement the overall action plan and recovery strategies.

The division works in coordination with the branches, concerned CHO divisions, legal department and conducts door-to-door recovery drives for NPL recovery. The tools and strategies for NPL Management as applied by SAMD are adequate to keep the NPL much below the alarming level.

Internal Control and Compliance Risk Management

MTB has a structured Internal Control and Compliance (ICC) Division in which there are the following three distinct units headed by senior level executives:

- Audit and Inspection
- Compliance
- Monitoring

The mission of MTB's compliance function is to promote the culture and practice of compliance of legal and regulatory requirements and the Bank's ethical standards. Internal Control & Compliance Division reports to the audit committee of the Board on non-compliance detected by internal and external audits for appropriate and necessary action.

Money Laundering Risk Management

MTB, as a financial intermediary, is committed to taking preventive measures against money laundering and terrorist financing in line with the Money Laundering Prevention Act, 2012, the Anti-Terrorism Act, 2009 (Amended), the Guidance Notes on Prevention of Money Laundering of Bangladesh Bank, and the instructions circulated by them from time to time. MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the regulations.

GRI Index 4.0

Indicator	Disclosure Requirements	Level of Reporting	Page No.
GENERAL STANDARD DISCLOSURES			
STRATEGY AND ANALYSIS			
G4-1	Foreword Statement	☑	18-19
G4-2	Description of key impacts, risks, and opportunities	☑	7 30-31
ORGANISATIONAL PROFILE			
G4-3	Name of the organization	☑	12
G4-4	Brands, products, services	☑	25-27
G4-5	Location of the organization's headquarters	☑	12
G4-6	International presence	☑	12
G4-7	Nature of ownership and legal form	☑	12
G4-8	Markets served	☑	22-23
G4-9	Scale of the organization	☑	63, 72
G4-10	Total number of employees (Employee structure)	☑	63-64
G4-11	Employees covered by collective bargaining agreements	All Employees are covered by collective bargaining agreements	
G4-12	Description of the organization's supply chain	Third-party agencies providing office supplies	
G4-13	Significant changes regarding the organization's size, structure, ownership	☑	18-19, 20-21, 72
G4-14	Execution of the precautionary approach	☑	87-93 94-95
G4-15	Endorsement of external initiatives	☑	74-75
G4-16	Memberships in associations / advocacy organizations	☑	12
Material Aspects and Boundaries			
G4-17	Entities in consolidation group	☑	12 30-31
G4-18	Process for defining reporting content	☑	34
G4-19	Systematic approach to reporting: list of all the material aspects	☑	34-37
G4-20	Define the boundary of each Material Aspect within the organization	☑	34-37
G4-21	Define the boundary of each Material Aspect outside the organization	☑	34-37
G4-22	(Company) restatements compared to previous reports	No restatements	
G4-23	Changes in the information structure from previous reporting periods	×	
Stakeholder Engagement			
G4-24	List of stakeholder groups	☑	34-36, 72
G4-25	Basis for identification and selection of stakeholders	☑	34-36
G4-26	Approach to stakeholder engagement	☑	34-36
G4-27	Report on key topics and concerns of stakeholders	☑	37

Key:
 ☑ Reported Fully △ Reported Partially
 ■ Not Reported × Not Applicable

Indicator	Disclosure Requirements	Level of Reporting	Page No.
REPORT PROFILE			
G4-28	Reporting period	☑ Jan-Dec 2014	6
G4-29	Date of most recent previous report	×	
G4-30	Reporting cycle	Fully (Annually)	6
G4-31	Contact point	Fully	6
G4-32	GRI Content Index	Fully	92
G4-33	External confirmation: Audit / Assurance	×	
GOVERNANCE			
G4-34	Governance structure	☑	20-24
G4-35	Steering of corporate sustainability activities	□	
G4-36	Responsibility for sustainability topics	□	
G4-37	Consultation between stakeholders and Board members	□	
G4-38	Composition of Board and its committees	☑	25-26, 72
G4-39	Independence of governance body	☑	24-26, 72
G4-40	Nomination and selection processes of Board members	☑	24-26
G4-41	Processes to avoid conflicts of interest	☑	24-26
G4-42	Board's role in setting strategy values, policies and goals	☑	23-26, 72
G4-45 to 47	Board's role in risk management process	☑	25, 91-93
G4-48	Committee to approve the organization's sustainability report	☑	06, 18
ETHICS AND INTEGRITY			
G4-56	The organization's values and code of conduct	☑	06 16-17
SPECIFIC STANDARD DISCLOSURES			
ECONOMIC			
G4-EC1	Direct economic value generated and distributed	☑	57
G4-EC3	Coverage of the organization's defined benefit plan obligations	☑	56-58
G4-EC4	Financial assistance received from different sources	□	
G4-EC7	Significant infrastructure investments and its impacts	☑	44-45 77-79
G4-EC8	Significant identified indirect economic impacts	☑	56-58

ENVIRONMENTAL

Energy

G4-EN3	Energy consumption within the organization	<input checked="" type="checkbox"/>	39-41
G4-EN5	Energy intensity	<input checked="" type="checkbox"/>	40
G4-EN6	Reduction of energy consumption	<input checked="" type="checkbox"/>	41
G4-EN7	Reductions in energy requirements of products and services	<input checked="" type="checkbox"/>	41

Emissions

G4-EN15	Direct greenhouse gas (GHG) emissions	<input checked="" type="checkbox"/>	40
G4-EN19	Reduction of greenhouse gas (GHG) emissions	<input checked="" type="checkbox"/>	41

Compliance

G4-EN29	Significant fines and non-monetary sanctions	x	
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LABOUR PRACTICES AND DECENT WORK

Society

G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	<input checked="" type="checkbox"/>	51-55
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	<input checked="" type="checkbox"/>	41-42 78-79
G4-FS14	Initiatives to improve access to financial services for disadvantaged people.	<input checked="" type="checkbox"/>	51-55, 61-62,

Employment

G4-LA1	New employee hires and employee turnover	<input checked="" type="checkbox"/>	63-65
G4-LA2	Benefits provided to full-time employees	<input checked="" type="checkbox"/>	60-62 66-67
G4-LA3	Return to work and retention rates after parental leave	<input checked="" type="checkbox"/>	70

Human Resources Management

G4-LA4	Minimal notice periods regarding operational changes	<input type="checkbox"/>	
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Occupational Health and Safety

G4-LA5	Occupational health and safety	<input checked="" type="checkbox"/>	69
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Training and Education

G4-LA9	Average hours of training per year per employee by gender, and by employee category	<input checked="" type="checkbox"/>	66-67
G4-LA10	Programs for skills management	<input checked="" type="checkbox"/>	66-69
G4-LA11	Percentage of employees receiving regular performance and career development reviews	<input checked="" type="checkbox"/>	62,70

Diversity and Equal Opportunity

G4-LA12	Diversity in governance committees and the breakdown of workforce in different category	<input checked="" type="checkbox"/>	63-65
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Equal Remuneration for Women and Men

G4-LA13	Ratio of basic salary and remuneration of women & men	No Gender discrimination at MTB	
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HUMAN RIGHTS

Freedom of Association and Collective Bargaining

G4-HR4	Percentage of total employees covered by collective bargaining agreements	Employees are covered by collective bargaining agreements	
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Security Practices

G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures	Δ	66,69
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COMMUNITY

Local Communities

G4-SO1	Operations with implemented local community engagement, impact assessments, and development programmes	Δ	51-55,83
G4-SO2	Operations with significant actual or potential negative impacts on local communities	Δ	40

Anti-corruption

G4-SO3	Assessment of operations for risks related to corruption	<input checked="" type="checkbox"/>	86-88,93
G4-SO4	Communication and training on anti-corruption policies and procedures	<input checked="" type="checkbox"/>	66
G4-SO7	Total number of legal actions for anti-competitive behaviour	Δ Reported in MTB Annual Report 2014: Page 223	

PRODUCT RESPONSIBILITY

G4-PR3 to PR4	Product and service information and labeling	<input checked="" type="checkbox"/>	27-29
G4-PR6	Banned or disputed products.	We do not sell banned products and services	
G4-PR8	Substantiated complaints received from customers	<input checked="" type="checkbox"/>	34-37

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