

MTB SUSTAINABILITY REPORT 2019



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us



**MUTUAL TRUST BANK LTD. (MTB) PRESENTS ITS
6th SUSTAINABILITY REPORT**

For the period from

JANUARY 2019 TO DECEMBER 2019

This report has been prepared in accordance with the
GRI Standards: Core option

PREFACE



Mutual Trust Bank Ltd. (MTB) is presents its **6th Sustainability Report** for the period from January 2019 to December 2019.

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

MTB is a compliant bank as per compliance standard set by the regulatory bodies of Bangladesh. MTB follows the statutory and reporting guidelines prescribed by regulatory bodies. Yet, present management of MTB envisions the bank to rise up to an international standard in all plausible dimensions and hence the management has decided to bring out 'Sustainability Report' regularly since 2014.

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

Feedback

We welcome any feedback on this sustainability report. For further information and comments, please contact 'Sustainable Finance Department' of the bank through following addresses:

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STATEMENT FROM GRI SERVICES



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English version of the report.

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GRI 406: Non-discrimination 2016		
406–1 Incidents of discrimination and corrective actions taken		No such discriminatory event occurred
GRI 408: Child Labor 2016		
408–1 Operations and suppliers at significant risk for incidents of child labor		MTB does not employ child labor
GRI 409: Forced or Compulsory Labor 2016		
409–1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		MTB does not have forced or compulsory labor
GRI 411: Rights of Indigenous Peoples 2016		
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GRI 413: Local Communities 2016		
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413–2 Operations with significant actual and potential negative impacts on local communities		MTB does not approve any action that may have negative impacts on local community
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418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	64	Complaint Management in MTB
GRI 419: Socioeconomic Compliance 2016		
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DATA REVOLUTION FOR A SUSTAINABLE WORLD



STATEMENT OF THE MD & CEO (GRI 102-14)

The South Asian nation, Bangladesh, will celebrate its 50 years of independence in 2021. The country is one of the Next-11 or N11 with the potential to become one of the world's largest economies in the 21st century. With its self-financed Padma Bridge under construction in full speed and the historic launch of the Bangabandhu Satellite-1 (BS-1), Bangladesh is the next emerging Asian Tiger. Mutual Trust Bank Limited (MTB), a third-generation private commercial bank, has been serving the nation since October 24, 1999. The bank is sponsored by leading entrepreneurs and highly reputable business conglomerates of the country. The bank began its journey with a promise - "You can bank on us" which has both a literal and metaphorical meaning. Apart from being a corporate body, it is also an institution that highly values transparency and accountability with a view to retaining public trust and confidence. Through-

out the journey of 20 highly rewarding years of operation, we have protected & surged, we have been resurgent, we have managed to shine and now we are all invigorated towards powering the future. Personally, it is an honour for me to steer the bank with the trust of the caring regulators, the guidance of the progressive Board of Directors and the dedication of the beloved MTBians in forging ahead and repaying the trust with better business performance through achieving our strategic goals. However, with the sudden outbreak of COVID-19 in the last quarter of 2019, Bangladesh, like the rest of the world, is also faced with a number of challenges as far as the economy is concerned. The banking sector is the wheel of any economy. The health of the banking sector depends on the growth of all the other sectors of the country; similarly, the growth of the rest of the wings of the economy is highly dependent on the health of the

banking sector. With most of the businesses suspending their business operations due to the lockdown, (effective from 25 March 2020) and export-oriented industries losing their confirmed orders, one of the major challenges to be faced by the banks is the rise in the Non-performing Loans (NPL) in addition to the credit risk. The Central Bank, in March, issued a circular not to change the classification status of the borrower up to September 2020. Under such circumstances, the credit worthiness of the existing borrower is likely to deteriorate which, in turn, might block the possibility of repayment of the loan. The Government has declared stimulus packages of more than BDT 1.0 Trillion for the survival of different business entities including corporate, SME, micro finance, agriculture etc. and the entire fund is supposed to be channeled through the banking sector. If a certain borrower with a loan liability avails further loan under this stimulus package, then the borrower will need to repay both the existing loan and the new loan. In an adverse business environment, both the borrowers and the banks will thus be faced with a new challenge. This will ultimately affect the liquidity status of the banking sector making it difficult for the banks to bring down their Advance-Deposit (AD) Ratio. The ongoing economic depression resulting from COVID-19 will also witness a downtrend in the remittance inflow coupled with a decrease in buying power of the people, reducing the investment opportunities for the banks and increasing their chances of negative income growth. To survive the financial crisis, the depositors are most likely to withdraw their deposits affecting the fund inflow of the banks. Despite all the skepticism, MTB is all poised to endure any probable tribulation. The bank intends to put more emphasis on the need to develop an innovation-first attitude through a cultural shift towards digital transformation. To remain aligned with the changing market scenario, MTB realizes the importance of prioritizing the modification of the business models by increasing operational efficiencies through new service offerings with greater convenience. Furthermore, increasing the investment in Digital Banking and consistent innovation will be prerequisites for the bank to keep up with the increasing expectations of the savvy and more informed clientele. MTB will also put a thrust on designing attractive deposit products to maintain the fund flow. The bank underscores customer satisfaction to be gained through business agility for customer acquisition and retention.

MTB3V

To justify the bank's vision - MTB3V, we realize that the key competitive differentiator is customer experience. Therefore, to keep up with the customer expectations, the bank tries to make the customer interactions seamless and spontaneous. At MTB,

we try to create a culture of operational excellence, efficient performance and world-class delivery that, in turn, enables us to respond promptly in delivering consistent long-term returns to the shareholders amidst the rapidly transforming financial, macroeconomic and socio-political environment.

MTB Shining – The Theme of 2019

MTB always aims to stretch its legacy built by its founders since its inception, by maintaining a high compliance status and consistent customer-centric culture. One of the Key Performance Indicators (KPIs) of MTB has always been to achieve a higher score than its peers when it comes to serving its customers. In 2019, MTB aspired to set a shining example in each and every sphere of its customer service offerings required to become the brightest star in the sky like the Sirius. On the backdrop of an impulsive economic and political scenario, 2019 was a remarkable year for MTB in terms of business achievements, technological advancements and business model reformation initiatives, making the bank fully equipped to enhance value for all stakeholders. The financial year which marked 20 years of the bank's extraordinary journey witnessed great progresses on a significant number of fronts despite the increasing challenges faced by the entire banking industry. In 2019, MTB's overall balance sheet experienced a healthy growth – Deposits grew by 14.92%, Loans and Advances rose by 14.20%, the Trade Finance business also saw a positive growth through marginal growth in both imports and exports. The bank's standalone performance was impressive, generating Operating Profit of BDT 5.03 billion, a 9.11% growth from previous year. The bank has been consistent in providing returns to the customers, and in 2019 the Return on Equity (ROE) was 8.73%.

“Total assets of the bank grew by 15.49% to BDT 256.91 billion, marking a milestone in the bank's annals. It was supported by a prudent 14.20% growth in gross loans which amounted to BDT 189.73 billion at the year closing while the total deposit grew by 14.92% to BDT 190.95 billion.”

The results from subsidiaries were also laudable. MTB Capital Limited (MTBCL), MTB Securities Limited (MTBSL) and MTB Exchange (UK) Limited generated operating profits amounting to BDT 39.20 million, BDT 164.07 million and BDT 8.44 million respectively. The bank has always been very keen to have a strong capital base which we intend to boost further with a view to equipping ourselves to be able to extend credit to our customers during all sorts of economic uncertainties in the future. With substantial increases in regulatory capital requirements, we have, over time, built up our capital and financial strengths enabling us to attain our capital ratio of 12.91% of risk weighted

assets. In the year 2019, the bank raised capital in the form of share capital by issuing 9.53% equity shares 63,707,004 to Norfund, a Norwegian private equity company. We are excited to have initiated the process of issuing BDT 4 billion perpetual bond as Additional Tier I capital, which is in fact, the first time for us issuing this type of financial instrument. During 2020, the bank plans to raise an additional BDT 5.0 billion Tier-II capital out of which BDT 4.90 billion has already been raised.

Creating Happy Customers and Retaining Them

As part of the bank's brand promise, we believe in empowering our customers to advance towards their ambitions and goals at every stage of their lives. With that end in view, we relentlessly strive to provide our existing and potential customers with the right solutions that are simple yet innovative and competitively priced. A shining financial brand with 20 years of strong market existence, MTB aims to become a household name by offering services at the customers' doorsteps through its 118 Branches, 5 Sub branches, 302 strategically located ATM Booths, 15 Smart Banking Kiosks and over 3,000 POS Machines. With a view to serving the unbanked population and being aligned with the government's financial inclusion policy, MTB initiated its Agent Banking services in 2016 and within a very short span of time, the bank has successfully been able to set up 140 MTB Agent Banking Centres (MABC), serving around 40,000 customers, significantly contributing to the inflow of remittances and achieving a phenomenal growth in terms of customer deposit amounting to BDT 2,203 million. In addition to the physical network, the bank encourages the customers to avail its other alternate delivery channels like the Internet Banking and SMS Banking services. With a view to extending the bank's Retail Banking and Credit Cards reach and ensuring greater comfort and convenience for its customers and valued stakeholders, MTB has set up MTB Air Lounge at the international departure area of Hazrat Shahjalal International Airport (HSIA) in Dhaka, Shah Amanat International Airport (SAIA) in Chattogram and Osmani International Airport (OIA) in Sylhet. MTB is one of the 5 banks in the country to offer such facilities to cater to the needs of its privileged customers. The bank has tied up with 'Priority Pass', 'Diners Club' and 'DragonPass' which will allow MTB customers to access international air lounges. As a recognition of the excellence in service expansion of MTB Cards business, the bank received the 'Award for Excellence in Mastercard Co-Brand Business 2018-19 & Pioneer in Mastercard Contactless Credit Issuance 2018- 19' category, presented by Mastercard at its first-ever "Mastercard Payments Summit & Gala Award Night 2019".

Becoming the 'Digital Bank of Choice'

In its effort to make everyday banking simpler and more accessible for its customers, MTB continues to deliver high quality innovative products and services through its well managed digital channels. When it comes to customer confidentiality and security, the bank never compromises, and, therefore, realizes the relevance of investing appropriately in digitization of its products and services. With a view to protecting the credit, debit and prepaid card transactions and preventing the misuse of cardholders' personal information, MTB obtained the Payment Card Industry Data Security Standard (PCI DSS) certification in February 2019. The same year, the bank launched MPay, a QR Code based payment facility as per Bangla QR standard for all MTB Internet Banking users to enable QR based transactions at merchant points with UnionPay QR Code acceptance facility, free of charge. As part of the Fourth Industrial Revolution, the ultimate destination of our bank is to develop a full-fledged Digital Financial Service (DFS) ecosystem to gain an impactful competitive advantage while offering low-cost, easy-to-access and convenient products and services to its existing and potential customers and, in turn, boost financial inclusion.

Linking the Human Capital to the Growth of the Organization

An equal opportunity provider, MTB aspires to be the 'Bank of Choice'. In the 21st century, human resources are referred to as 'Human Capital'. For MTB, to be branded as a preferred employer, means to create an environment for the human capital where they can challenge themselves and succeed, both in the national and international arena. At MTB, we believe that the key to our growth is a skilled and dedicated workforce which is highly motivated. Accordingly, the bank's HR policies comprise transparent and specialized processes of recruitment, career planning, performance appraisal, training and development programs, etc. designed carefully to pick the best talents from the industry and retain them. As a recognition of its human capital management excellence, the bank won the 'Dream Company to Work for' Award in organizational category at the "Asia's Best employer Brand Awards 2018".

Powering the Future

Customer experience, over the last couple of years, has become the key competitive differentiator when it comes to banking. The banks that are investing in customer experience are seeing a larger wallet share, higher rates of recommendations and are more likely to cross-sell products and services to existing customers. While banking,

customers expect their interactions to be seamless and spontaneous. With a view to keeping up with the changing customer expectations, MTB will embrace emerging technologies and accordingly adopt evolving business models. In its effort to enrich the banking experience of its customers, MTB believes in enhancing the digital banking experience with a view to creating a technological breakthrough in competitive dynamics. Known for being farsighted when it comes to providing convenience to its customers, MTB has embraced a 'digital first' mindset and played an important role in bringing about a behavioral shift in the day-to-day banking conducted by customers. With the tagline "MTB will meet you digitally 24/7", the bank consistently puts a thrust on the use of non-branch banking alternatives i.e. digital banking solutions and electronic platforms to fuel the shift towards the digital adoption of financial services which are not burdened by traditional methods. By establishing partnerships with the Fintechs, the bank can create Unique Selling Propositions (USPs) for those who demand personalization from their bank which safeguard their money. At a time when the experience derived from the digital banking engagement determines the future of a financial institution, MTB intends to power the future by reinventing themselves and going beyond a digital revolution all the while achieving a business transformation.

Thank You

As I present Sustainability Report 2019 of Mutual Trust Bank Limited (MTB), I feel privileged to lead the bank into the future and I am grateful to the distinguished Board of Directors, who have put their trust in me. I have confidence in my beloved MTBians, as we are a team, proudly committed to deliver our promises. I take this opportunity to thank all our stakeholders—Ministry of Finance, Ministry of Commerce, Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies (RJSC), National Board of Revenue (NBR), stock exchanges and all other regulators, customers, valued shareholders, correspondent banks & financial institutions, developmental international financial organizations like DEG-KFW, Asian Development Fund FMO, Norfund, and all other organizations for the overall support they have extended towards living our aspiration of "One of the Best Performing Banks in Bangladesh".

Thank you.

Sincerely,



SYED MAHBUBUR RAHMAN
MANAGING DIRECTOR & CEO



STATEMENT OF THE ADDITIONAL MANAGING DIRECTOR & GROUP CHIEF RISK OFFICER



Bangladesh has proved to be one of the fastest growing economies in Asia-Pacific. Our economy has undergone major transformation over the past two decades. This change has been spearheaded by the rapid expansion of the garment industry, which has helped reduce poverty and raise the employment of women. The garment trade that began in Bangladesh in the 1970s is a vibrant industry now. Also coupled with it, the success of the IT industry is central to the digital transformation and ongoing economic growth of the country. Driven by strong private consumption, public investment and remittance inflows, Bangladesh's economy expanded remarkably in 2018 and onwards. Albeit being one of the most densely populated economies in the world, our country has continued making impressive strides in achieving social development goals for its 167 million citizens. The resilience of the country's economy is commendable. Our country has made excellent progress in expanding electricity supply, but further steps need to be taken to satisfy the demand for electricity which is rapidly increasing with the growing economy. In order to strengthen the financial position and distribution of utilities and ensure more efficient consumption, a cost based pricing mechanism could be adapted. Bangladesh could also invest on cross-border transmission interconnections to increase electricity supply in a cost effective method.

However, sound economic policy must be implemented to mitigate underperformance of the financial sector, diversify exports and create better employment opportunities by increasing private investment. Bangladesh needs to form a stable macroeconomic framework by addressing the problematic areas of exchange-rate volatility, poor banking and fiscal management. The performance of the banking sector continued to be a drag of the economy. The soundness of a bank depends on its strength and capacity of monitoring, status of default loans, presence of good governance, strong balance sheets and availability of funds, and capacity to repay. The banking industry plays a pivotal role for sustaining the growth momentum of the country. To this end, banks need to be more proactive in funding output oriented high yielding innovative projects, promoting technology-based ventures and diversifying the portfolio through financial inclusion. But above all, manage risks to harness the ever-increasing non-performing loans is of utmost significance for all.

During the recent past, the difficulties of the banking sector have been exacerbated by the drop in private sector credit growth, mounting liquidity stress, unabated non – performing loans (NPLs), massive loan rescheduling & writing off, worrying capital inadequacy in certain banks and futile recapitalization of banks. Liquidity pressure in the banking sector was also evident through the increasing trend of call money rates. Moreover, without reducing NPLs, capital adequacy cannot be improved since higher levels of NPLs lead to increased provisioning requirements, which results in capital shortfall. In 2019, the banking sector in Bangladesh appeared to be resilient despite one or two sporadic events. However, lenders witnessed an increase in classified loans. The vulnerable state of the banking sector steeped in default loans poses the biggest danger to sustenance of Bangladesh's tremendous growth momentum. To address them, the main priorities are a strict enforcement of existing legal and regulatory requirements, an increase in banking sector capital and a reform of the state owned banks, with a clear separation of commercial and development functions. To boost up private sector investment, Bangladesh Bank has been providing policy supports meticulously.

Now, what do we understand by the term “Risks” in the banking sector?

Risk is a form of uncertainty about outcomes that may have a potentially adverse effect on an individual or an entity. Risk is subjective as perceived by the entity that would sustain the loss or injury. In portfolio investment theory, risk is viewed in the context of the classic risk/return trade-off. Wherein, risk is defined as the uncertain variation of a financial return around an average expected outcome. In addition to this, a risk management framework is defined as a set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization. The risk management framework also alludes to the idea of “risk appetite”. It implies that as a bank we should have a consensus on how much risk we are willing to take on in the pursuit of our objectives. More formally defining it, Risk appetite is the amount and type of risk an organization is prepared to pursue or take, in order to attain the objectives of the organization and those of its shareholders and stakeholders. (ISO Guide 73).

Now, risk management has become a “Performance Enabler” where organizations are heavily focusing and investing on. Starting from information security to safety of bank’s intellectual and physical properties the role of apt risk management is imperative. In this era of climate change, along with the efficient management of the six core risks as prescribed by Bangladesh bank and the risks taken into account by the Basel Committee on Banking Supervision, we at MTB put ample attention to environment and social risks in our bank’s periphery of work. And strive to address climate change risks while appraising any credit proposal. These pertinent elements are key to our daily business operation. We believe, everyone should be more responsible towards their society and focus on values such as social empowerment, long term economic sustainability and environmental restoration while conducting business. We always strive to embed the strong principles of our organization standing on the steadfast pillars of Commitment, Accountability, Agility and Trust. Moreover, “Empowering the Risk Management” functions is a transformational endeavor taken up by Mutual Trust Bank Limited (MTB). We have revamped these functions to bring more robustness, certitude and synergy with the contemporary best practices adapted across the globe. This transformation started from the beginning of 2019 by revising risk management structures and frameworks. The process started by renaming and reconstituting management level All Risk Committee (ARC) into Executive Risk Management Committee (ERMC) and formulating risk management policy of the

bank in line with central bank guidelines and international best practices. Under this new transformation process, risk management objectives have been aligned with bank’s overall business and strategic objectives. Risk Management Division (RMD) is persistently working to bring novelty into the ways of managing and mitigating risks by developing risk taxonomy. The risk taxonomy will drive risk identification and assessment; controls, mitigation, and testing; and management information (MI) and reporting tools. Through risk taxonomy, we will prioritize risks by ranking them on an appropriate scale, putting most severe cases as the most important ones to opt for resolution and put mitigation measures in place. Over the past ten years, along with financial risk, nonfinancial risk management has gained significant importance in terms of complexity and resource allocation. Multivariate elements fall under the purview of non-financial risk such as operational, compliance, ethics and conduct, information technology (IT) and cyber, business continuity, fraud, money laundering, third party, and legal risks. Non-financial risk management is becoming more challenging due to the added complexity from rapid shifts in technology, extensive process automation, and greater dependence on systems instead of people. These changes in the way financial institutions do business have led to new risk exposures, either in the form of denial of service attacks, data theft, or online fraud. With the evolution of digital banking, crypto currencies impacting the global banking system, rising incidents of hacking in internet banking and number of unprecedented digitization risks, it is imperative that MTB remains vigilant and manages cyber risks prudently & proactively. We believe there are always opportunities to strengthen and extend the management of information security and henceforth vehemently combat the indiscriminate attacks from hackers and fraudsters. Going forward, special focus will be given on operational risk management by creating loss database, KRI etc. Risk dashboard will be developed to monitor day to day risks issue. Development of a strong Management Information System (MIS) for risk reporting is already underway. This will contribute to the digitalization of the communication process of risks. Risk Communication is an important mechanism to disseminate information and garner complete understanding of a risk management decision. This understanding and information will enable stakeholders to make an informed choice on how the decision will impact their interests and values. MTB Risk Management demonstrates strong stakeholder engagement vis-a-vis its local, international, internal and external counterparts to create and reinforce the value system of the organization. By engaging adequately skilled manpower and creating an environment where everyone will disclose risks deliberately at the right time in the right forum, MTB yearns to develop

organization wide risk culture where proper escalation and timely resolution are embedded in the core. Regular risk awareness program including training, workshop and seminar are organized to capacitate every employee and help them garner apt knowledge and skill set requisite to manage risks with supreme efficacy. MTB risk management adheres to all local and international rules, regulations and guidelines believing in and operating with "Compliance First" philosophy only. By implementing above measures risk management in MTB will be able to create and protect value for its customers, shareholders and all its stakeholder. Bangladesh has been forecasted to continue its impressive economic performance and social development in the short run. As the country continues its remarkable progress, policymakers should focus on a few key areas of improvement including a stable macroeconomic structure, an efficient financial sector and a dynamic electricity market. Employment opportunities for the young population should be taken into consideration while making investment decisions. These measures will ensure

fairer distribution of the benefits of robust growth. Improving the business environment would help attract foreign direct investment, support the creation of new export industries and help nascent industries grow, stimulating higher economic growth over the medium term. The strength of our risk management process and practice is reflected in the Balance Sheet of the bank that shows a steady growth in business, quality of asset & maintenance of capital. As for our bank, within the ambit of our risk management framework, we are focused on ensuring the highest levels of transparency in our disclosures, thereby enabling our stakeholders to place their continued faith and trust in our institution.



Chowdhury Akhtar Asif
Additional Managing Director & GCRO
Chairman, Sustainable Finance Committee



KEY IMPACTS OF 2019

MTB's intranet 'MNet' saved a large number of paperwork equivalent to-



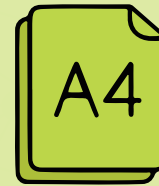
679.62 tons of associated CO2 emission



1,089,139.16 KWH of embodied energy



30,086,717 sheets



60,173.43 reams of A4 paper

- **196,424** e-statements were delivered to customers through email instead of paper in 2019
- **292** training programs were arranged for 1925 participants
- BDT **53** million was contributed to carry out MTB CSR activities
- **40** new MABC were opened during 2019, making the total number of MABC to reach **140**
- **0.03** M tons less CO2 per employee was consumed in 2019 in comparison to 2018
- **3,189.85** million BDT was disbursed in different sectors of SME
- **10%** increase in the number of female employments in our organization.
- **33** new ATM booths were introduced at different locations during 2019 contributing to a total of **302** ATMs at the end of the year
- Number of internet banking users totaled **29,712** in 2019
- Number of MTB Mobile App users reached **14,202** in 2019

NAVIGATING THROUGH THIS REPORT



MTB SUSTAINABILITY REPORT

MTB always looks forward to helping its clients carry out sustainable business practices. MTB provides its expertise towards its clients while doing so since in MTB, we make a positive impact doing what we do the best: banking. Our sustainable strategy is built on concrete ambitions in the area of climate change, the global as well as national economy and social impact. And that is how MTB is contributing to the goals of the United Nations in the broader aspect. As part of our sustainability strategy, we are committed to issuing an annual sustainability report that follows the GRI Standards. This is our sixth sustainability report. This report has been prepared in accordance with the GRI Standards: Core option.

This report provides information on our social, environmental and governance achievements and commitments until December 31, 2019 and covers data and activities from Mutual Trust Bank's operations. This report highlights progress on MTB's main material topics, which we selected based on our operations, strategies, community needs and sector specifications. A comprehensive overview of our impact and engagement across economic, social and environmental sectors is covered in the different chapters of this report, with a special emphasis on the role of stakeholders in our sustainability management program.



Increasing emissions of greenhouse gases, including carbon, are heating up earth's temperatures, and we're seeing the effects across the world. In order to combat climate change, MTB practices sustainable lending



In MTB, we believe that we have an opportunity through our business to advance SDG 10 on Reduced Inequalities.



MTB's commitment to gender equality is evidenced at every level of the bank, from our Board through our senior leadership to our new hires. MTB is focused on engaging both women and men across the organization to attract, develop and retain women at all levels.



Eradicating poverty in all its forms remains one of the greatest challenges facing humanity. MTB strives to work unitedly for this cause

REPORTING PRINCIPLE (GRI 101)

Secton-1: Principles for Defining Report Content

1.1 Stakeholder Inclusiveness

In this sustainability report, MTB has identified its stakeholders, described how MTB seeks to engage its stakeholders. Furthermore, MTB explained how MTB has responded to their reasonable expectations and interests. MTB has also drawn up the outcomes of stakeholder engagement processes used by MTB in its ongoing activities, and as required by the legal and institutional framework in which it operates. The first step in engaging MTB's stakeholders is to identify them. Then as a bank, MTB needs to have a firm understanding of stakeholders' expectations. Our strategies are formulated according to the material matters for the stakeholders so that visible outcomes can be achieved for the stakeholders. We have a firm understanding of the expectations of our stakeholders and the values, we can generate as a bank, an employer, an investor and a responsible business entity via regular internal and external discourse.

1.2 Sustainability Context

MTB Sustainability Report 2019 presents the reporting organization's performance in the wider context of sustainability. Moreover, in this report-

- MTB has presented its understanding of sustainable development, drawing on objective and available information, and authoritative measures of sustainable development, for the topics covered;
- MTB has presented its performance with reference to broader sustainable development goals, as reflected in recognized local and global instruments
- MTB has presented its performance in a manner that communicates its impacts and contributions in appropriate geographic contexts
- MTB has described how economic, environmental, and/or social topics relate to its long-term strategy, risks, opportunities, and goals, including in its value chain.

1.3 Materiality

This report covers topics that reflect the reporting organization's significant economic, environmental, and social impacts; or substantively influence the assessments and decisions of stakeholders, such as-

- Reasonably estimated environmental and social impact
- Broader economic, social, and/or environmental interests and topics raised by stakeholders such as workers who are not employees such as local community
- Material topics are appropriately prioritized in the report
- Our belief that digitization of our operation will transcend us to a new height and will create an atmosphere for safe and secure multi-channel banking experience for our customers.
- Our promise to safeguard the trust of our customers by embracing integrity and sincerity.
- Our responsibility to our customers, our stakeholders, our country and its community and to the planet
- Performance driven culture embodying transparency in the governance

1.4 Completeness

This report has included coverage of material topics and their boundaries, sufficient to reflect significant economic, environmental, and social impacts, and to enable stakeholders to assess MTB's performance in the reporting period of 2019

- The report takes into account impacts MTB causes, contributes to, or is directly linked to through a business relationship, and covers and prioritizes all material information on the basis of the principles of Materiality, Sustainability Context, and Stakeholder Inclusiveness
- The information in the report includes all significant impacts in the reporting period of 2019

- The report does not omit relevant information that substantively influences stakeholder assessments and decisions, or that reflects significant economic, environmental, and social impacts

Section-2: Principles for defining report quality

1.5 Accuracy

Information presented in MTB Sustainability Report 2019 is sufficiently accurate and in detailed form for stakeholders to assess MTB's performance. Such as-

- MTB Sustainability Report 2019 indicates the data that have been measured;
- The measurements for data, and bases for calculations, are adequately described, and can be replicated with similar results
- The margin of error for quantitative data is not sufficient to influence substantially the ability of stakeholders to reach appropriate and informed conclusions;
- The report indicates which data have been estimated, and the underlying assumptions and techniques used for the estimation, or where that information can be found;
- The qualitative statements in the report are consistent with other reported information and other available evidence

1.6 Balance

The overall presentation of the MTB Sustainability Report 2019's content has provided an unbiased picture of the organization's performance. The report has been prepared in a manner that avoids selections, omissions, or presentation formats that are reasonably likely to unduly or inappropriately influence a decision or judgment by the report reader.

1.7 Clarity

MTB acknowledges it is important that stakeholders are able to find the information they want without unreasonable effort. Therefore, in this report, MTB has made information available in a manner that is understandable and accessible to stakeholders who have a reasonable understanding of the organization and its activities. While preparing the report, graphics and consolidated

data tables have been used since they help to make information in the report accessible and understandable. Furthermore-

This report contains the level of information required by stakeholders, but avoids excessive and unnecessary detail

Stakeholders can find the specific information they want without unreasonable effort through tables of contents, maps, links, or other aids

- The report avoids technical terms, acronyms, jargon, or other content likely to be unfamiliar to stakeholders, and includes explanations (where necessary) in the relevant section or in a glossary

1.8 Comparability

MTB has selected, compiled, and reported information consistently while preparing this report. The reported information is presented in a manner that enables stakeholders to analyze changes in the organization's performance over time. Furthermore, the report and its information can be compared on a year-to-year basis; MTB's performance can be compared with appropriate benchmarks; any significant variation between reporting periods in the list of material topics, topic Boundaries, length of reporting period, or information covered in the report can be identified and explained. Besides, this sustainability report utilizes generally accepted protocols for compiling, measuring, and presenting information, including the information required by the GRI Standards.

1.9 Reliability

MTB has gathered recorded, compiled, analyzed and reported information and processes used in the preparation of the report in a way that they can be subject to examination, and that establishes the quality and materiality of the information.

1.10 Timeliness

MTB has prepared this report on a regular schedule so that information is available in time for stakeholders to make informed decisions. The information in the report clearly indicates the time period (January 01, 2019 to December 31, 2019) to which it relates.

Section -2: Using the GRI Standards for Sustainability Reporting

Applying the Reporting Principles

MTB has applied all Reporting Principles from Section 1 to define report content and quality.

Reporting General Disclosures

MTB has reported all the required disclosures from GRI 102: General Disclosures.

Identifying Material Topics and their Boundaries

MTB has identified its material topics using the reporting principles for defining report content. In addition, MTB has identified the boundary for each material topic.

Reporting on Material Topics

For each material topic, MTB has reported the management approach disclosures for that topic, using GRI 103: Management Approach and also reported the topic-specific disclosures in the corresponding GRI Standard for material topics which are covered by an existing GRI Standard (series 200, 300, and 400)

Presenting information

While reporting required disclosures using references, MTB has reported the required disclosures using a reference to another source where the information is located by ensuring the reference includes the specific location of the required disclosure and the referenced information is publicly available and readily accessible, wherever necessary. Since MTB prepared the report in accordance with the GRI Standards, MTB also included a GRI content index in one location and included the page numbers or URLs for all disclosures report.

SCOPE OF THE REPORT (GRI 103-1)

In our view, the scope and boundary of MTB sustainability report addresses all significant economic, environmental and social impacts resulting from MTB's activities in the financial year 2019. Our aim is to fully inform our stakeholders about all the activities that we have committed to undertake as we seek to minimize any potential unexpected impacts which could result from any of our activities.

Our stakeholders can now follow the ways of measuring, monitoring and improving required to be made in our sustainability report. The sustainability report is prepared once in a year describing activities and achievements throughout the year in compliance with GRI Standards.

Pillar III Disclosure

The Risk Based Capital Adequacy framework applies to all banks on 'Solo' and 'Consolidated' basis. The framework on 'Solo' basis refers to all positions of the bank, its local and overseas branches/offices, and 'Consolidated' basis includes subsidiary companies, if any. Mutual Trust Bank Limited (MTB) applies both the frameworks on "Solo" and "Consolidated" basis, as the bank has three subsidiaries, namely

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

However, the same list of subsidiaries is excluded from the scope of this sustainability report.

Stakeholder Engagement and Materiality

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

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

MATERIALITY ISSUES

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



CREATING VALUE FOR OUR STAKEHOLDERS

Stakeholder Identification, Expectation & Impact (GRI 102-40, 102-42)

The first step in engaging MTB’s stakeholders is to identify them. Then as a bank, MTB needs to have a firm understanding of stakeholders’ expectations. Our strategies are formulated according to the material matters for the stakeholders so that visible outcomes can be achieved for the stakeholders. We have a firm understanding of the expectations of our stakeholders and the values, we can generate as a bank, an employer, an investor and a responsible business entity via regular internal and external discourse.

	STAKEHOLDERS (Who are our stakeholders?)	EXPECTATIONS (What do stakeholders expect of us?)	IMPACT (Where we create value)	OUTCOME 2019
Shareholders	<ul style="list-style-type: none"> Individual Institution Bondholders 	<ul style="list-style-type: none"> A sustainable growth Attractive returns based on moderate risk profile while maintaining sound governance system. 	Investors receive regular dividends and interest payments; we add value by delivering positive financial results and ensuring that MTB has a strong balance sheet, management with vision and leadership, and a business model that can adapt quickly to changing market conditions.	<ul style="list-style-type: none"> EPS-BDT 1.92 NAV Per Share-BDT 23.16
Customers	<ul style="list-style-type: none"> Retail & SME customers Wholesale & corporate customers Private banking customers Public sector clients Intermediaries and distributors 	<ul style="list-style-type: none"> A bank that excels and goes beyond traditional banking and delivers valuable services, any time, any place while securing customer interests first. Access to loans, financing and quality advice Positive, seamless customer experience 	Customers derive value from MTB products and services – from round- the-clock banking, digital access to finances, continuous improvements of operational activities, innovative product offering and smooth and convenient banking services.	<ul style="list-style-type: none"> Total number of customer accounts 995,602 in 2019. 118 Branches, 140 Agent Banking Centers, 302 ATMs, 3,101 POS.
Employees	<ul style="list-style-type: none"> All full-time employees Contract employees 	<ul style="list-style-type: none"> An employer that empowers and offers opportunities to make the most of people's potential for career growth and excel. Fair salaries and benefits Award for good performance Training, development and career opportunities Co-operative working environment 	Employees benefit from salaries, training and leadership development and also from a work environment that fosters involvement and brings in new talents.	<ul style="list-style-type: none"> 292 training programs for 1925 participants

Government	<ul style="list-style-type: none"> Central Bank of Bangladesh (Bangladesh Bank) Other regulatory government bodies/ organizations 	<ul style="list-style-type: none"> Proper and appropriate compliance of applicable rules and regulations 	Government obtains value when MTB proactively adopt and apply latest laws and regulations and also when internal control processes of MTB are constantly ensured with proper due diligence. MTB also complies with regulations and acts to deter corruption and other financial crime	No penalty incurred due to non-compliance since its inception.
Suppliers	<ul style="list-style-type: none"> External suppliers External Consultants 	<ul style="list-style-type: none"> An organization that has transparent procurement system which provides equal scope for every participant and has the ability to repay on timely basis. 	MTB suppliers extract value when MTB adheres to the well-defined procurement regulations while maintaining strong business relationships with suppliers.	<ul style="list-style-type: none"> MTB Procurement Manual Pool of reliable enlisted suppliers
Environment	<ul style="list-style-type: none"> Surrounding environment 	<ul style="list-style-type: none"> Conduct business in harmony with the environment Propagate a culture in which MTB stakeholders, especially employees, are deeply aware of the importance of environmental preservation and sustainable banking practices 	MTB always invests and lends to support clean energy and manages own power consumption and carbon footprints for providing a sustainable and green environment.	<ul style="list-style-type: none"> Green Banking Initiatives In-House Environmental Management System
Community	<ul style="list-style-type: none"> Local communities Non-government organizations 	<ul style="list-style-type: none"> An engaged financial institution that invests in the future sustainably and responsibly. 	MTB contributes to community by investing responsibly, ensuring MTB behaves with integrity. MTB also pays taxes, supports local communities and finances non-government environment. Through responsible financing, MTB thus drives sustainable economic growth.	<ul style="list-style-type: none"> More than BDT 53 million contribution in CSR in 2019 only

COLLECTIVE BARGAINING AGREEMENTS (GRI 102-41)

In MTB, no employee is covered under collective bargaining agreement.

ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF MTB (GRI 102-45)

Entities included in the consolidated financial statements in are –Mutual Trust Bank Limited, MTB Securities Limited, MTB Capital Limited & MTB Exchange (UK) Limited.

However, MTB Sustainability Report 2019 has been prepared on solo basis and includes data regarding Mutual Trust Bank Limited, only. The entities that have been included in the annual report are MTB and all its subsidiaries.



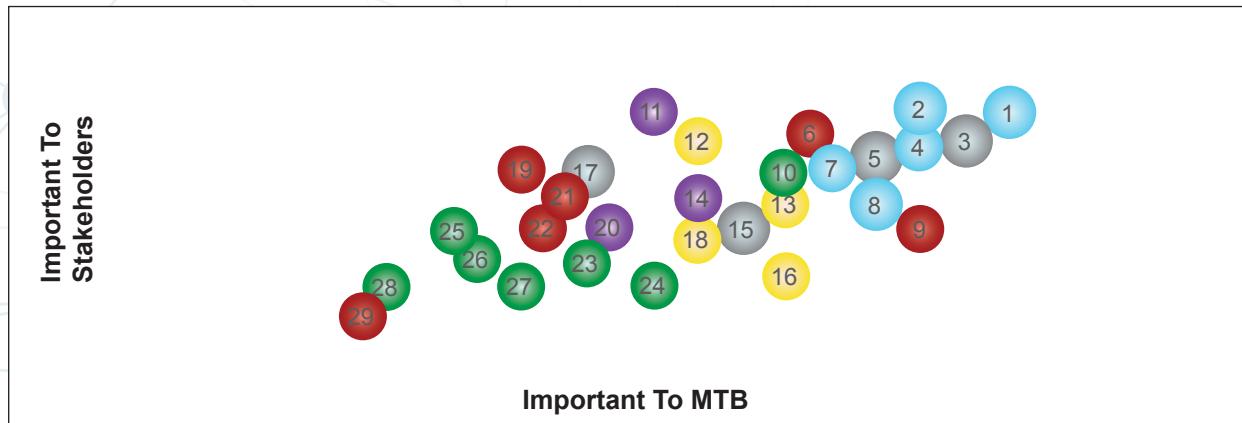
ENGAGING OUR STAKEHOLDERS (GRI 102-43)

At MTB, we engage our stakeholders regularly and respond to their priorities and expectations by creating a two-way channel for communicating stakeholder needs and the Bank's impact. MTB is committed to engaging regularly with its stakeholders as a way to understand their needs and ambitions that are core to its sustainability objectives. To better understand our stakeholders' needs, we regularly map their needs with the support of our Sustainable Finance Team to capture our methods of engagement, identify priority issues for both the Bank and the stakeholders, and track the Bank's response to these issues. The results guide the Bank's efforts in fulfilling stakeholders' needs through the strategic objectives and initiatives we implement



FOCUSING ON WHAT MATTERS (GRI 102-44)

We focus our efforts on topics that are important to our stakeholders and strategically significant to our business.



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

Material Issues	Material Sustainability Issues (GRI 102-47)
TRANSPARENT REPORTING	<ul style="list-style-type: none"> 1. Legal and Regulatory Compliance 2. Governance and Accountability 4. Transparent Disclosure of Performance 7. Anti-corruption Processes 8. Responsible and Ethical Behavior
SUPPORTING OUR CUSTOMERS IN ACHIEVING THEIR AMBITION	<ul style="list-style-type: none"> 3. Information Security and Data Privacy 5. Customer Experience and Satisfaction 15. Accessibility to Products and Services 17. Communicate Transparently with Customers
RESPONSIBLE FINANCING	<ul style="list-style-type: none"> 12. Supporting Local Communities 13. Financial Inclusion 16. ESG Topics in Portfolio 18. Offering Sustainable Products and Services
EMPLOYEE EMPOWERMENT	<ul style="list-style-type: none"> 6. Supporting Local Communities 9. Financial Inclusion 19. ESG Topics in Portfolio 21. Offering Sustainable Products and Services 22. Employees Engagement 29. Health and Safety of Employees
SYSTEM OPTIMIZATION	<ul style="list-style-type: none"> 10. Competitive Benefits 23. GHG Emissions 24. Water Usage 25. Energy Usage 26. Material Consumption 27. Managing impacts of our Supply Chain 28. Waste and Effluent Management
COMMUNITY COOPERATION	<ul style="list-style-type: none"> 11. Process Digitization 14. Engaging with our Community Based Organizations 20. Behavior and Culture of Community

MATERIAL TOPICS & IMPACT BOUNDARIES (GRI 102-46)

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

EFFECT OF ANY RESTATEMENT OF INFORMATION PROVIDED IN PREVIOUS REPORTS (GRI 102-48)

There has been no significant restatement of any information during the compilation of this report. All information is relevant for the reporting year of 2019.

SIGNIFICANT CHANGES FROM PREVIOUS REPORTING PERIODS IN THE SCOPE AND TOPIC BOUNDARIES (GRI 102-49)

In pursuit of continuous improvement, we have some changes in the list of material topics and topic boundaries in this sustainability report for the reporting year of 2019 from the previous reporting year. They are as follows;

- GRI 101: Foundation 2016
- 102-9 Supply Chain
- 102-11 Precautionary Principle
- 102-12 External Initiative
- 102-20 Executive-level responsibility for economic, environmental, and social topics
- 102-27 Collective knowledge of highest governance body
- 102-33 Communicating critical concerns
- 102-41 Collective Bargaining Agreements
- 102-48 Restatements of information
- 102-49 Changes in reporting
- 102-56 External Assurance
- 303-3 Water withdrawal
- 303-4 Water discharge
- 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
- 401-3 Parental leave
- 403-3 Occupational Health Services
- GRI 416: Customer Health and Safety 2016
- GRI 418-Customer Privacy 2016
- 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

REPORT PROFILE (GRI 102-50,102-51,102-52,102-53,102-54)

Reporting Period	January 1, 2019 to December 31, 2019
Date of the most recent previous report	Sustainability Report 2018 Date: October 15, 2019
Reporting Cycle	Annual
Contact point regarding the report	We welcome any feedback on this sustainability report. For further information and comments, please contact Sustainability Finance Department of the Bank through following address: e-mail: sustainability@mutualtrustbank.com
Disclosure	This report has been prepared in accordance with the GRI Standards: Core option
External Assurance	External assurance is under consideration by management
MTB's Engagement Tier with United Nations Global Compact (UNGC)	Signatory since 05 January,2016

EXTERNAL ASSURANCE (GRI 102-56)

MTB has been preparing sustainability report since 2014. MTB Sustainability Report 2019 is our sixth sustainability report. The Sustainable Finance Department of the bank has been preparing the report following the standards and ensuring the following-

- The level of accuracy of data included in the reports is fare and acceptable.
- The overall report content and quality were well established and articulated.
- The level of sustainability performance information in the report was found to be satisfactory.
- The information has been presented in a correct and prudent manner.
- Most of the personnel responsible were able to reliably demonstrate the origin (s) and interpretations of data contained in the report. It has been based on the publicly available annual report as well.
- The report provides reasonable and balanced presentation of the sustainability performance of the bank.

However, the sustainability report has not been externally assured.

COMPANY PROFILE



The progress of Mutual Trust Bank Limited (MTB) in the last two decades is manifested through its reputation earned as a well-governed financial institution, and which is well supported by its compliance status, formulation of timely strategies and customer-centric culture. The bank has maintained and even stretched the legacy built by its founders since inception. And, after 20 years of journey, the results are more evident than ever: a bank with a clean image, excellent reputation, robust structure and a competent and committed management team.

MTB is now all set to focus more on the growth trajectory, with an unyielding attitude towards upholding the principles upon which the organization has been built. Initiatives like Green PIN, adapting digital solutions, streamlined WFH policy is a testament of our sincere commitment towards the environment and care for human wellbeing at times of crisis. Saving lives and livelihoods, and building a prosperous, inclusive and sustainable future, are at the heart of our efforts. Whereby, we aim to be more responsible towards our society and focus on values such as social empowerment, long term economic sustainability and environmental restoration as we conduct our business. We strive to embed the strong principles of our organization standing on the steadfast pillars of Commitment, Accountability, Agility and Trust.

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

Name of the Organization (GRI 102-1)

Registered name of the company: Mutual Trust Bank Limited

Location of the Organization's Headquarters (GRI 102-3)

Registered Office

MTB Centre, 26 Gulshan Avenue, Gulshan 1

Dhaka 1212, Bangladesh

Location of MTB Operations (GRI 102-4)

MTB carries out its activities from MTB branches and head office. All MTB operations are centrally monitored by MTB Operations Division from MTB Corporate Head Office.

Regional & Global Presence (GRI 102-6)

MTB has got 118 branches and 9 sub-branches in Bangladesh with a strong regional presence. Apart from that MTB has also got a global presence with the activities of MTB Exchange (UK) Limited. These are the markets served by MTB.

Nature of Ownership and Legal Form (GRI 102-5)

MTB was incorporated as a public limited company on September 29, 1999, under the Companies Act 1994, with an authorized share capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the authorized share capital of the company is BDT 10 billion divided into 1 billion ordinary shares of BDT 10 each. The shares of the bank are listed with the Dhaka and Chattogram Stock Exchanges, as a publicly quoted company since 2003. The company was also issued 'Certificate for Commencement of Business' on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999.

MTB has three fully-owned subsidiaries –



Figure: MTB Subsidiaries

MTB SECURITIES LTD.

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

MTB CAPITAL LTD.

MTB Capital Limited (MTBCL) is a fully owned subsidiary of Mutual Trust Bank Limited and a full-fledged Merchant Banker, licensed by the Bangladesh Securities and Exchange Commission (BSEC) on December 6, 2010 under Bangladesh Securities and Exchange Commission act, 1993. MTBCL has started its operation since April 17, 2011.

COMPANY REGISTRATION NO:	BANGLADESH BANK PERMISSION NO:	LISTING INFORMATION:	SWIFT CODE:	TRADE CODE:
C38707 (665)/99 on September 29, 1999	BRPD (P) 744(78) /99-3081 on October 5, 1999	Listed with DSE: July 12, 2003 Listed with CSE: July 12, 2003	MTBL BD DH	MTB

MTB EXCHANGE (UK) LTD.

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



MTB EXCHANGE
UK LIMITED
you can remit with us

GLOBAL PRESENCE

MTB successfully maintains strong correspondent relationships with different renowned banks of the world. Currently, our SWIFT Relationship Management Application (RMA) network has 600 renowned banks, of which 54 are local and 546 are foreign. We also maintain 39 nostro accounts with different correspondent banks abroad in US Dollar (USD), British Pound (GBP), Euro (Eur), Japanese Yen (JPY), Swiss Franc(CHF), Singapore Dollar (SGD), United Arab Emirates Dirham (AED) and Asian Clearing Union (ACU) Dollar and Euro.

CORRESPONDENT BANKING NETWORK



ASIA | Afghanistan | Bahrain | China | Cambodia | Hong Kong | India | Indonesia | Japan | Korea | Kuwait | Kyrgyzstan
 | Lebanon | Malaysia | Macau | Nepal | Oman | Pakistan | Philippines | Qatar | Saudi Arabia | Singapore | Sri Lanka
 | Taiwan | Thailand | United Arab Emirates | Uzbekistan | Vietnam | Jordan

EUROPE | Austria | Belgium | Belarus | Bulgaria | Croatia | Czech Republic | Denmark | Estonia | France | Finland | Germany
 | Greece | Hungary | Iceland | Ireland | Italy | Latvia | Liechtenstein | Lithuania | Luxembourg | Norway
 Malta | Netherlands | Poland | Portugal | Russian Federation | San Marino | Serbia | Spain | Slovakia | Switzerland | Sweden
 | Turkey | Turkmenistan | United Kingdom | Ukraine

AFRICA | Egypt | Mauritius | South Africa | Tunisia

NORTH AMERICA | Cayman Islands | Canada | Dominica | Mexico | United States of America | Panama

SOUTH AMERICA | Argentina | Brazil |

AUSTRALIA | Australia | New Zealand

MTB received remittance of USD 581.76 million through our esteemed remittance partners around the world in 2019.

Partner Exchange Houses:

COUNTRY	Number of Remittance Partners
UAE	12
USA	01
Bahrain	01
UK	04
KUWAIT	03
QATAR	05
MALAYSIA	03
SINGAPORE	02
RUSSIA	01
ITALY	01
OTHERS	03
Grand Total	36

MTB Touchpoint & Customer Experience

Number

Branches

118

Sub-Branches

05

Point of Sale (POS) Machines

3,101

ATM Network

302

Debit Card

297,875

Credit Card

55,490

Customers

935,863

SMS Banking Customers

190,498

Internet Banking Customers

29,712

Financial Inclusion

Agent Banking Centres

140

Loan Outstanding againsts 10 Taka Account (BDT in million)

9.09

Loan Outstanding to Women Entrepreneur (BDT in million)

2,136

Employee Engagement

Employees

2,340

Training Programs Held

292

Training Participants

1,925

ACTIVITIES, BRANDS, PRODUCTS AND SERVICES (GRI 102-2)



WHOLESALE BANKING

Term Finance

Term Loan
Project Finance
Lease Finance
House Building Finance
Term Loan to NBF

Working Capital Finance

Over Draft (OD)
Secured Over Draft (SOD)
Short Term Loan
Loan General
Time Loan



SME BANKING

Deposit Product & Transactional A/C

MTB Probaho
MTB Bunlad

Loan Products

MTB Small Business Loan (SBL)
MTB SME CC (Hypo)
MTB Bhagyobati
MTB Gunabati
MTB Light Engineering
MTB Krishijat
MTB Mousumi
MTB Green Energy Loan
MTB IT Genius

MTB Youth Line
MTB Digoon
Commercial Space Finance
MTB Shachal - Vehicle Financing
MTB Supply Chain Financing
MTB Abason
Microfinance Scheme
MTB Microfinance Enterprise
MTB Krishi
MTB CMSME Stimulus Loan

Other Products and Services

Loan General
Lease Finance
PAD
Loan against TR
Loan to 10 TK A/C Holders
Letter of Credit (sight/deferred/UPAS)
Bank Guarantee
Bank Guarantee
Performance Guarantee
Bio Bond Guarantee
SOD (General), SOD (Work Order)



RETAIL BANKING

Deposit Products

Current Account
MTB Regular Savings
MTB Privilege Savings
MTB Senior
MTB Inspire
MTB Junior
MTB Graduate
MTB Ruby
MTB Care
MTB Sanchay
MTB Ankur
Fixed Deposit
Special Notice Deposit

MTB Brick by Brick
MTB Double Saver
MTB Millionaire Plan
MTB Education Plan
MTB Monthly Benefit Plan
MTB Children Education
Deposit Scheme
MTB Kotipati
MTB Gift Cheque
MTB Quarterly Benefit Plan
MTB FDR In Days
MTB Shield
MTB Extreme
Instant

Loan Products

MTB Personal Loan
MTB Auto Loan
MTB Home Loan
MTB Home Equity Loan
MTB Progressive Equity
Build-up Home Loan
MTB Professional's Loan
MTB Neer
MTB NRB Home Loan
MTB EDU Finance
MTB Cash-line
MTB Grameen Griho Reen



OFF- SHORE BANKING UNIT (OBU)

Term Finance

Working Capital Finance

Trade Finance (Local Bill Discounting, Foreign Bill Discounting, UPAS)



SYNDICATIONS & STRUCTURED FINANCE

Financing to
power
Telecom
Hotels
Aircraft
Steel
Cement

Glass
Petrochemical
Agro-based Project
Micro Financing
Petrochemical, LPG
RMG
Other Infrastructure Project



NRB BANKING

NRB Products

NRB Savings
NRB DPS
NRB FD

NRB Home Loan
Non Resident Investor's
Taka Account (NITA)



MTB CARD PRODUCTS

MTB Debit Cards

a. Visa Debit Cards

MTB Visa Classic
MTB Visa Platinum
MTB Visa Signature
MTB Visa Business Debit

b. Mastercard Debit Cards

MTB Mastercard Gold
MTB Mastercard Titanium
MTB Mastercard World

c. UnionPay Debit Cards

MTB UnionPay Debit

MTB Credit Cards

a. Visa Credit Cards

MTB Visa Classic
MTB Visa Gold
MTB Visa Platinum
MTB Visa Signature

b. Mastercard Debit Cards

MTB Mastercard Classic
MTB Mastercard Gold
MTB Mastercard Titanium
MTB Mastercard World

c. UnionPay Credit Cards

MTB UnionPay Platinum

MTB Contractless Credit Cards

MTB Visa Platinum
MTB Visa Signature
MTB Mastercard Titanium
MTB Mastercard World
MTB UnionPay Platinum

MTB Prepaid Cards

MTB Visa International Travel Card
MTB Local Prepaid Card
MTB Payroll Card
MTB Gift Card



TRADE FINANCE

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

Guarantee

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

MTB Co-branded Cards

a. Co-branded Debit Cards

MTB Sonali Life Insurance Visa
Platinum Debit Card

b. Co-branded Credit Cards

MTB Apex Rewards Visa
Platinum Credit Card
MTB Baridhara Cosmopolitan
Club Limited Visa Signature
Credit Card
MTB Cadet College Club
Limited Credit Card
MTB Chittagonj Club Limited
Mastercard World Credit Card
MTB Sylhet Club Limited
Credit Card
MTB Sylhet Station Club
Limited Credit Card
MTB University of Dhaka
Credit Card

c. Co-branded Prepaid Cards

MTB e-CAB Visa Prepaid Card
My Easy Payment Card
MTB Sheba.xyz Prepaid Card



STUDENT FILE SERVICES

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

Gulshan Center
Panthapath Center
Principal Branch Center
Banani Center



CASH MANAGEMENT UNIT

MTB Nationwide Collection Services
MTB Web based Banking Services
MTB Payments Solutions (Clearing service, BACH, BEFTN)
MTB Capital Market Services (IPO LBTI, BTI, Rights Issue)
MTB High Value Account services
MTB Tution Fees Collection Service



AGENT BANKING

Account Opening (Savings, Current, DPS, Term Deposit, SME/ Retail/Agriculture Loan)
Cash Deposit
Cash Withdrawal
Fund transfer to any MTB account
Electronic fund transfer through BEFTN
Electronic Fund Transfer through RTGS
Inward Foreign Remittance Cash Payout
Inward Foreign Remittance in Account
Utility Bill Collection
Receiving Clearing Cheque
Smart card (NID) Fee collection
SME Loan File Initiation
Agriculture Loan File Initiation
Retail Loan File Initiation
Debit/Credit Card Request processing
Social Safety-net Cash Disbursement
Hajj fee collection
Balance Inquiry
Insurance fee collection
Account Statement
Payroll Management



NRB SERVICES

Disbursement of inward foreign remittance received through globally reputed money transfer companies and MTB's fully-owned subsidiary, MTB Exchange(UK) Ltd.

Banking Service to NRBs through MTB representatives around the globe.

Foreign currency exchange facility to passengers travelling to or from abroad through MTB Foreign Currency Exchange Boots at Hazrat Shahjalal International Airport, Dhaka.



MTB ALTERNATE DELIVERY CHANNEL (ADC)

Internet Banking
SMS Banking
MTB Smart Banking Kiosk
Point of Sale (POS)
MTB 24/7 ATM
Missed call Recharge
Mpay



MTB CARD SERVICES

Card status checking facility
Eddorsment facility
Foreign part enabling and disabling facility
E-commerce enabling facility



MTB AIR LOUNGE

Hazrat Shahjalal International Airport, Dhaka
Shah Amanat International Airport, Chattogram
Osmani International Airport, Sylhet



MTB CONTACTS

Contact Center

24 hours at 16219 or 09604016219

Email

customerservice@mutualtrustbank.com

Walk In

MTB Cards Centre, MTB Tower(4th floor) 111,
Kazi Nazrul Islam Avenue, Dhaka

PRIMARY BRANDS, PRODUCTS, AND SERVICES

WHOLESALE BANKING DIVISION

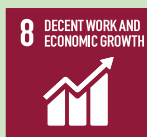
The biggest challenge to a financial institution has always been keeping up with the new traditions, technologies and expertise where change is inevitable and intrinsic to every organization. In line with that, MTB had yet another memorable year, 2019, where new dimensions of banking were explored and service excellence was achieved by delivering appropriate product solutions, which revamped the business matrix for the institution.

Wholesale Banking Division (WBD) of MTB is considered as one of the core strengths of the bank as MTB continues to be a predominantly corporate banking focused institution. In 2019, WBD thrived to build strong ties with our corporate and commercial customers through its channels and serving them with excellence while keep-

SDG RELEVANCE

Our energy is directed at creating an environment for responsible & sustainable development

Our Wholesale business contributes to the following SDG goals



ing the pricing aligned with the market. In 2019, we gained confidence and mindshare of the customers by rendering quality services and meeting customers' expectations by offering required products and services and the result was reflected into the growth of WBD Portfolio. Throughout the year, WBD continued to cater to a diverse range of industries such as RMG, Textile, Manufacturing, FMCG, Power, Poultry, and Steel etc. to meet their banking service requirements in both domestic and international arena. Our commercial banking services, funding facilities for working capital and large

projects, trade financing for imports and exports, cash management, etc. are there only to serve our customers from various industries. In 2019, asset portfolio of Corporate Business Unit of WBD grew by almost 41%, which largely contributed to the overall asset growth of the bank. The growth has been on account of financing provided to high-rated corporate clients with strong group financials and new relationship additions to the



corporate portfolio. We kept our focus on the industry top players in different sectors and on-boarded few of them. WBD tried to capture optimum share of wallet of the customers to maximize the outcome while keeping risk level at minimum. Trade growth of WBD in 2019 was 54%, where export grew by 56% and import by 53%.

SME BANKING DIVISION

Cottage, Micro, Small and Medium-Sized Enterprises (CMSMEs) always play a vital role in socially inclusive economic growth. These businesses contribute significantly to the nation's

SDG RELEVANCE

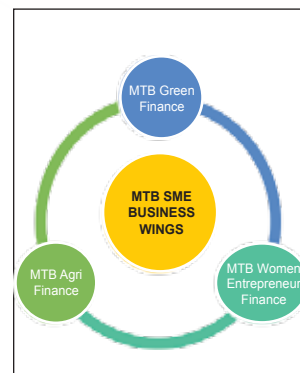
Our business is aligned with achievement of SDG goals. Through our SME division, we contribute to the following SDG goals

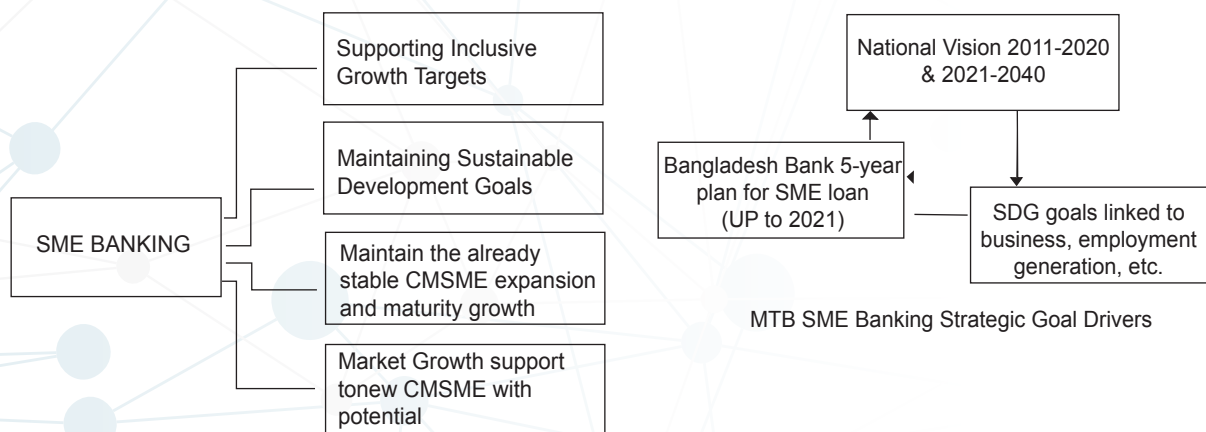


employment and income generation. In Bangladesh, there exists a congenial environment for CMSME grow that indicated through Bangladesh Bank's different initiatives, stable political condition, wide use of Mobile Financial Services (MFS) or mobile money, expansion of Agent Banking, sub-branches, improved road network infrastructure and access to electricity. The impact is evident through loan disbursement to CMSME sector as well as induction of increasing number of new entrepreneurs, starts up, E Commerce and F-Commerce.

MTB SME Banking division continues its strategic journey for inclusive finance growth in CMSME. Its Branch banking networks with dedicated team members serve as the field force for sourcing the SME Loan proposal. They provide guidance to

CMSME for their business, creditworthiness etc. On the other hand, head office and senior management level provide the policy support, which is adoption of SME friendly finance framework. Sector and segment specific need assessment is done at CHO level, afterwards, product and process reengineering is done accordingly.



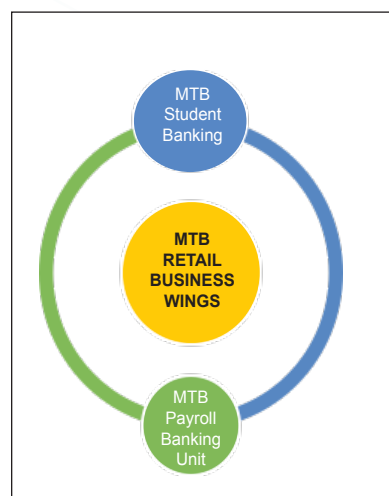


The triangulation of International Development Goal, national policy and guidance from Bangladesh Bank is the core element of MTB Strategy for SME Development.

RETAIL BANKING DIVISION

MTB Retail Banking offers an array of thoughtful financial services to the community so that the customers choose our banking channels for making transactions. MTB's retail products are designed to fulfill the desires of its customers and to meet the latent demand of our valued clients. MTB's tailored products for the retail customers include deposit products, loan products, student banking, locker services, and many more.

The number of banks currently operating in Bangladesh can be considered high given the size of the economy. This has intensified the competition, where product innovation and excellence in providing services are building blocks for retail banking success. These are the very reasons behind the continuous growth in retail banking business of MTB. However, there is no scope for being complacent with its growth, as the bank sees more potential to tap into this segment and aspires to capture even more market share by refining its products and processes even further to exceed customer expectations. Products and processes customer expectations.



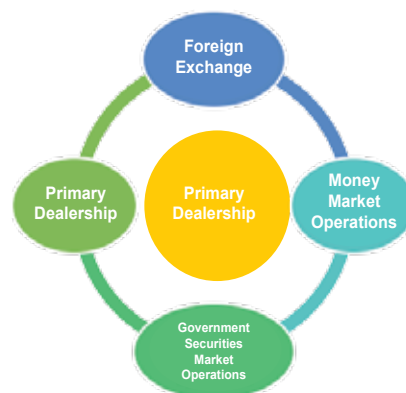
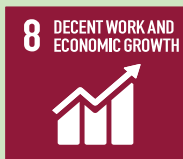
TREASURY

Treasury has become a strategically crucial business unit across the bank due to the dynamism in banking industry which is fueled up mainly by rapid technological changes, regulatory restrictions and compliance. Treasury operation conducts various activities, such as, optimizing liquidity, administering the financial assets and investment decisions. Treasury is responsible for making sound financial investments with the available liquidity while maintaining financial risks.

Treasury department directly safeguards against interest rate risk, exchange rate risk and liquidity risk. To discharge its responsibilities, treasury performs a lot of functions including liquidity management, maintenance of CRR, SLR and NOP as a regulatory requirement, investment in government securities, placement of fund in the interbank market, settlement of foreign exchange transactions, participation in primary auction, etc. MTB Group Treasury has shown phenomenal growth over the past few years in spite of the adversaries and economic turmoil that has been observed globally as well as within the country. The department has forecasted the market movement accurately and remained vigilant to gain from favorable events and to lessen risk from unfavorable ones. Moreover, the department is performing supreme role in formulating strategies to face the challenges imposed by the vastly discussed issue 'Single digit interest rate'.

SDG RELEVANCE

Our business is aligned with achievement of SDG goals. Through our treasury, we contribute to the following SDG goals-



RISK MANAGEMENT IN MTB

SDG RELEVANCE

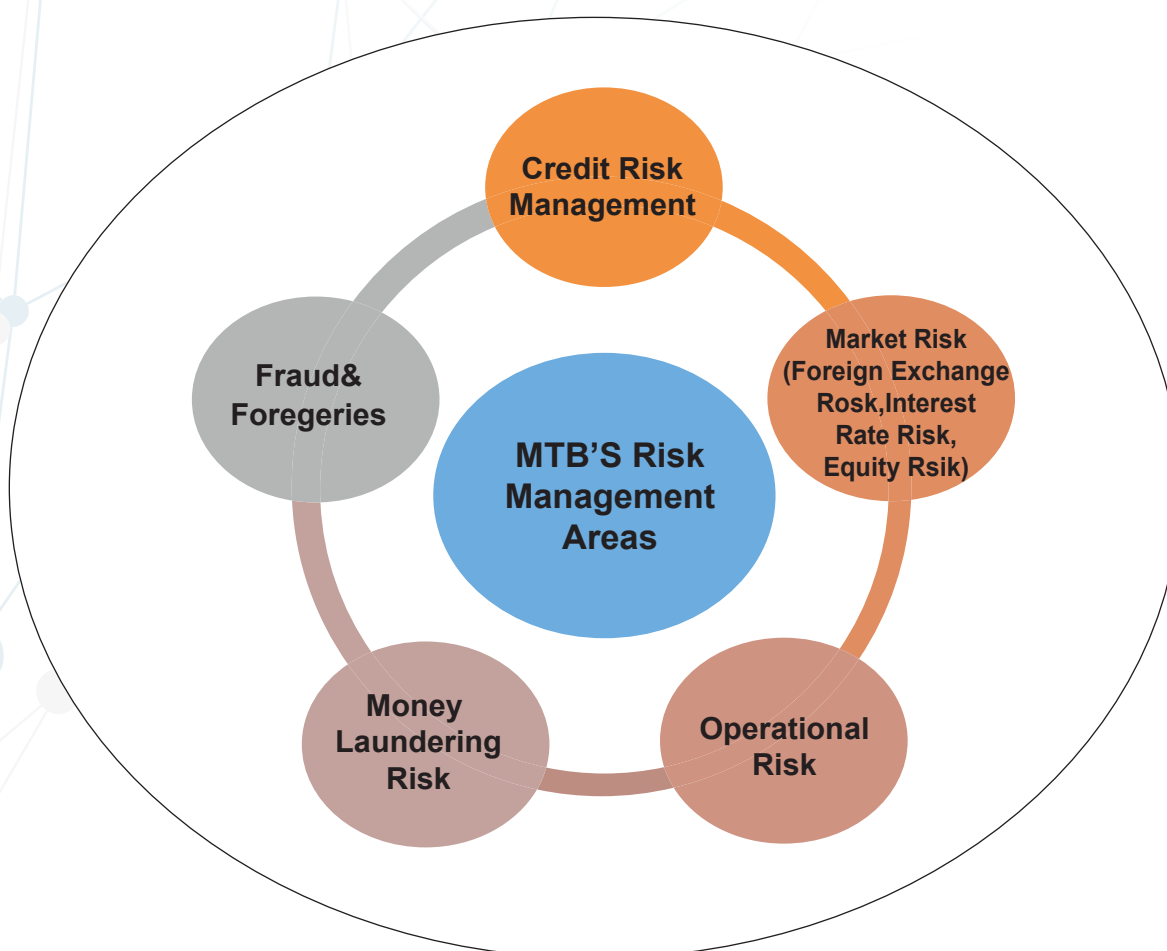
Our business is aligned with achievement of SDG goals. Through our risk management division, we contribute to the following SDG goals

17 PARTNERSHIPS
FOR THE GOALS



Risk is an integral part of banking business, and Mutual Trust Bank (MTB) aims at delivering superior stakeholder value by achieving an appropriate trade-off between risks and returns. The policies and procedures established for this purpose are continuously reviewed in our quest to benefit from a blend of local and international practices. MTB conducts its risk management activities following six core risk guidelines of Bangladesh Bank and Basel. MTB has established a separate Risk Management Division (RMD) to identify, measure, monitor and manage risks more effectively and efficiently. MTB's Risk management process is accomplished at strategic level, managerial level and at

operational level. At strategic level, MTB Board of Directors (BOD), through Board Risk Management Committee (BRMC) & senior management, sets up risk governance structure & risk philosophy, endorses risk strategies, reviews & approves risk policies as well as the threshold limits of risks that may be taken in line with bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. At managerial level, policies and strategies formulated by BOD are implemented by middle management or divisions/departments/units devoted to risk reviews. At operational level, RMD reports high-risk related matters, identified by the management-level risk committee to the BRMC, BOD and to Bangladesh Bank (BB).



OTHER MTB DIVISIONS/DEPARTMENTS



MTB GERMAN DESK



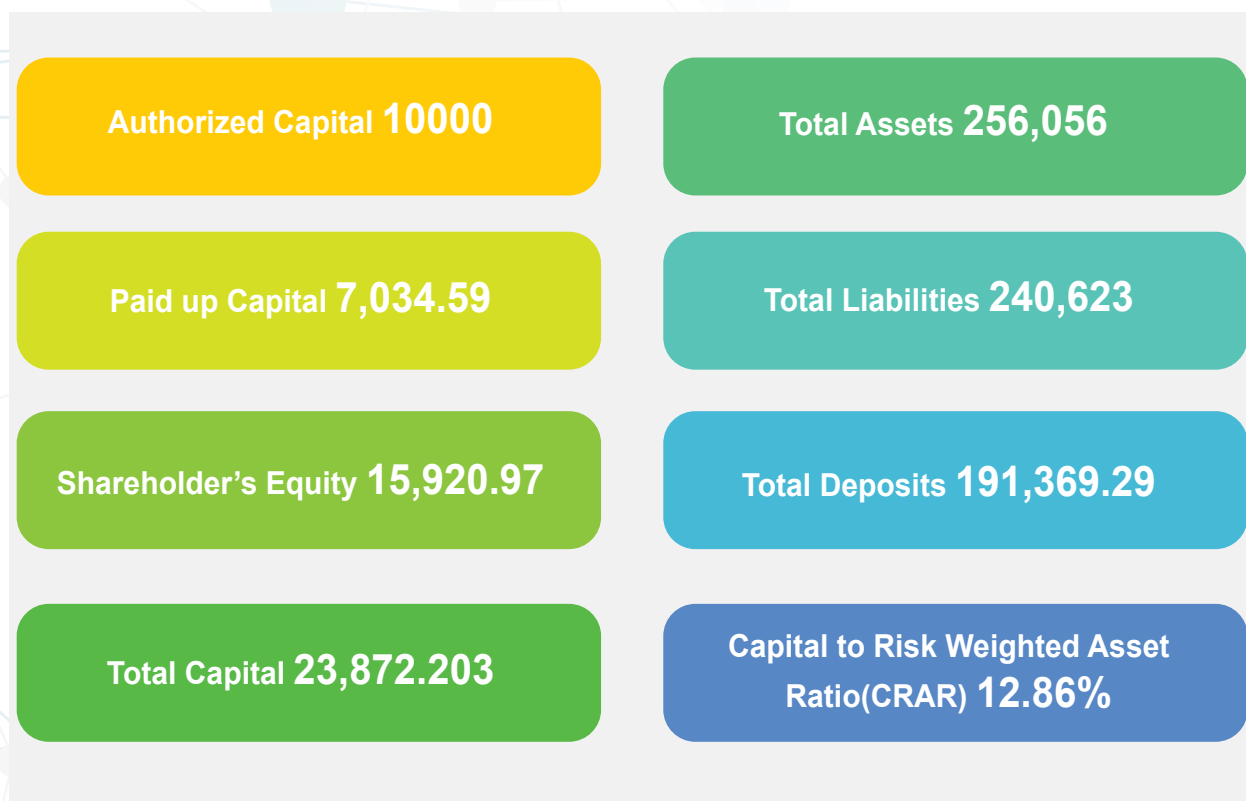
Mutual Trust Bank Limited (MTB) and Deutsche Investitions- und Entwicklungsgesellschaft (DEG) have jointly launched “German Desk – Financial Support and Solutions” at a local hotel in the capital on Tuesday, April 17, 2018. DEG is a Development Finance Institution (DFI) based in Germany and a subsidiary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

SCALE OF THE ORGANIZATION (GRI 102-7)

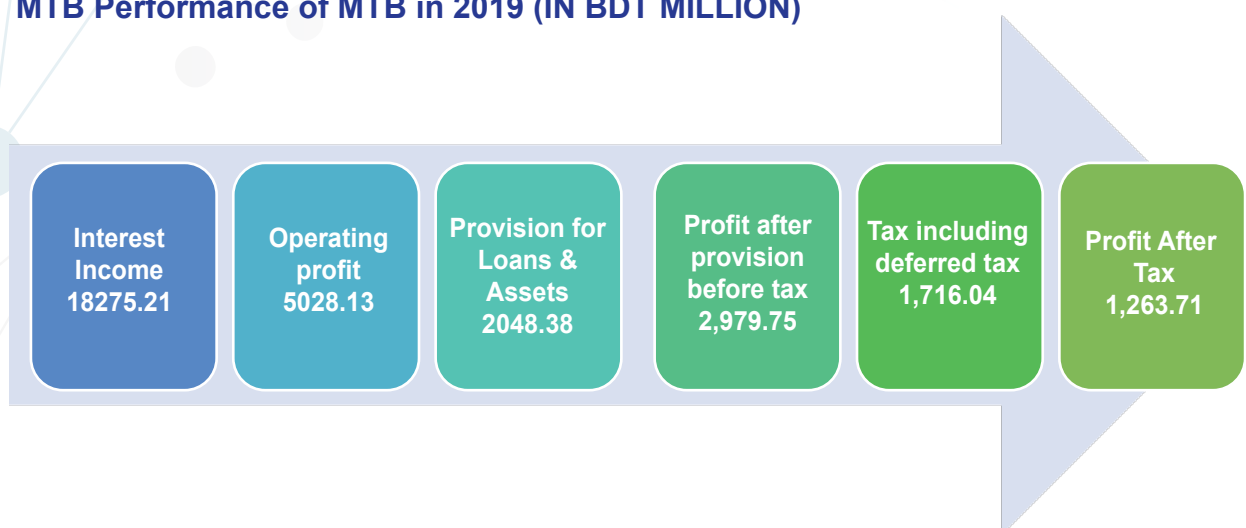
Total Number of Employees in 2019

As of 31 December 2019, the total manpower of the Bank was 2,336 of whom 1,325 work at Bank branches, 940 at the Corporate Head Office, 64 at MTB Securities Ltd. (a subsidiary of the bank), 7 at MTB Capital Ltd. (a subsidiary of the bank).

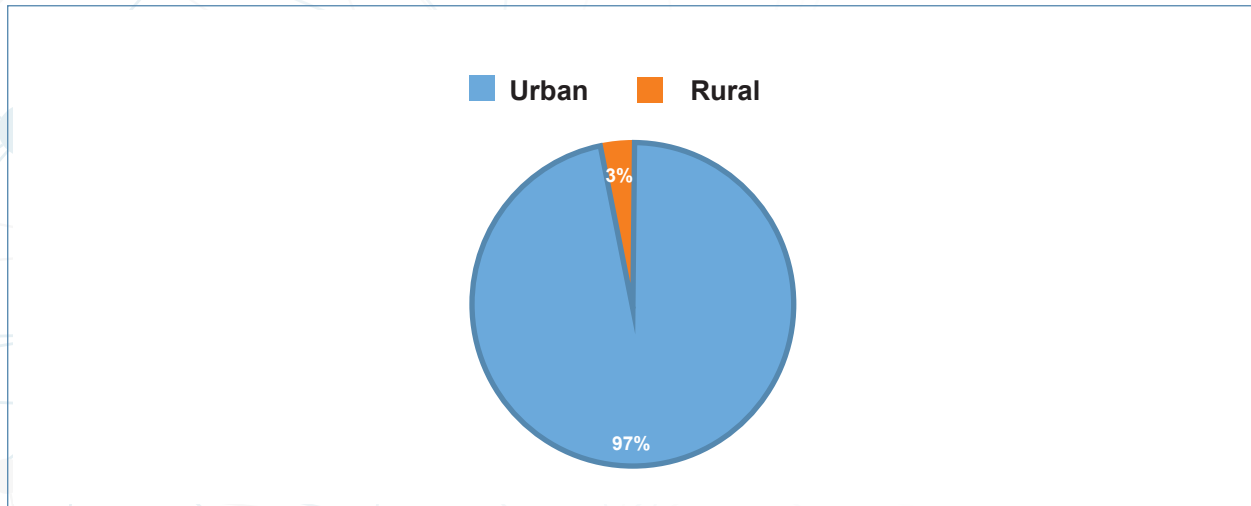
Financial Highlights of MTB in 2019 (IN BDT MILLION)



MTB Performance of MTB in 2019 (IN BDT MILLION)



GEOGRAPHICAL LOCATION WISE LOANS AND ADVANCES (IN BDT MILLION)



Location	Amount in BDT Million			
Inside Bangladesh	2019	2018	2017	2016
Urban (Divisions)				
Dhaka	140,434	120,532	101,049	79,178
Mymensingh	713	637	691	562
Chittagong	30,019	26,857	25,754	22,474
Rajshahi	4,378	4,523	4,716	3,908
Sylhet	1,163	1,129	1,075	845
Khulna	1,914	1,612	1,632	1,177
Rangpur	2,543	2,768	2,898	2,269
Barisal	206	216	436	209
	181,374	158,278	138,254	110,624
Rural (Divisions)				
Dhaka	3,244	2,787	2,665	2,103
Mymensingh	197	157	122	2,103
Chittagong	1,524	1,657	1,548	2,103
Rajshahi	-	-	-	-
Sylhet	64	82	131	128
Khulna Division	-	-	-	-
Rangpur	364	318	97	-
Barisal	-	-	-	-
	5,393	5,003	4,565	3,730
Outside Bangladesh	-	-	-	-
Total	186,768	163,281	142,819	114,355

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

IN BDT Million				
Current Deposits & Other Accounts	2019	2018	2017	2016
Current Deposits & Other Accounts	16,351	14,090	14,652	12,301
Bills Payable	1,643	1,700	2,101	1,751
Savings A/C	29,884	28,240	27,479	23,710
Fixed Deposits	91,160	77,040	67,114	55,803
Deposits-Products	39,074	32,220	28,708	26,060
Special Notice Deposit	13,254	12,860	11,722	11,646
Total Deposits	190,947	166,160	151,776	131,272

SUPPLY CHAIN PRACTICE IN MTB (GRI 102-9)

Supply chains are the engines for today's global economy: accounting for an estimated 80% of global trade they are one of the most important levers for business to create positive impact in the world. At the same time, at every stage of the supply chains there are ethical, social and environmental impacts: for example supply chain impacts can include modern slavery and child labor, environmental pollution and land degradation as well as unethical conduct. Through Supply Chain Sustainability, by working together, buyers and suppliers in global supply chains can advance nearly every aspect of sustainability.

MTB realizes sound supply chain and procurement practices have both economic and environmental impacts on communities. MTB is therefore committed to supporting local and environmentally-responsible suppliers. Regulators have taken significant steps toward transparency in the supply chain by mandating disclosure of labour practices and supply chain due diligence for companies meeting certain criteria. Transparency is a key element to achieve supply chain sustainability. Publicly disclosing supply chain information builds the trust of all stakeholders- employees, consumers, business partners, and investors. It also sends a strong message that the company has a clear picture of its current stage in supply chain sustainability, and is ready to mitigate the potential risks. Traceability is the ability to identify and trace the history, distribution, location and application of products, parts and materials, in the supply chain. In the context of sustainability, traceability enables the reliability of sustainability claims, in the areas of human rights, labour (including health and safety), the environment and anti-corruption. Traceability can:

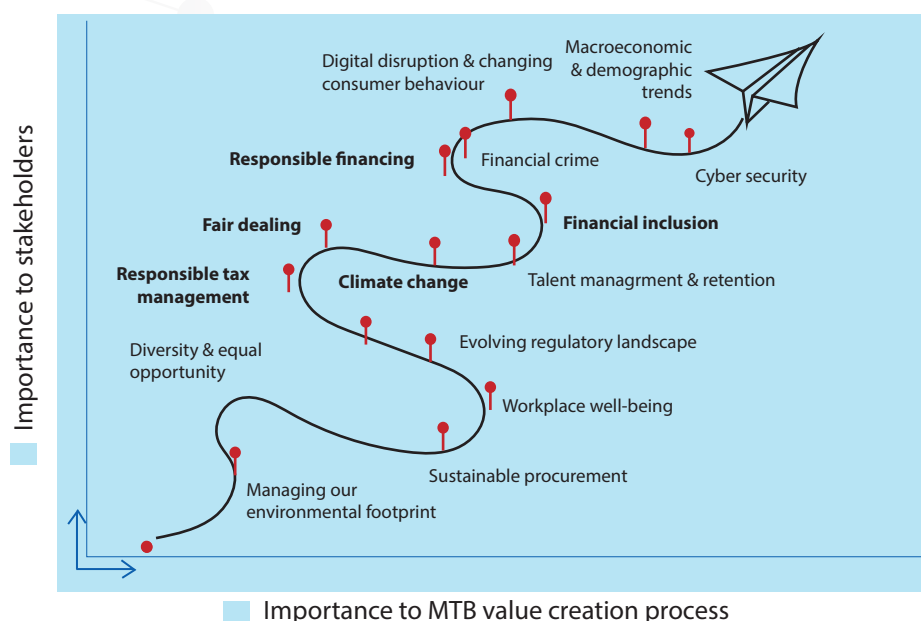
- Enable proof of good business practices
- Unite companies and stakeholders around a common purpose

MTB has set out parameters for contributing towards sustainable development of the bank through the application of a sustainable procurement policy (MTB Procurement Manual) and explains the key issues and principles associated with this object.

Distribution of Value Created:

We distribute value to our stakeholders in several ways. Some manifest themselves in financial value while others bring about intangible benefits. We define distributable financial value as net profit before discretionary bonus, taxes (direct and indirect) and community investments. In addition, we distribute non-financial values to our stakeholders in the following ways:

- **Customers:** Delivering the right product in innovative, easily accessible and responsible way.
- **Employees:** Training, reskilling and development of our people as well as health and other benefits
- **Society:** Taking shared responsibility and promoting financial
- **Regulators:** Active engagement with local and foreign regulators and policy makers on reforms and new initiatives that help to maintain the integrity of the banking industry



SUSTAINABILITY SCREENING OF OUR SUPPLIERS

The engagement and scrutiny of a substantial number of suppliers requires considerable resources, however, MTB looks forward to introducing checkpoints through its procurement processes so as to ensure a minimized impact on environment in addition to cost reductions. The board frames policies and procedures for Bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures.

The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of Bank's business are adopted with the approval of the board. MTB suppliers extract value when MTB adheres to the well-defined procurement regulations while maintaining strong business relationships with suppliers. There is well developed Procurement Manual and a Pool of reliable enlisted suppliers to serve the bank with transparency and accountability.

MTB Infrastructure Division often engages with suppliers to achieve these objectives and values through raising awareness to sustainable procurement and moreover through supporting them in their social and environmental contributions. In July 2019, MTB reviewed its procurement policy and outlined the requirements for suppliers to conduct their business in alignment with the bank's ethical standards. This policy includes codes of ethics for MTB suppliers/ tenderers as well for MTB personnel engaged in supply chain management of MTB.

SIGNIFICANT CHANGES TO THE ORGANIZATION & ITS SUPPLY CHAIN (GRI 102-10)

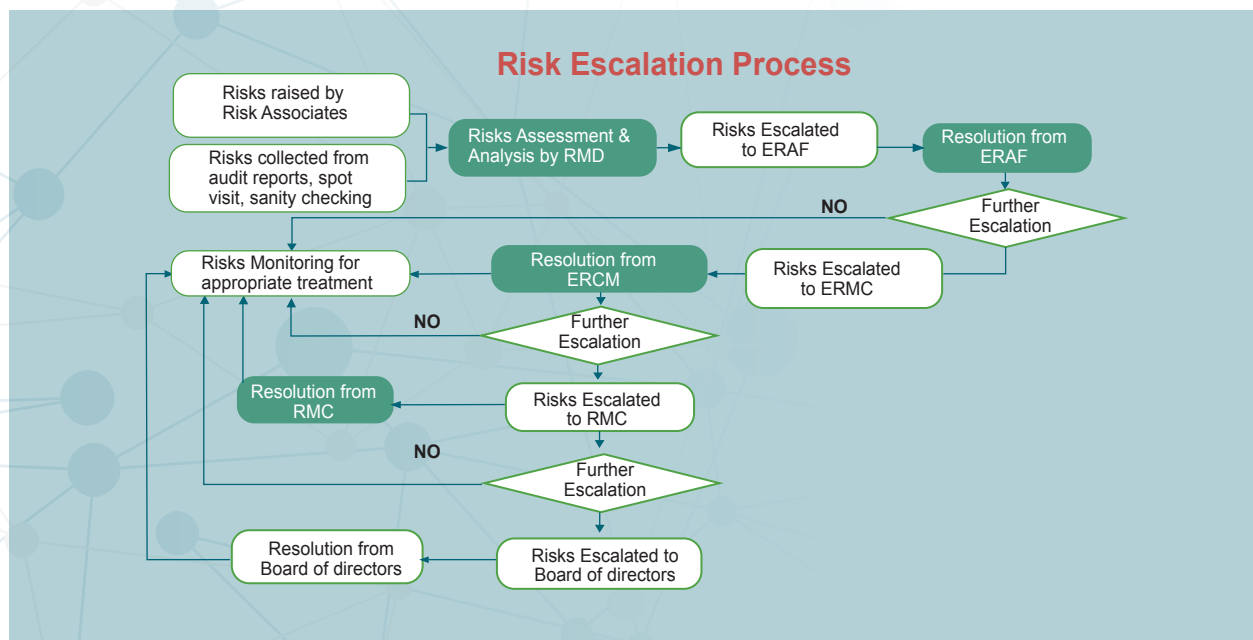
MTB welcomed a new MD & CEO Mr. Syed Mahbubur Rahman on December 1, 2019. New Additional Managing Director and Group Chief Risk officer, Mr. Chowdhury Akhtar Asif, joined MTB. He also spearheads the Sustainable Finance Committee of the bank.

PRECAUTIONARY PRINCIPLE (GRI 102-11)

The precautionary approach is not applied directly throughout the organization instead MTB assesses loans regarding their impact on the environment or other social factors. The bank has a lot of contribution towards Corporate Social Responsibility (CSR), and always tries to help preserve the environment and enhance communities throughout the entire country. Therefore, MTB takes into environmental, social and economic factors into account when it does business with clients.

MTB follows Environmental & Social Due Diligence (ESDD) properly. MTB also follows an exclusion list developed in accordance with national and international laws and regulations. On that basis, MTB screens loans of the prospective clients and assesses their Environmental & Social Risk Rating (ESRR), categorizes loans and finally provides an action plan or provide covenants (if necessary) to clients to further finance in their business. MTB strongly discourages the engagement of child labor both in its business as well as in its clients' business.

Furthermore, MTB also follows the following Risk Escalation Process while doing business-



EXTERNAL INITIATIVE (GRI 102-12)

MTB is a participant of United Nations Global Compact (UNGC) since January 05, 2016. UNGC has over 12,000+ signatories in over 160 countries, both developed and developing, representing nearly every sector and size. MTB endorses 10 UNGC principles while screening loans of its clients as a promise to uphold MTB's corporate sustainability. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, MTB is not only upholding its basic responsibilities to people and planet, but also setting the stage for long-term success.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

The principles are stated below:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

MEMBERSHIPS WITH CHAMBERS AND ASSOCIATIONS (GRI 102-13)

- 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 Limited (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)
- Bangladesh Business and Disability Network (BBDN)
- Bangladesh Employers' Federation
- SAARC Chamber of Commerce and Industry (SAARC CCI)

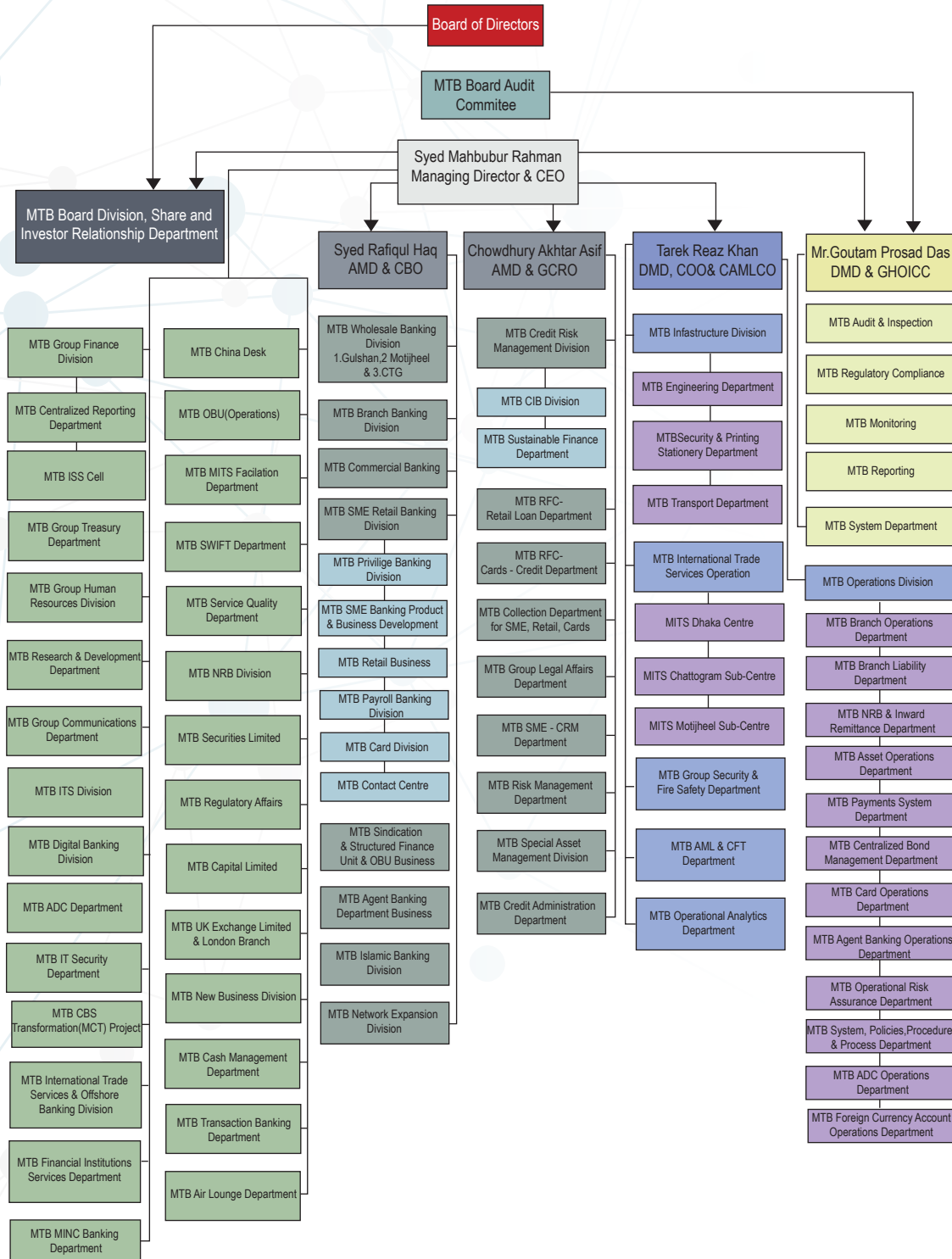
Effective Governance

GOVERNANCE STRUCTURE (GRI 102-27)



Mutual Trust Bank Limited (MTB) believes that its ongoing commitment and efforts in ensuring a strong corporate governance structure and culture across the organization will help it deliver value to all its stakeholders. Therefore, the Bank has strived to have good corporate governance practices along with knowledgeable and highly experienced board and employees.

MTB GROUP ORGANOGRAM (GRI 102-19)



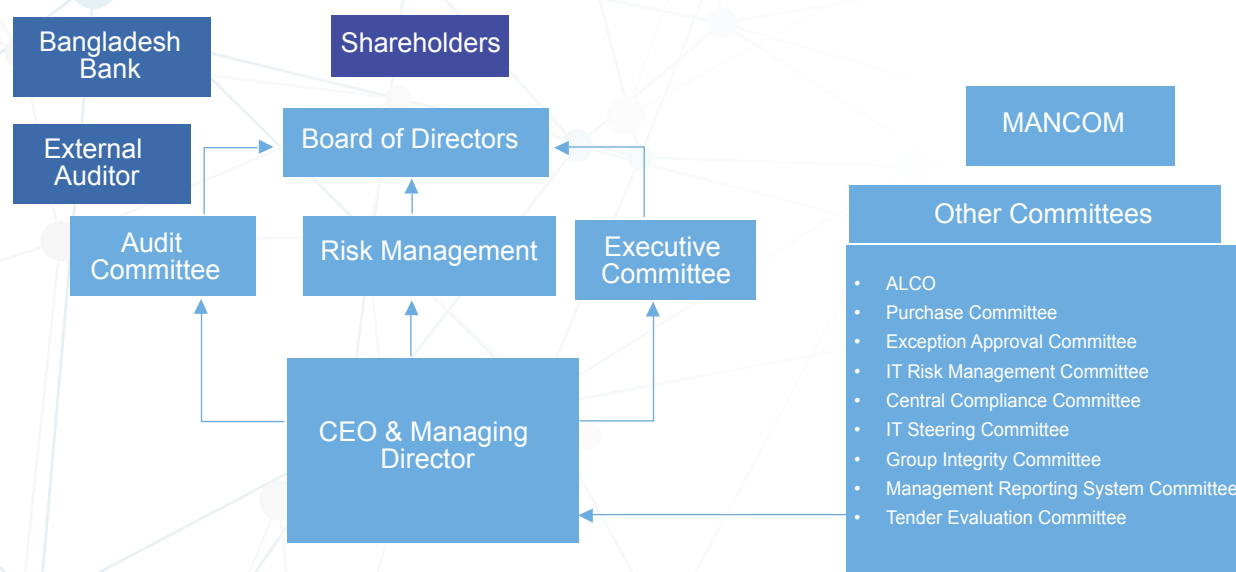
MTB CORPORATE GOVERNANCE PRINCIPLES (GRI 102-18)

MTB has developed processes for identifying, assessing and managing the significant risks and uncertainties may pose as a threat to the bank. Internal control processes have been established to ensure efficiency and effectiveness of business operations and controls in all areas including finance and operations, as well as compliance with relevant laws and regulations. The Group Internal Control and Compliance Division has been tasked to provide oversight and support to ensure that individual business units conduct their businesses and affairs in a manner that drives forward the bank's strategic objectives, while complying with applicable laws and regulatory requirements.

A strong focus is placed on educating and increasing awareness among directors, executive officers and employees on the bank's codes of conduct, the relevant laws and regulatory requirements as well as disciplinary procedures. The bank's corporate governance policy, which contains guidelines for directors, executive officers, and employees, has been formulated as per the guidelines of regulators. With adherence to this policy in its operations, the bank aims to build trust and confidence among investors and stakeholders, thereby improve its competitiveness, enhance value and promote stability. The policies are updated time to time in order to comply with the proper governance principles and relevant regulatory requirements.

MTB CORPORATE GOVERNANCE STRUCTURE

Following flow chart describes the corporate governance process of MTB:



Governance Body and the Committees (GRI 102-23)

	Highest Governance Body	<ul style="list-style-type: none"> • Board of Directors
	Other Board Committees	<ul style="list-style-type: none"> • Executive Committee • Board Risk Management Committee • Board Audit Committee
	Tenure of Governance Body	<ul style="list-style-type: none"> • Two years • No member in governance body from under-represented social group.

MTB BOARD STRUCTURE (GRI 102-22)

At present, there are 14 Board members, including two independent Directors and Managing Director & CEO. The Board of Directors consists of:

Sl.	Name of Director	Position
1.	Mr. Md. Hedayetullah	Chairman
2.	Mrs. Khwaja Nargis Hossain	Vice-Chairman
3.	Mr. Syed Manzur Elahi	Director (Founding Chairman)
4.	Dr. Arif Dowla (Representing Advanced Chemical Industries Ltd.)	Director
5.	Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.)	Director
6.	Mr. M. A. Rouf, JP	Director
7.	Mr. Md. Abdul Malek	Director
8.	Mr. Md. Wakiluddin	Director
9.	Mr. Anika Chowdhury (Representing ASTRAS Ltd.)	Director
10.	Mr. Md. Manirul Islam (Representing Pioneer Insurance Company Ltd.)	Director
11.	Mr. Herbert Ludwig Jaeger (Representing NORFUND)	Director
12.	Ms. Nasreen Sattar	Independent Director
13.	Mr. M. Mokammel Haque	Independent Director
14.	Mr. Syed Mahbubur Rahman	Managing Director & CEO

The Board of MTB is composed of individuals from diverse professional backgrounds with a broad spectrum of experience and expertise in finance and accounting, economics as well as business ethics. There are Non-Executive Director and Independent Director. Non-Executive Director means a director, who does not hold any position in the bank other than being a member of the Board and its Committees. Independent director means a director who does not have any related business, hold any managerial position or have any beneficial interest in financial institutions that may affect his/her independent decision.

Gender Diversity among Board of Directors (GRI 405-1)

Gender	Number	Percentage
Male	11	78.57%
Female	3	21.43%
Total	14	100%

Appointment of Directors (GRI 102-24)

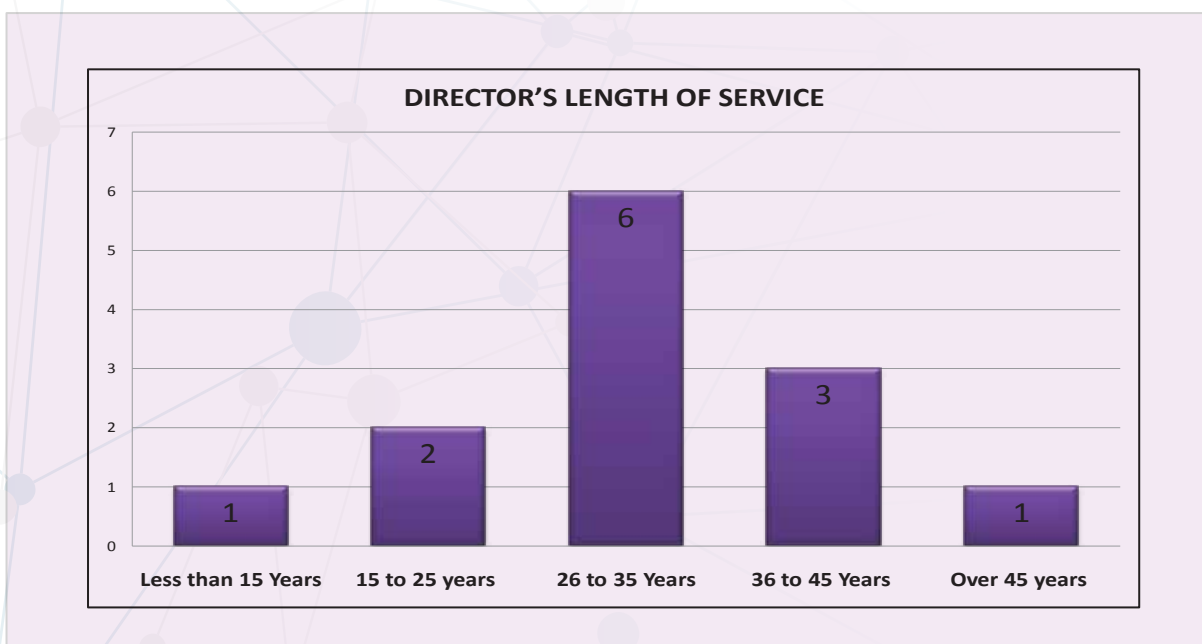
The Board of Directors elects/re-elects directors and submits recommendation to the meeting of the shareholders for approval and appointment/re-appointment, subject to compliance of Articles of Association of the Bank and fulfillment of regulatory procedures.

Election/Re-election of the Directors

As per Companies Act, each year one-third of the Directors retire from office at the AGM, and, if eligible, as per the bank company act, may offer themselves for re-election by shareholders at the AGM. Accordingly, following Directors retired at the 20th AGM and they were eligible for re-election.

In 2019, Mr. Rashed Ahmed Chowdhury, Director, Mr. M.A. Rouf JP, Director, Ms. Md. Wakiluddin, Director and Mr. Anika Chowdhury, Director, retired and were re-elected. NORFUND has given a nominee Mr. Herbert Ludwig Jaeger to represent them in the Board of Directors of MTB. Besides, Mr. Anwarul Amin and Mr. Sultan Hafeez Rahman retired from Independent Director. Ms. Nasreen Sattar and Mr. M. Mokammel Haque appointed as new Independent Director.

Directors' length of Services



Board Executive Committee (GRI 102-20)

The Board has established the Board Executive Committee, the Board Audit Committee and the Board Risk Management Committee to assist in screening and scrutinizing specific operations and support the performance of duties of the Board to ensure efficiency and effectiveness and maintain a good corporate governance system. MTB Board Executive Committee formed with 5 (Five) members of the board nominated by the board of directors from themselves to take all necessary decisions and to approve cases within the power delegated by the board

Roles, Duties and Responsibilities of the Board

To ensure good governance in the bank management, it is essential to have specific demarcation of responsibilities and authorities among the controlling bodies over bank affairs. In the bank company act, Section 15 (kha) and (ga) give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.

Authorities of the Board of Directors

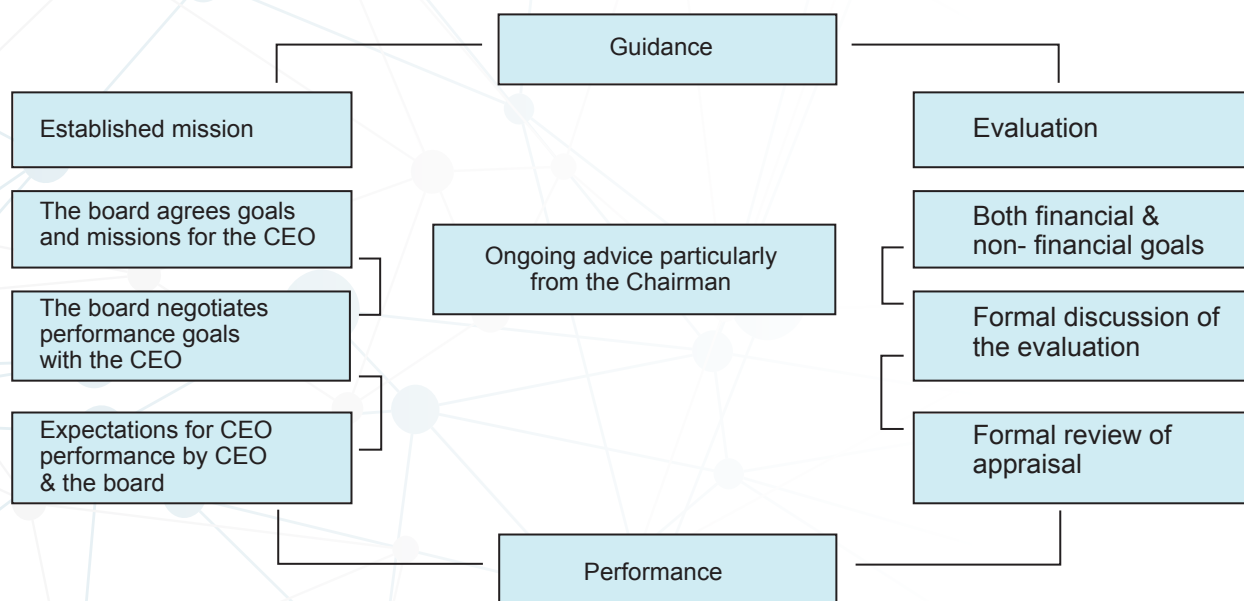


Evaluation of the Management Approach (GRI 103-3)

Mutual Trust Bank Limited (MTB) believes that its ongoing commitment and efforts in ensuring a strong corporate governance structure and culture across the organization will help it deliver value to all its stakeholders. Therefore, the Bank has strived to have good corporate governance practices along with knowledgeable and highly experienced board and employees.

Evaluation of the CEO by the Board

There is a five-year Strategic Priorities & Action Plan for the evaluation of the CEO/Management on an annual basis and it is revisited and revised from time to time, depending on the scope and opportunity of banking business, local and global economic condition, etc. The CEO's performance is evaluated on regular basis, taking into consideration the trends of financial indicators, bank's image/reputation, non-performing loans and advances, regulatory guidelines, etc



Establishment of High Level of Ethics and Compliance

MTB's Board of Directors has always been committed and adamant when it comes to establishing a high level of ethical & compliant practices among all the employees of the bank. The Board of Directors constantly encouraged & empowered the administration to ensure that everyone maintains a high ethical standard within the bank.

Board Audit Committee

The board approves the objectives, strategies and overall business plans of the bank and the Audit Committee assists the board in fulfilling its oversight responsibilities. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process and the bank's process for monitoring compliance with laws & regulations and its own code of business conduct.

Organizational Structure

- Members of the Committee are nominated by the board from the directors;
- The Committee consists of directors, who are not executive committee members;
- Company Secretary of the bank is the secretary of the Audit Committee.

Sl.	Name of Director	Position	Total Meetings Held	Meetings Attended	Remuneration (BDT 8,000/ Meeting)	Remarks
01	Ms. Nasreen Sattar Independent Director	Chairman	4	4	32,000	Appointed on April 09, 2019
02	Mr. Mokammel Haque Independent Director	Member	1	1	8,000	Appointed on July 01, 2019
03	Mr. Rashed Ahmed Chowdhury Director	Member	4	2	16,000	Leave of absence was granted
04	Mrs. Khwaja Nargis Hossain Director	Member	4	3	24,000	"
05	Mr. Anwarul Amin Independent Director	Member	1	1	8,000	Retired on April 29, 2019
05	Dr. Sultan Hafeez Rahman Independent Director	Member	1	1	8,000	Retired on April 29, 2019
	Total				96,000	

Roles and Responsibilities



Meetings

- The Committee met 4 times in 2019;
- Detailed memoranda are distributed to the members well in advance before each meeting;
- All decisions/observations of the Committee are noted in the minutes.

Board Risk Management Committee (BRMC)

The Bank realizes the significance of risk management covering both internal and external risk factors. Risk Management Committee of MTB is appointed by the Board of Directors with relevant and clearly defined roles, duties and responsibilities and performance of which is assessed to ensure conformity with the risk management plan in place.

To play an effective role in mitigating impending risks arising out of strategies and policies formulated by the Board and to carry out the responsibilities efficiently, the Board Risk Management Committee of MTB, being in charge, formulates risk management policy and procedures of the Bank as well as sets up the risk control and monitoring mechanisms with a view to continuously strengthening risk governance. After risk factors are identified and assessed for credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks, etc.; the Committee scrutinizes whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.

Organizational Structure

- Members of the Committee are nominated by the board from themselves;
- The Committee consists of 5 (five) members;
- Company Secretary of the bank is the secretary of the Board Risk Management Committee.

Roles and Responsibilities of BRMC



Meetings

- The BRMC met 4 (four) times in 2019;
- To ensure active participation and contribution by the members, detailed memoranda are distributed to Committee members well in advance before each meeting;
- All decisions/observations of the Committee are noted in minutes.

Sl.	Name of Director	Position	Total Meetings Held	Meetings Attended	Remuneration (BDT 8,000/ Meeting)	Remarks
01	Ms. Arif Dowla Director	Chairman	4	3	24,000	Leave of absence was granted
02	Mr. Hedayetullah Chairman	Member	4	1	8,000	Leave of absence was granted
03	Mr. M. A. Rouf Jp Director	Member	4	3	24,000	Leave of absence was granted
04	Mr. Md. Abdul Malek Director	Member	4	4	32,000	
05	Mr. Md. Manirul Islam Independent Director	Member	4	3	24,000	Leave of absence was granted
	Total				96,000	

THE MANAGEMENT APPROACH & ITS COMPONENTS (GRI 103-2)

MTB Senior Management Teams

Managing Director & CEO	• Syed Mahbubur Rahman
Additional Managing Director	• Syed Rafiqul Haq • Chowdhury Akhtar Asif
Deputy Managing Directors	• Goutam Prosad Das • Tarek Reaz Khan

Sr. Executive Vice Presidents

Syed Rafiqul Hossain Md. Sanwar Hossain Syed Mahbub Morshed Md. Bakhteyar Hossain Malik Muntasir Reza Md. Nazrul Islam Mazumder Kamrul Hasan Khan Sayed Abul Hashem FCA, FCMA	Md. Khalid Mahmood Khan Abdul Mannan Azad Shamsi Khondaker Rahimuzzaman Nurul Maruf Khan Md. Shah Alam Patwary Md. Shamsul Islam Khairul Bashar Abu Taher Mohammed
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Executive Vice Presidents

Mohammed Ishaque Md. Abdul Latif Md. Zahidul Kabir Mohammad Mamun Faruk Mohammad Habibur Rahman Md. Kamal Uddin Md. Monwar Hossain Marcus Cornelius Gomes	Syed Mahmud Akhter Md. Amirul Islam K. M. Abdul Wadood Mohammad Anwar Hossain Amitav Kaiser Md. Anisur Rahman
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Anti-Harassment Policy

The bank has established Anti-Harassment Policy. The MTB Group has grown large and is now a family of four separate companies in Bangladesh and the United Kingdom. As the MTB network and the number of MTBians grow, it is important, that we go about our everyday working lives in a safe, secure, responsible, dignified and happy manner. It is the desire of the Bank's Board and Management to make MTB a happy place to work in, where people feel a sense of belongingness and loyalty, and contribute to taking the Group towards MTB3V. It is the policy of MTB to prohibit racial, gender, sexual and other forms of unlawful harassment.

Ensuring conflicts of interest are avoided (GRI 102-25)

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

Role of the Highest Governance Body (GRI 102-26)

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

The highest governance body of the bank is MTB Board of Directors (mentioned as "Board" hereafter).

Highest Governance Body's Role in Reviewing Risk Management (GRI 102-30)

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

Highest Committee or Position Approving Sustainability Report & Material Aspects (GRI 102-32)

The highest committee to approve it Board. All the sustainability initiatives must be governed by BRMC. MTB Board of directors after the 185th meeting of the board, which was held on November 08, 2015, approved the resolution to publish MTB's Sustainable Finance Report annually.

Process for Communicating Critical Concerns to the Highest Governance Body (GRI 102-33)

MTB has defined process of communication with the concerned authority. The process and reporting authority are specified in organogram. The primary process of communicating with the highest governance body is through the line manager of every department/division/branch. The line manager will transfer the critical concern of the organization according to the organogram. Besides, Customers can reach their concerning issues through email or feedback box located at the MTB premises. If any customer faces any problem, he/she can lodge a complaint by communicating through the following mail address-

Email Address:
complaint@mutualtrustbank.com

Apart from that, customers can contact at sustainability@mutualtrustbank.com for any sustainable banking issues. Communication between the bank and general shareholders is arranged in every Annual General Meeting (AGM). Required information is received by the bank from the shareholders at the AGM, which gives them an opportunity to exercise their prerogative to raise any business-related issues, either in verbal or in written at the AGM. The directors remain present at the AGM to answer any queries of the shareholders. No Critical concerns communicated to the highest governance body in 2019.

COMPETENCES RELATING TO ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS (GRI 102-29)

BRMC is the supreme authority to oversee the sustainability initiatives including economic, environmental and social impacts of the bank in MTB. In this respect, roles of Board Risk Management Committee (BRMC) of MTB in addition to but not excluding the role defined in the related BRPD circular) are stated below

- Formulating and reviewing (at least annually) risk management policies and strategies for sound risk management
- Monitoring implementation of risk management policies & process to ensure effective prevention and control measures
- Ensuring construction of adequate organizational structure for managing risks within the bank
- Supervising the activities of Executive Risk Management Committee (ERMC)
- Ensuring compliance of BB instructions regarding implementation of core risk management
- Ensuring formulation and review of risk appetite, limits and recommending these to board of directors for their review and approval
- Approving adequate record keeping & reporting system and ensuring its proper use
- Holding at least 4 meetings in a year (preferably one meeting in every quarter) and more if deemed necessary
- Analyzing all existing and probable risk issues in the meeting, taking appropriate decisions for risk mitigation, incorporating the same in the meeting minutes and ensuring follow up of the decisions for proper implementation
- Submitting proposal, suggestions & summary of BRMC meetings to board of directors at least on quarterly basis
- Complying with instructions issued from time to time by the regulatory body
- Ensuring appropriate knowledge, experience, and expertise of lower-level managers and staffs involved in risk management
- Ensuring sufficient & efficient staff resources for RMD
- Establishing standards of ethics and integrity for staffs and enforcing these standards

Again, in MTB, Environmental & Social Due Diligence (ESDD) is an integral part of every loan. If the rating acquired from ESDD is high, sanctioning of loans requires approval of board. In MTB, an integrated Environmental and Social Management (ESMS) compact tool is used to screen the environmental and social impacts of every loan. In establishing its governance body MTB conforms to appropriate guidelines of Bangladesh Bank (The Central Bank of the country), Bangladesh Securities and Exchange Commission, and The Companies Act, 1994. Members of the governance body are also known as Directors of the Board. All of the MTB directors are successful entrepreneurs and have their investments in diversified portfolios. Therefore, it is assumed that they possess a high level of skills, experience and knowledge to set directions and oversee the overall activities of the bank relating to economic, environmental and social impacts.

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

Stakeholder Representation (GRI 102-21)

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

REMUNERATION (GRI 102-35, 102-36, 102-37)



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

Employee remuneration is overseen by MTB Group Human Resources Division (GHRD) in consultation with Deputy Managing Directors, Additional Managing Director and Managing Director & CEO. GHRD defines pay scale (remuneration packages) based on market information as well as adjustment of cost of living that is subsequently approved by the Board of Directors.
(Ref- Basel disclosure Page-209)

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

UPHOLDING OUR ETHICS

Our Mission

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



Our Vision

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

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

MTB Core Values (GRI 102-16)

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 the 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: As a bank, we are judged solely by the successful execution of our commitments; we expect and embrace this form of judgment. We are accountable for providing the highest level of service along with meeting the strict requirements of regulatory standards and ethical business practices.
- Agility: We can see things from different perspectives; we are open to change and not bound by how we have done things in the past. We can respond rapidly and adjust our mode of operation to meet stakeholder needs and achieve our goals.
- Trust: We value mutual trust, which encompasses transparent and candid communications among all parties.



MTB CODE OF CONDUCTS (GRI 102-17)

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

Code I: Our Vision

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

Code II: Uphold organizational mission

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

Code III: Adhere to the highest ethical standards

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

Code IV: Compliance with the laws & regulations

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

Code V: Relationship with & responsibilities to MTB

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

COMPLAINT MANAGEMENT IN MTB (GRI 418-1)

Having a structured complaint management system is of paramount importance for addressing complaints with specific emphasis on resolving such complaints fairly and expeditiously. The complaint management is a series of activities such as facilitating complaint lodgment, developing complaint recording system, complaint resolution process, root cause analysis of the complaints raised and necessary policy formulation. MTB SQD has a separate wing to handle and manage all types of complaints received through different channels.



Above the surface you see the
Symptoms
of the problem

Dig deeper to find the
Root Cause
of the problem

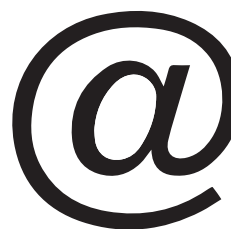


The complaint management team follows a systematic procedure to settle the complaints against any product or service of the Bank. MTB SQD is constantly working on identifying the loopholes through in-depth root cause analysis from the complaints' data mining and places those findings to the management for taking remedial actions. Future turns positive when effort is given to create it. We put our best efforts in 2019 and will continue to do so in the coming years to establish a culture, where people will move ream will be shaped up with the creation of a

culture of accountability, and, SQD, with the assistance of other departments and guidance from the senior management, will put all sincere efforts to build the culture to make our customers as repeat customers with full satisfaction, always!

If you have a grievance, please feel free to contact our Complaint Cell at the following address:

To,
Complaints Management Cell
Banking Operations Division
Mutual Trust Bank Ltd.
Corporate Head Office, MTB Centre, 26
Gulshan Avenue Gulshan 1, Dhaka
1212. Bangladesh



Email Address:
complaint@mutualtrustbank.com

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

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

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

Number of Complaints received through different channels	2019	2018
Email	31	33
Website	95	53
Contract Centre	19	11
Social Media	3	0
Letter	0	3
Total	148	100

Internal and External Mechanisms for Reporting Concerns on Whistle blowing Mechanisms or Hotlines

A customer can send complaint or feedback to any MTB branch. This feedback is generally processed by respective department/division. The unethical/unlawful matters of MTB employees are managed as per the MTB Code of Conduct. A. Qasem & Co., one of the leading Chartered Accountant (CA) firms of the country, and an independent member firm of Ernst & Young LLP (EY), is the external auditor of MTB and acts as the external whistle blower. Besides, MTB has a full-blown ICC Department (Internal Control and Compliance) which deals with control and compliance issues. ICC acts as the internal whistleblower of the bank. ICC has 05 units, namely, Audit and Inspection, Compliance, Monitoring, ISS Cell & System Audit Units, which are well-equipped with experienced bankers and system auditors

MTB Customer Charter

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

Customers' Rights:

1. Know the bank's rates of deposits and advances which are displayed on the notice board of the respective branches and also available on the bank's website www.mutualtrustbank.com
2. Know the latest schedule of charges, fees and commission which is displayed on the notice board of the respective branches and is available on the bank's website www.mutualtrustbank.com
3. Decide which value added services, such as, Internet banking, SMS banking, ATM services, etc. he/she would like to avail.
4. Know about the buying and selling rates of foreign currencies. 5. Information regarding 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 and in any other information including Transaction Profile (TP).
6. If the customers have any query, they should ask at prescribed desks, such as Customer Service Desk, Help Desk, Information Desk or Enquiry Desk.

For any queries on our products and services, please contact:


MTB Contact Centre

AT YOUR SERVICE, ALWAYS


just dial **16219** or **096040 16219**
from overseas **+880 966040 16219**



24
HOURS
a day



7
DAYS
a week



365
DAYS
a year

CUSTOMER AWARENESS PROGRAM (GRI-416)

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



Photo: Customer Awareness Program of MTB

ANTI-CORRUPTION

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES (GRI 205-2)

As part of the effort of combating corruption, promoting integrity and establishing good governance, the Government of Bangladesh has adopted National Integrity Strategy (NIS) of Bangladesh. A high-level National Integrity Advisory Council has been constituted for its implementation. Bangladesh Bank has been entrusted with the responsibility of implementing the National Integrity Strategy (NIS) in the country's financial sector. In line with the implementation of NIS, MTB has established MTB Integrity Strategy Implementation Unit. Additionally, the Committee is mandated with the task of identifying ways to protect the culture of loan defaults and promote consciousness with a view to reduce frauds, forgeries, irregularities and other sources of corruption across the Bank.

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

MONEY LAUNDERING & TERRORIST FINANCING RISK MANAGEMENT



Money Laundering (ML) and Terrorist Financing (TF) risk management have become a core component of bank's risk management fundamentals. With the passage of time in a rapidly evolving economic landscape, the risks emanating out of Money Laundering and Terrorist Financing are increasing. As the money launders continue to become more aggressive and finding newer techniques to use legitimate channels to indulge in illicit and illegal activities, it is imperative that the Country and its Banks and Financial Institutions continue to build and improve its Money Laundering and Terrorist Financing Risk Management platforms.

As a responsible country and a part of global network, Bangladesh has showed its indomitable resilience and commitment by creating a knowledgeable and potent investigative unit 'Bangladesh Financial Intelligence Unit (BFIU)'. BFIU has been providing constant guidance to the Financial Industry of Bangladesh through designing prudent and timely formulated regulations and policy guidelines over the years since its inception. As a responsible Corporate Citizen, MTB Board of Directors treat non-compliance of AML & CFT measures with "Zero Tolerance". MTB has been equipping itself through creating capabilities by deploying robust and extensive policy guidelines, imparting comprehensive training of human resources to build human capital and gradually moving into embracing world class technology tools to protect the bank and make the business more sustainable.

Highlights 2019

- The Central Compliance Committee (CCC), consisting of 15 members, met 4 times during the year, discussed AML & CFT measures and provided guidance to stakeholders.
- Under the supervision of the Chief Anti Money Laundering Compliance Officer (CAMLCO) and CCC, MTB Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) Division discharged their responsibilities throughout the year.
- Like every year, the Managing Director & CEO issued his statement of commitment regarding strategy, action plan, compliance and consequence of non-compliance in April.
- Revised the policy guideline in accordance with the international standards, laws of the land, guidelines, circulars and instructions issued by BFIU.
- Arranged 21 workshops/training programs, of which 17 workshops were on ML & TF Risk Management, one on trade-based money laundering, two on account opening and one for agents & agent employees. MTB arranged a BAMLCO Conference in April.
- MTB continued sanction screening against United Nations Security Council Resolution (UNSCR), Office of Foreign Assets Control (OFAC), adverse media and domestic sanction lists through automated screening tool.
- A total of 1185 employees received training on 'Anti-Money Laundering Risk Management' in 2019.

Outlook 2020 The fight against money laundering and terrorist financing is an evolving and never-ending process, with new challenges every day. MTB shall continue its Endeavour in such fight in 2020 with a strategy and program to

- Ensure practical implementation of MTB ML & TF Risk Management Policy Guideline approved by the Board of Directors and revise the policy guideline as appropriate.
- Develop workshop/training modules on e-learning.
- Design, develop and implement functional role driven advanced training
- Arrange BAMLCO Conference and workshop/training programs.
- Initiate project on e-KYC, Customer Due Diligence for existing clients & implementation of Unique Customer Identification Code (UCIC).
- Develop risk-based control framework and ensure implementation of the same.
- Launch automated sanction screening and transaction monitoring system to ensure control and facilitate offsite monitoring.
- Strengthen Risk Assurance Framework

PRODUCT AND SERVICE INFORMATION AND LABELING (GRI 417-1)

- MTB provides loans to various sectors and in some sectors, i.e. agricultural sector, green loans, SME sectors, loans to women, MTB loans have zero or less ecological impacts but more societal benefits such as job creation, protection of environment, women empowerment etc.

- Apart from that all MTB product information and recent rates and updates are circulated vide electronic notice through intranet called MNet among the employees.
- Product information for customers is served both at branch premises and the website. Branch premises also display different brochures and leaflets on product information, contents, limitation etc.
- Customers can call MTB's 24/7 Contact Centre for personal query
- Following information are displayed in prominent and visible places of the branch premises:



- » Interest rates on all deposit and loan products
- » Latest schedule of charges
- » Buying and selling rates of foreign currencies
- » Credit rating and financial information of the bank
- » Contact details of the bank's Central Customer Service and Complaints Management Cell
- » Banking hours and holiday notice

ECONOMIC



ECONOMIC PERFORMANCE OF MTB (GRI 201-1)

ECONOMIC VALUE ADDITION

Economic Value Added (EVA) is the financial performance measure that attempts to measure that true economic profit of an organization. It provides a measurement of the bank(s) economic success (or failure) over a period of time. Economic Value Addition (EVA) by the bank has been estimated at BDT 1,956.49 million for the reporting year of 2019.

STATEMENT OF MARKET VALUE ADDITION

Market value added (MVA) is a calculation that shows the difference between the market value of a company and the capital contributed by investors, both bondholders and shareholders. In other words, it is the sum of all capital claims held against the company plus the market value of debt and equity. As of end of reporting year, Market Value Addition is estimated BDT at 11,607.00 million.

Table: Market Value Addition of MTB (In BDT Million)

Particulars	Number of Shares	Value per Share	Total Value
Market Value of Shares Outstanding	703,459,446	BDT 26.50	18,642
Book Value of Shares Outstanding	703,459,446	BDT 10.00	7,035
Market Value Added		BDT 16.50	11,607

INDIRECT ECONOMIC IMPACTS (GRI 203- 2)

During the year 2019, through financing the existing and new clients MTB has created economic impacts in the following dimensions:

- Generation of job in market by hiring 288 new talents in 2019 of whom 230 were males and 58 were females.
- Contribution to economic growth by providing loans to both industries, development sectors and individuals.
- More revenue to the national exchequer from growth of businesses of MTB and its clients
- Empowerment of women by providing MTB Gunoboti and MTB Bhaggoboti loans to run their own businesses.
- Contribution to the financial inclusion with agent banking, school banking and 10-taka account services etc.

FINANCIAL INCLUSION

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way. Financial inclusion wants everybody in the society to be involved and participate in financial management judiciously.

There are many poor households in Bangladesh that do not have any access to financial services in the country. Even if they are aware of banks, many of the poor people do not have the access to get services from banks. They may not meet minimum eligibility criteria laid by banks and hence, they will not be able to secure a bank's services. These economically underprivileged people of the society may also not have proper documents to provide to the banks for verification of identity or income. Every bank has certain mandatory documents that need to be furnished during a loan application process or during a bank account creation process. Many of these people do not have knowledge about the importance of these documents. They also do not have access to apply for government-sanctioned documents.

Financial inclusion aims to eliminate these barriers and provide economically priced financial services to the less fortunate sections of the society so that they can be financially independent without depending on charity or other means of getting funds that are actually not sustainable. Financial inclusion also intends to spread awareness about financial services and financial management among people of the society. Moreover, it wants to develop formal and systematic credit avenues for the poor people.

Financial Inclusion Initiatives of MTB

- MTB School Banking
- MTB 10 Taka Account
- MTB Agent Banking
- MTB SME Financing for Women Entrepreneurs

MTB Financial Inclusion Initiatives

MTB SCHOOL BANKING

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

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



Table: MTB School Banking Campaign in 2019

School Banking Campaign in 2019

Division	Number of Schools	Boys' Participation	Girls' Participation
Dhaka	27	2332	2197
Chattogram	22	1560	1425
Other	10	875	750
Total	59	4767	4372

MTB 10 TAKA ACCOUNT

In September of 2010, Bangladesh Bank instructed public banks to help the ultra-poor open the Tk-10 accounts so that they can get the benefits of the safety net programs. Private commercial banks later followed suit of their state-owned peers. The use of the account has helped underprivileged people engage in various economic activities and change their lives.

The marginal and landless farmers, small shop owners, hawkers and people affected by river erosion now take loans under a Taka 200-crore refinance scheme of the central bank by using the accounts for an interest rate of 9.5 percent. MTB also has initiated MTB 10 Taka account for providing financial assistance to the underprivileged groups of Bangladesh.

Total Deposit amount in 10Taka Account as on December 2019 is given below

No. of 10 Taka Account Opened	2019	2018	2017
10 Taka Deposit Account number	5,987	4335	4,931
Deposit amount in 10 Taka Accounts (BDT)	11787817.57	9531451	17342600

MTB AGENT BANKING



Agent banking is a system of providing banking and financial services on a limited scale to the underserved population by way of agents under an agreement rather than a teller.

The central bank decided to promote this complimentary channel to extend a range of banking services to the unbanked and underserved segments of society, especially in geographically dispersed locations, as well as existing bank customers. The convenience of agent banking outlets and various kinds of products and services such as loans, deposits, bill payments and foreign remittance disbursement etc. encourages more customers to banking under agent banking system.

Table: MTB AGENT BANKING AT A GLANCE

Particulars	2019	2018
Number of agent banking outlets	40	50
Number of account opened	24272	17245
Deposited amount (in BDT)	1163454410	566403790
Disbursed foreign remittance amount (in BDT)	905233288	608422061

MTB SME Financing for Women Entrepreneurs

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



MTB Bhagyabati and MTB Gunabati, the two innovative financial products for women entrepreneurs, have strong presence in the country's credit market for their unique features and easy access to financing. MTB has established Women Entrepreneur Development Unit (WEDU) to help the women in business and bring them under credit access.

Table: Financing for Women Entrepreneur in BDT Million

Topic	2019
Outstanding of Women Entrepreneurs	2136.00
Disbursement of Funds to Women Entrepreneurs	110.80

SME FINANCING: SECTOR SPECIFIC DISBURSEMENT

In BDT Million					
		2019		2018	
SL	Sector	Disbursement	Outstanding	Disbursement	Outstanding
1	Crops	1,747.91	1,521.38	354.91	186.51
2	Fisheries	318.55	344.51	38.41	35.28
3	Livestock	702.16	612.66	253.67	155.07
4	Irrigation Tools	0.00	0.00	0.00	0.00
5	Agricultural Tools	111.18	86.70	25.91	26.13
6	Crop storage	0.00	1.53	0.00	0.00
7	Poverty Alleviation	148.87	109.78	0.00	0.00
8	Spices & others	0.55	0.55	2.05	2.07
9	Others	160.63	104.00	38.48	17.93
Total		3,189.85	2,781.11	713.44	423.00

GREEN FINANCING THROUGH MTB GREEN ENERGY

MTB has its own developed green finance product named MTB Green Energy loan. It promotes investment in renewable energy sectors with the aim of reducing carbon footprint in the country. Other than that, MTB also follows Bangladesh Bank (BB) guideline of 52 green products for providing green loans to its customers. Some of them are solar irrigation, brick field, vermicomposting, green industry, ETP, energy efficient machinery etc.

PROCUREMENT PRACTICES OF MTB

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

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



ENVIRONMENT



ENERGY

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GRI 302-1)

The bank consumed 45 million mega joules of energy in 2019 by using fuels, natural gas and electricity. In banking business, there is no scope as of date to consume energy outside of the organization's premises.

Table: Energy Consumption of MTB in 2019

Fuel/ Source Type	Total Unit	Megajoules
Electricity	9,998,646.57	35,993,633.35
Diesel (LTR)	150,995.76	5,781,673.57
Octane (LTR)	65,559.62	2,201,404.93
Natural Gas (m ³)	33,979.03	1,301,471.15
Toatl	10,249,180.97	45,278,182.99

Conversion source:

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

Table: Energy Intensity (302-3)

The scope of the following energy intensity table is within organization (Bank only) and total employee is considered as denominator while calculating the energy intensity of MTB-

Fuel/Source Type	Total Consumption (Megajoules)		Per Employee Power Consumption (Megajoules)		Per Day Power Consumption (Megajoules)	
	2019	2018	2019	2018	2019	2018
Electricity (KWH)	35,993,633.35	32,795,080.63	15,408.23	15,469.38	98,612.69	89,849.54
Diesel (LTR)	5,781,673.57	6,301,577.92	2,475.03	2,972.44	15,840.20	17,264.60
Octane (LTR)	2,201,404.93	2,363,259.41	942.38	1,114.75	6,031.25	6,474.68
Total	43,976,711.85	41,459,917.96	18825.65	19,556.6	120484.14	113,588.82

MTB's Solar Power Capacity

MTB has installed solar power panels at its Corporate Head Office, branches and ATM booths. By 2019, total capacity installed is 44.6 KW of solar panels that reduce total power consumption by the bank.

Table: Solar Power Capacity of Branches In 2019

Branch	Solar Power Capacity
MTB Centre	5000 W
MTB Tower	36000 W
MTB Ishwardi SME/Agri Branch	720 W
MTB Belkuchi SME/Agri Branch	720 W
MTB Hasnabad SME/Agri Branch	720 W
MTB Sarulia SME/Agri Branch	720 W
MTB Syedpur SME/Agri Branch	720 W
Total	44600 W

REDUCTIONS IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES (GRI 302-4)

Banking through SMS

SMS banking service provides instant notification about clients' transactions as and when those take place. It helps them to keep a watch on their accounts with a round-the-clock service. Every debit or credit in their accounts is disclosed by SMS. MTB SMS banking offers basic banking services to customers for a very little use of energy. MTB SMS banking enables MTB to send and its customers to get their account information by using little energy compared to the traditional way of getting account information by visiting branches.

আর নয় অপেক্ষা MBot দিবে ঝটপট সেবা

এমটিবি'র ব্যাংকিং সেবা সংক্রান্ত তথ্য তাৎক্ষণিকভাবে জানাতে সব সময়
আপনার পাশে আছে এমটিবি'র ডারুচ্যুয়াল অ্যাসিস্ট্যান্ট MBot



MBOT-র সাথে চ্যাট করতে
স্ক্যান করুন



16219

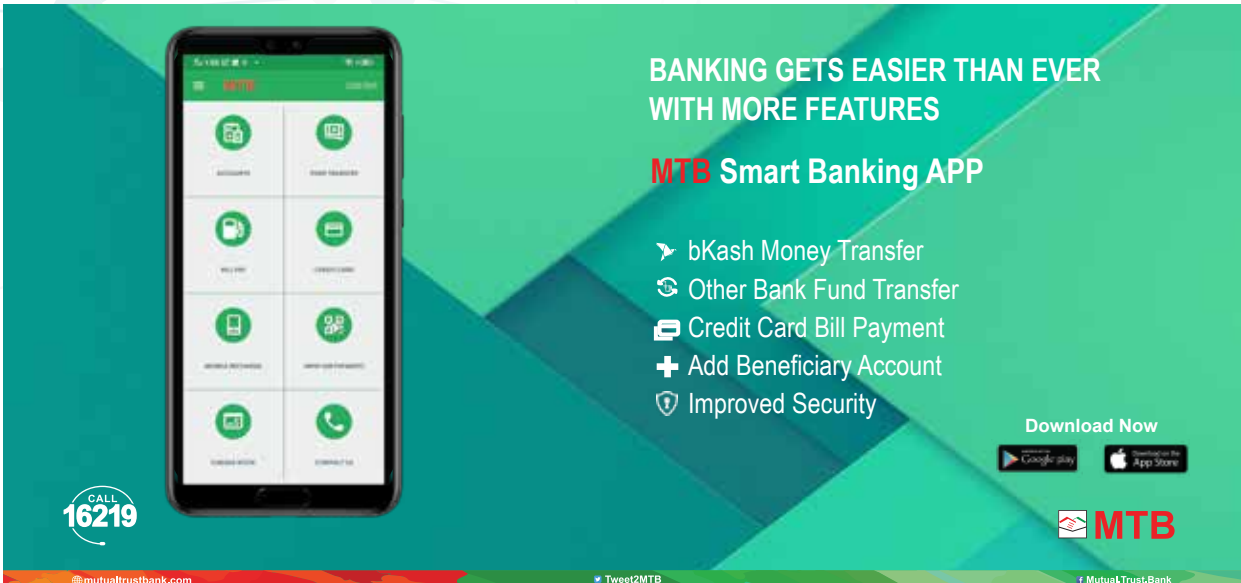
Mutual.Trust.Bank

mutualtrustbank.com

Table: SMS Sent for Information

Topic	2019	2018
Number of Balance Check Messages Sent	28,243	27,111
Number of Transaction Alert Messages Sent	5,328,704	4,680,479
Number of Mini Statement Check Messages Sent	4,796	4,576

Internet Banking Facilities



BANKING GETS EASIER THAN EVER WITH MORE FEATURES

MTB Smart Banking APP

- bKash Money Transfer
- Other Bank Fund Transfer
- Credit Card Bill Payment
- Add Beneficiary Account
- Improved Security

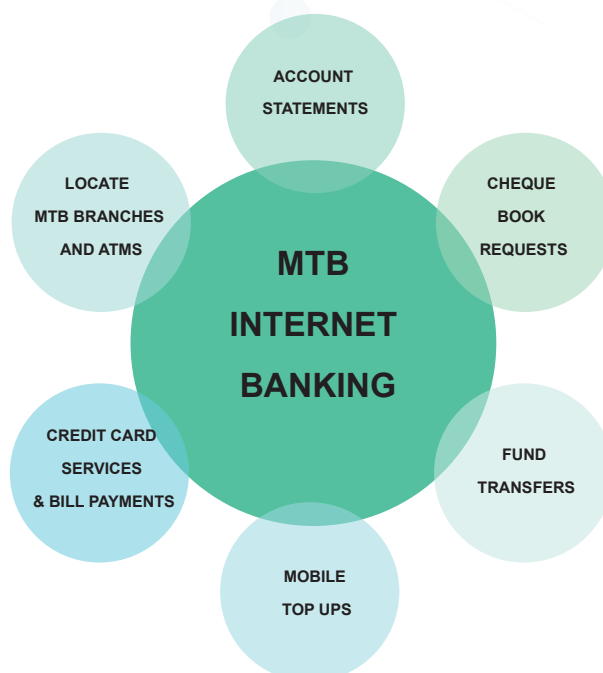
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MTB is continuously working to offer new and improved services. As part of this endeavor, MTB has introduced Mobile App for Smartphone devices, which allows constant access to customers' accounts. This value-added service will enable customers to make selected financial transactions, through mobile phone, from anywhere in the world. Any customer can avail the following cutting-edge services.



Our internet banking platform is secured by state-of-the-art two factor authentication (2FA) system. MTB has its own app for internet banking through smart phones that run on both android and apple operating systems. The app is freely available for download at Google Play Store and iTunes.

Table: Internet Banking

Topic	2019	2018
Internet Banking Users	29,712	24,433
MTB App Users on Mobile and Tab	14,202	9,972

Table: E-Statement

Topic	2019	2018
Number of E-statements Delivered to Customers through Email instead of Using of Papers Traditionally	1,96,424	1,65,173

Enhancement of the Corporate Intranet

The bank has an exclusive and very effective intranet system, M-Net, for internal communication, information sharing, employee education and electronic recording process. It has features like e-notice board, online leave management facility, e-dispatch, and e-attendance for the employees. Circulars of Bangladesh Bank (BB) and MTB are instantly circulated through M-Net. Most of the communications within the bank have become absolutely online. Electronic communication substantially reduces paper consumption, thereby reduces deforestation. To further reduce paper consumption, various information is posted on the intranet with the aim to increase employee awareness on the subjects. All MTB outlets across the country send e-cards during festivals, e-statement, electronic format of vouchers and other necessary documents through e-mails. MTB encourages its clients to communicate and to send documents through e-mails with a view to avoiding papers. MTB Corporate Intranet was officially launched on August 21, 2007 and holds various applications.

TABLE: VARIOUS GREEN FACILITIES PROVIDED BY M-NET

Name of the Facilities	Name of the Facilities
Retail Business Dashboard	AML and CFT Screening
Bangladesh Bank Circular	Online Requisition
Training Calendar	Event Photo Album
E-Nomination	Branch Homepage
Dictionary	MTB Trivia (Quiz)
Training Attendance	Utilites
Training Invitation	MTB News
Training MIS	E-Attendance

Auxiliary Staff Bill Management	MTB E-Learning
MTB Notice Board	Forex Rate
Department Homepage	My Deposit Contribution
My Profile	Suggested Quote
Top 10 branches of the day	Top 10 products of the day
Top 10 MTBians of the day	iMail with Message Readability Tracking
Lien Marketing	Interest Rate Change
Daily Forex rate	UN Sanction Screening
Fresh Deposit Tracker	Dashboards of Staff Anniversary, Staff on Leave, BACH-EFT Dashboard, EFT Pending etc
News Headlines	Info & Archives
Recent Transfers & Releases	CBS
Retail Business Dashboard	SME Business Dashboard
MAB Business Dashboard	Ask & Learn
Internet Banking	Finance Glossary
Remittance	Bill Collection
SMS Banking	MTBian's News
Out of Office (OD/OT Marking)	Doctor's Requisition
Ongoing Campaign	Subsidiaries
Ready Reference	M-tracker
Downloads	MTB Policies & Guidelines

M-Net has saved a large number of paperwork equivalent 30,086,717 sheets, 60,173.43 reams of A4 paper, which is equivalent to saving 1,089,139.16 KWH of embodied energy and 679.62 tons of associated CO2 emission.

Table: Energy Savings by Less Consumption of Paper

Item	2019	2018	2017	Unit
Automation in Services Saved Paper by	150.43	126.26	57.58	M. Tons
Total Embodied Energy of the Paper Saved	1,089,139.16	914,123.18	416,849.90	KWH
Carbon Dioxide (CO ₂) Saved in Producing the Above Energy	679.62	570.41	260.11	M. Tons of CO ₂
Total Paper Saved by Automation, Equivalent to	522.00	438.12	199.79	Tons of Woods

Total Paper saved by Automation, Equivalent to	3,654.03	3,066.86	1,398.52	Trees
Total Paper Saved by Automation, Equivalent to	5,821.78	4,886.27	2,228.19	btu energy

Land and Forest Ecological Footprint	2019	2018	2017
Saved Land Equivalency Factor (gha)	180.78	151.73	69.19
Saved Forest Footprint (gha)	1,724.87	1,447.70	660.17
Total Ecological Footprint (gha)	1,905.65	1,599.43	729.36

EMISSIONS

Direct Greenhouse Gas (GHG) Emissions (GRI 305-1)

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

Energy	2019
Electricity	7,029.05
Diesel	404.11
Octane	153.91
N Gas	65.45
Total	7,652.53

Conversion Standards:

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
<http://www.convertworld.com/en/>

Reduction of Greenhouse Gas (GHG) Emissions (GRI 305-5)

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

Energy Items	2019
Electricity	3.01
Diesel	0.17
Octane	0.07
Natural Gas	0.03
Total	3.28



Table: Greenhouse gas (GHG) Emission Intensity (GRI 305-4)

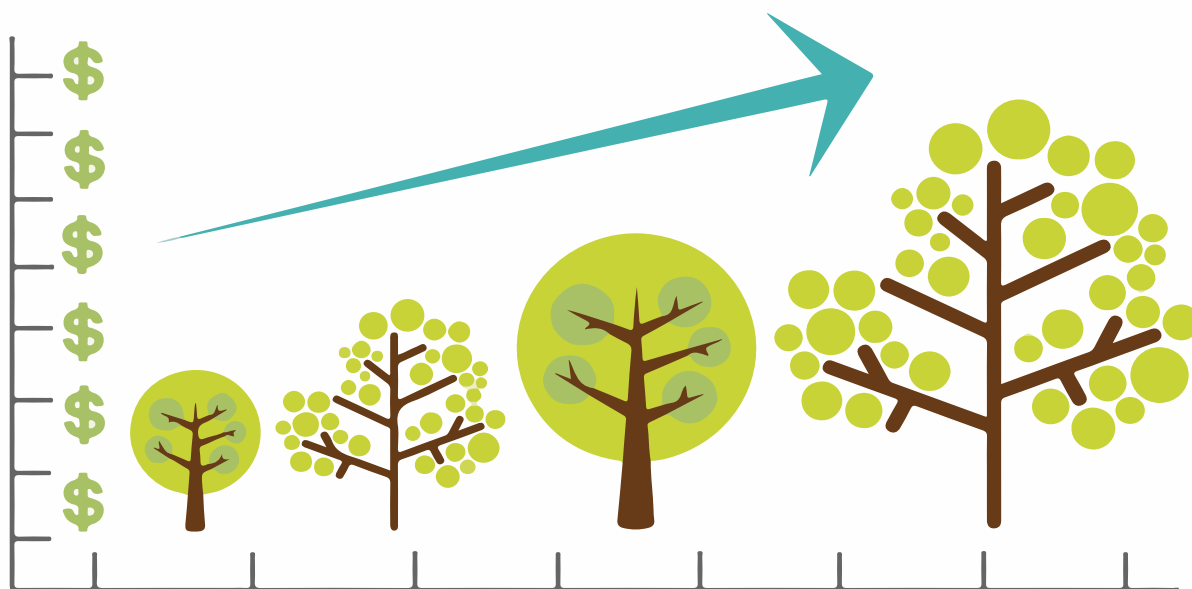
Category	2019
M Tons of CO2 Emissions/Employee	3.28
M Tons of CO2 Emissions/Day	20.96

Other Green Banking Initiatives

Automated Banking	2019	2018
Number of ATM	302	268
Number of MTB's POS machines on market	3101	3140
Number of SMS banking users	190498	146252
Number of internet banking users	29712	24433
Number of MTB Mobile App users	14202	9972
Number of branches powered by solar energy	9	9
Number of ATM booths powered by solar energy	7	7

MTB'S GREEN INITIATIVES

Sustainable Banking



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

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

MTB is committed to a sustainable business practice – a banking business practice that is socially responsible, environmentally friendly and economically viable. This practice is sometimes referred to as responsible business practice and more commonly termed as Corporate Social Responsibility (CSR) practice. It implies that MTB will not undertake any activity that will have environmental footprint, social injustice and economic loss for its stakeholders.

While continuing responsible business practices, MTB, being a corporate citizen, cannot ignore corporate philanthropy which includes monetary donations and aid to nonprofit organizations and communities. Donations are made currently and in areas such as the arts, education, housing, health care, social welfare, disaster management and the environment, among others, but excluding political contributions and commercial event sponsorship.

MTB, being a commercial bank, does not operate factories or power plants which release pollutants to the environment - air, water, soil, natural vegetation, biodiversity etc. - nor does its supply chains require huge amounts of raw materials with large environmental footprints. In fact the perceived sum of the bank's impact might be simply the resources used in its administrative offices, branches, banking booths, ATM booths, Kiosk centers, sales offices, agent banking centers, etc. and IT facilities.

Due to the emerging need of sustainability all around the globe, many countries officially adopted a historic new agenda, entitled "Transforming Our World: The 2030 Agenda for Sustainable Development," which was agreed upon by the 193 Member States of the United Nations, and includes 17 Sustainable Development Goals (SDGs). Its implementation will help achieve overall development plans, reduce future economic, environmental and social costs, strengthen economic competitiveness and reduce poverty. The SDGs will serve as guidelines for businesses to assess and manage social, economic and environmental risk, while contributing to bettering their reputation, image and their strategic position in the world's markets. The UN SDGs will help us create a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

The SDG goals are-

- GOAL 1: No Poverty.
- GOAL 2: Zero Hunger.
- GOAL 3: Good Health and Well-being.
- GOAL 4: Quality Education.
- GOAL 5: Gender Equality.
- GOAL 6: Clean Water and Sanitation.
- GOAL 7: Affordable and Clean Energy.
- GOAL 8: Decent Work and Economic Growth.
- GOAL 9: Industry, Innovation and Infrastructure.
- GOAL 10: Reduced Inequalities
- GOAL 11: Sustainable Cities and Communities
- GOAL 12: Responsible Consumption and Production
- GOAL 13: Climate Action
- GOAL 14: Life below Water
- GOAL 15: Life on Land
- GOAL 16: Peace and Justice
- GOAL 17: Partnerships for the Goals





Although, MTB through its own operations/ activities and its supply chains does not generate significant pollutants, its financed projects/ facilities, activities, businesses might have large environmental footprints and social impacts. MTB will explicitly promote MTB's sustainability performance and its products and services that reflect MTB's sustainability values. Such as-

- MTB will defend human rights
- MTB will support community fair trade
- MTB will protect planet
- MTB will raise funds to promote global awareness of issues
- MTB will never demean any gender/race
- MTB will reduce the consumption of paper to save green trees
- MTB will encourage the use of paper with recycled/ sustainably harvested products where use of paper is mandatory

GREEN BANKING

Green banking is a pro-active way of energy conservation and environment protection. Green banking means promoting environment friendly practices, reducing the carbon footprints and related socially adverse actions generated from banking activities. It aims at improving the operations and technology along with making the clients habits environment friendly in the banking business. Green banking considers all the social and environmental factors to keep the environment green and to minimize greenhouse effects through rationalizing strategies, policy, decisions and activities pertaining to banking service, business and in-house operational activities.



Green banking promotes environmentally friendly practices and thus help reduce carbon footprint from banking activities. Being a responsible corporate citizen and in line with the instructions of Bangladesh Bank, MTB has designed its ESRM Policy with an aim to inculcate practices that make every effort for environmentally friendly activities. MTB promotes green banking to reach the long-term strategic objective to be a green, triple bottom line bank where every decision will be taken considering people, planet and profit in mind.

MTB'S ACTION PLAN FOR GREEN BANKING



The core business model of MTB clearly expresses its sustainability towards environment and unveils its eco-friendly motives. The bank's green banking initiatives include online and paperless banking, reduction of greenhouse gas emissions, mapping bank's carbon footprint, efficient energy use, environment friendly projects, plant nursery, horticulture projects etc. The prime benefit of the green banking approach by MTB is the protection of the natural resources and the environment. Green banking activities encourage MTBians to avoid paperwork to the optimum level and focus on electronic transactions like use of ATM, mobile banking, online banking etc. for various banking transactions by the customers. Electronic transaction not only paves the way towards sustainability but also provides convenience to the customers as well as to MTB. Less paperwork denotes less cutting of trees. For implementing eco-friendly business, MTB has adopted environmental standards of lending as it improves the asset quality of the bank. The green activity of the MTB has a very significant influence on the environmental performance of MTB clients. This encourages the clients to perform in an environment friendly way. Apart from this, green banking activities of MTB enhances the reputation of the bank itself and helps MTB face the environmental regulations in successful way and eventually leads to better legal risk management. MTB, as a matter of fact lends green loan to the clients at a low rate of interest which promotes entrepreneurs to start with environment friendly projects and thus it leads to more awareness on the environment protection activities in the economy. It is therefore a win-win approach by MTB as it not only benefits the environment but also the MTB & its customers.

MTB Green Office Guide

MTB's "Green Office Guide" deals with all the in-house environmental issues, responsible usage of energy (electricity) and water, consumption of paper and maintenance of a hygienic in-house office environment. The guide aims to provide its stakeholders with a clear, concise information about environmental issues and a list of steps needed to follow to create a greener office environment and cut cost at the same time. "MTB Green Office Guide" comes with pictorial demonstration for better understanding of the readers. In order to promote green office practices all MTB employees follows basic 3R rule –

- Reduce
- Reuse
- Recycle

MTB's Green Marketing Communication Tools

- Marketing through electronic media
- Marketing through Word-of-Mouth
- Marketing through SMS Banking
- Internet Banking & Mobile Banking Facilities
- Green Advertising
- MTB Green Events

MTB organizes green events like observing World Earth Day, World Environment Day in befitting manner for creating awareness regarding green banking for its internal and external stakeholders.

MTB's Green Marketing System

Green marketing is the marketing of products that are presumed to be environmentally safe. MTB will emphasize more on selling products and/or services based on environmental benefits. Several such products and services like Debit card, Credit Card, Internet banking, Internet recharge for mobile, SWIFT, Call center, Online banking, SMS banking etc. will be promoted through vigorous advertisements in both the electronic media. The virtual world of communication will be used as the means of promoting the bank's environment friendly products and services. Use of digital brochure, leaflet, banner, flag, festoon, dangler, Billboard and alike means of advertising will be used to popularize the green products of the Bank. MTB will use the occasion of opening ATM Booths and branches to popularize the MTB's environment friendly products and services. Clients will be encouraged to modify their product lines, set up modern machinery from the environmental viewpoint by MTB.

MTB Green Building

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

Automated Banking	2019	2018
Number of ATM	302	268
Number of MTB's POS machines on market	3,101	3,140
Number of branches with online banking	118	114
Number of SMS banking users	190,498	146,252
Number of internet banking users	29,712	24,433
Number of MTB Mobile App users	14,202	9,972
Number of branches powered by solar energy	9	9
Number of ATM booths powered by solar energy	7	7

INVESTING IN OUR EMPLOYEES

MTB GROUP HUMAN RESOURCES (GRI 102-8)

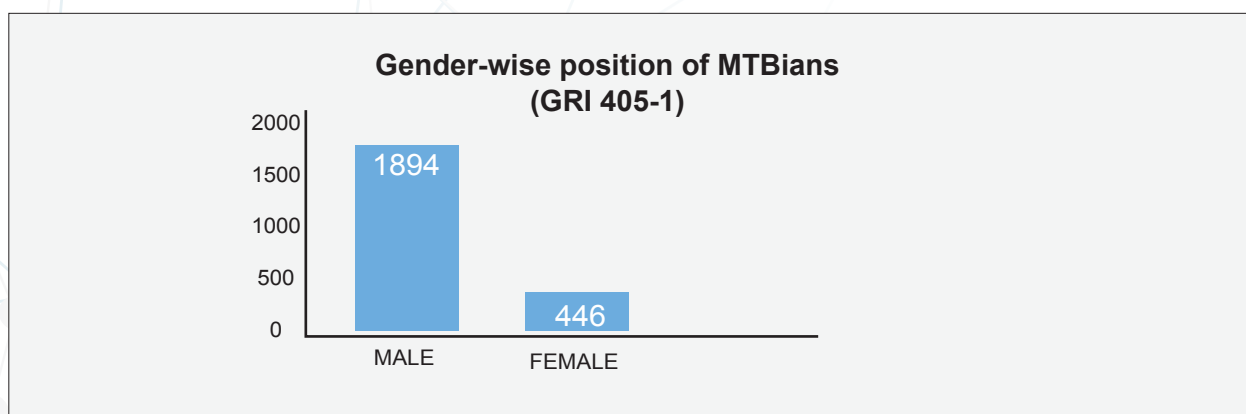
MTB considers human resources as the strategic partner who play the key role in the success of the organizations. MTB has clearly set mission, vision and strategies, which can be materialized if right people with right attitude and skills are acquired and placed accordingly. MTB Group Human Resources (GHR) takes further initiatives to confirm that employees are continuously inspired to work towards achieving organization's shared goals. The policies and practices of GHR have been designed to gear up the MTBians to face the future challenges and empower them in achieving the desired objectives. GHR is putting its maximum efforts to develop the existing workforce to the optimum level of their competency and acquire the best talents from the industry, who will move the bank forward keeping the bank's vision at the core of heart. Contributions made by the GHR in shaping its human resources to its finest form in the year 2019, was phenomenal.

Inspiring MTBians to Shine

Human resources with right attitudes can build up the most valuable assets for a bank to put the organization on a competitive advantage, which becomes impossible for other players in the industry to duplicate. In the year 2019, MTB took an approach called “Shining.” GHR has supported this strategy by designing and conducting its activities being aligned with the theme. ‘Shining’ aiming at setting a shining example of every corner of its financial service excellence required for it to become the brightest star in the night sky like the Sirius. GHR confirms that the employees are educated about the guidelines to be followed for achieving the goal of Shining. ‘Code of Conduct’, ‘MTB 3V’, and ‘MTB Winning booklets’ are made available for every MTBians. Today’s ardent employees are tomorrow’s leaders. GHR paid special attention to guide the employees through different approaches to act on the Shining theme.

Achieving Diversity at Workplace

MTB desires to create synergy through employing diverse group of people. Workforce diversity prevents creation of any glass ceiling and gets better output from different views and opinions. GHR has been vigilant in not being prejudiced and making selection of candidates solely based on talents, who are best fitted for the organization. Maintaining gender ratio at a reasonable level is another target of MTB GHR. More and more females are joining the workforce in Bangladesh and MTB also encourages female participation in its operations at different levels of management. MTB has taken the initiatives to put females in leadership position and bring parity in the workforce. GHR gives special attention so that female candidates get proper scope just like the male candidates. Female employees hold diversified ranks ranging from officers to executives. The workforce of MTB group stood at 2,340 by the end of 2019. Gender-wise position of MTBians as on December 31, 2019 is shown in the graph below:



As MTB gained more popularity as the employer of choice, the number of MTBians has also increased during the year 2019. At December 31, 2019, 2340 employees remained with MTB with 19% of female staff. The table below shows rank and gender composition of MTB employees-

Ranks	No. of Male Staff	No. of Female Staff	Total Staff	Percentage of Composition
Executive	304	32	336	14.36%
Mid-Level Officer	420	87	507	21.67%
Junior Level Officer	1146	325	1471	62.86%
Non-Officers	24	2	26	1.11%
Total	1894	446	2340	100%

Table: Total Number of Employees in 2019 by Age, Gender and Managerial Position

Total employees	Executive		Non-Executive		Total		Percentage of Total Employees	
	Male	Female	Male	Female	Male	Female	Male	Female
Below 30 years	0	0	211	87	211	87	9.03%	3.72%
30 years to 40 years	39	9	1007	250	1046	259	44.78%	11.09%
40 years to 50 years	181	20	352	75	533	95	22.82%	4.07%
50 years and above	83	3	17	2	100	5	4.28%	0.21%
Total	303	32	1587	414	1890	446	80.91%	19.09%

Table: Total New Recruitment in 2019 by Gender and Age Group (GRI 401-1)

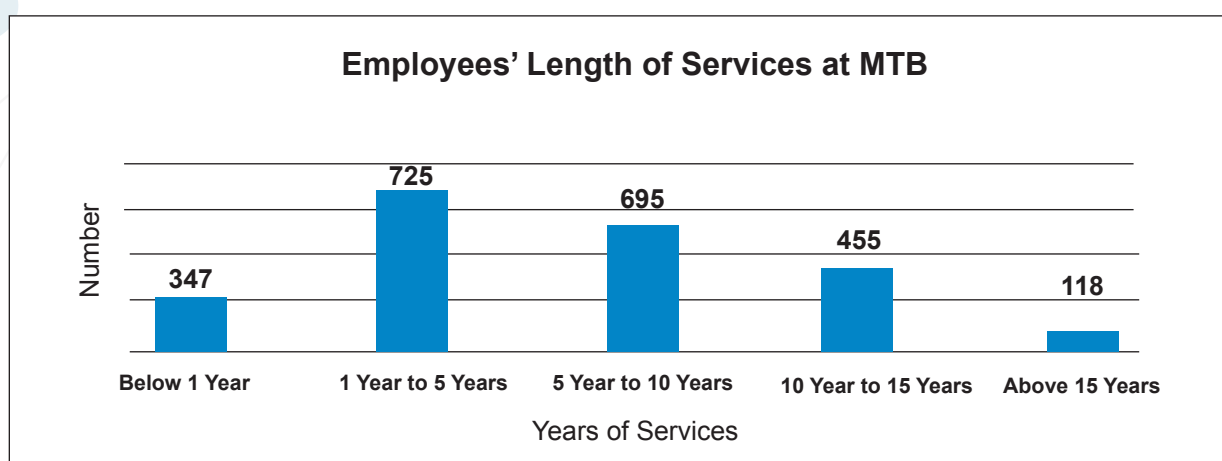
Age Group	Male	Female	Total	Percentage
Below 30 years	211	87	298	12.76%
30 years to 40 years	1046	259	1305	55.86%
40 years to 50 years	533	95	628	26.88%
50 years and above	100	5	105	4.50%
Total	1890	446	2336	100%

Building & Retaining Human Capital

The organization is marching towards growth over time, resulting in increased volume of operations, and becoming a stronger contender in the industry. Adhering to the goals, MTB GHR designs recruitment programs to fill in the human capital requirements where necessary, with the best fit talents. The target is not only to acquire qualified human resources but also to build a loyal team who will make the goal of the bank as own individual goal and work likewise.

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

Employees' length of service with MTB as of December 31, 2019 is presented in the chart below:



Policy Driven HR Practices

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

Systematic Employee Evaluation

Employees are evaluated continuously through performance management model, supporting professional certification, self-driven development initiatives, training participations, etc. GHR developed employee performance management model with the purpose of keeping the employees inspired to be always striving for producing the best results. The performance evaluation system creates bridge among internal human capital and the strategic goal achievement for the bank.

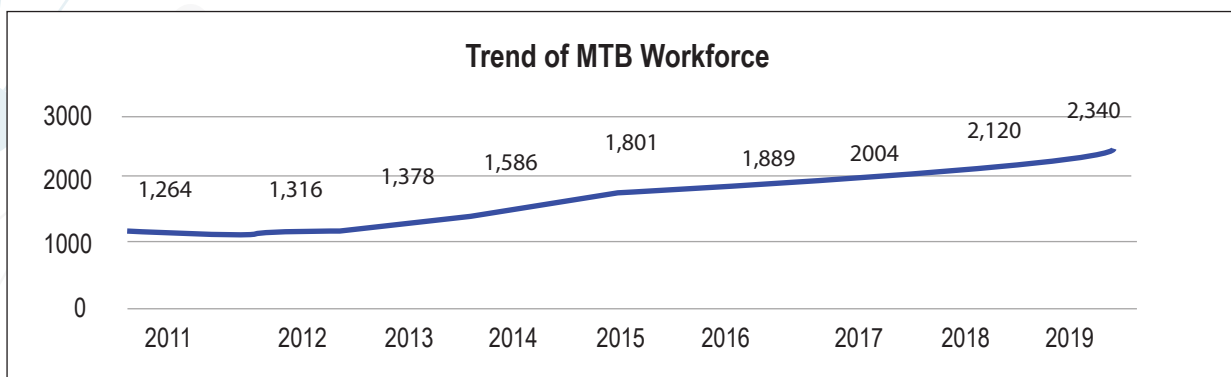
Performance evaluation process starts with taking input from the employees, where they themselves declare the expected output to be achieved during the year. There are certain criteria that objectives must possess, which are called SMART (Specific, Measurable, Achievable, Realistic & Time bound).

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

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

Holistic Initiatives to Identify, Select and Building Catalyst Human Capital

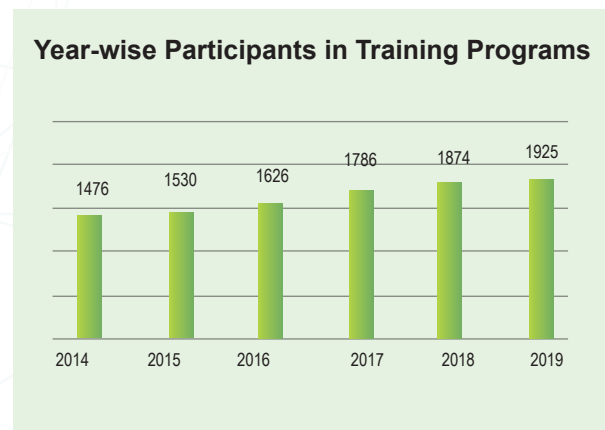
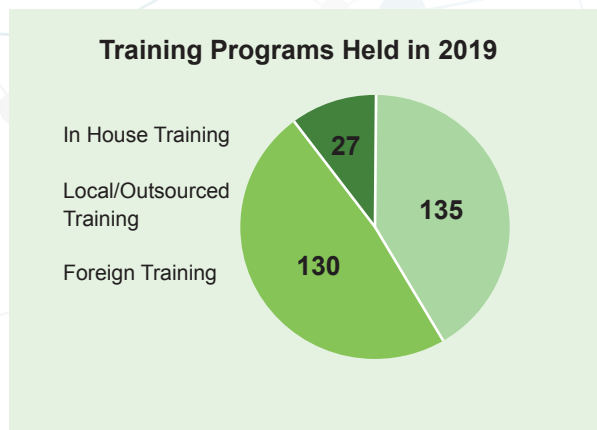
Building a catalyst arsenal of employees, who will become the game changer in the industry in later times is the ultimate goal of GHR. MTB realizes that if right quality of people are taken onboard and are nourished over time, they will grow the capability to take the organization to the pinnacle of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



Training and Development Programs for Enhancing Capacity of Human Resources (GRI 404-2)

Identifying training requirements and conducting the training on timely basis is another major responsibility of MTB GHR. GHR ensures that every new employee has the basic and in-depth knowledge on the banking operations and an employee has the capability to handle any complex situation related to providing banking services. Training programs and workshops are conducted so that employees can learn about banking regulations, cyber security, AML & CFT matters, compliance issues to abide by, and banking code of conduct.

GHR prudently schedules training programs to cover all the 116 branches across the country to maintain standard quality at every level of the bank. Trainings are provided at different zones and also at the MTB Training Institute. During 2019, total 292 training programs were conducted and 1925 MTBians participated in those programs.



Photos: Trainings in MTB in 2019



MTB HR Benefits

MTB believes that quality services will be provided by the employees only when they receive the best packages compared to industry peers. To uphold its truly world class status, MTB GHR designed one of the competitive compensation packages for the employees along with fringe benefits and perquisites.

There are structured compensation packages and benefits, which are implemented through policies approved by the are developed with an aim to keep the employees motivated and engaged, thus they include recognition and rewards for holding professional degrees, such as incentives are provided for passing IBB Diplomas. Acknowledgment of achievements by any MTBian or children of MTBians are rewarded for good deeds. There are also other ways of engaging employees to the core of the organization. Established benefits for employees are:

- Life and Health Insurance for MTB Employees
- MTB Employee Provident Fund
- MTB Welfare Fund
- MTB Medical Assistance Fund
- Reward for Good Deeds in Terms of Integrity
- Incentives for IBB Diploma Holders
- MTB Gratuity Scheme for Employees
- Mandatory Medical Checkup
- Recognition of Meritorious Children of MTBians

The bank also initiated health insurance coverage (Guardian Life Insurance) for the employees and their families to protect them from any unwanted health related liabilities while they are in service and even after that.

Employee Health & Safety (GRI 403-1,403- 3)

Health and safety of MTBians are given prime importance at MTB. There are around 2,340 employees working at the bank. MTB has many schemes to ensure health status of employees, engage them into lifestyles to enhance mental and physical well beings.

The organization has a medical assistance fund and every employee, temporary and permanent, is entitled to receive benefits of the fund for self and family members. The offices and branches are well equipped with first aid kits for emergency issues. In addition, Group Insurance coverage for the employees and their family is in place.

MTB provides doctor appointment facilities to all of its employees. Apart from that, first aid box and emergency kits are available in every MTB floor for the safeguard of MTBians. Other than government holidays, MTB employees are entitled to thirty days earned leaves annually, including fifteen days of mandatory leave. Other than that, employees can avail ten days of casual leave throughout a year. Female employees have the opportunity to get six months of maternity leave to enjoy their motherhood at ease.

To enhance employee engagement and for mental refreshment, MTB arranges programs like cricket carnival, football fiesta, indoor games, celebration of Pahela Boishakh and Women's Day, etc.



Photo: MTB Football Carnival 2019



Photo: Celebration of Women's Day in MTB

Also, employees can share their personal news on MTB intranet (MNet), for increased connections with fellow colleagues.

Neatness and cleanliness are encouraged and practiced throughout the bank branches and offices for health and hygiene issues. MTB also has a business continuance plan and data center backups. Offices are well designed for tackling hazardous situations such as fire and an earthquake. Regular fire drills are conducted at the head offices to train the employees and test the effectiveness of fire safety measures.

Benefits provided to full-time employees that are not provided to temporary or part-time employees (GRI 401-2)

MTB employees get a structured salary as well as life insurance, health care, parental leaves, retirement fund facilities, employee car loans, employee credit cards etc. MTB does not discriminate employees based on salaries and benefits. MTB does not have any part time employees but contractual employees. During the contractual period, contractual employees are entitled to have salaries and fewer benefits. However, contractual employees get a chance to become full-time employees time to time and upon becoming full-time employees, such employees are entitled to have full benefit coverage of MTB.

Parental Leave at MTB (GRI 401-3)

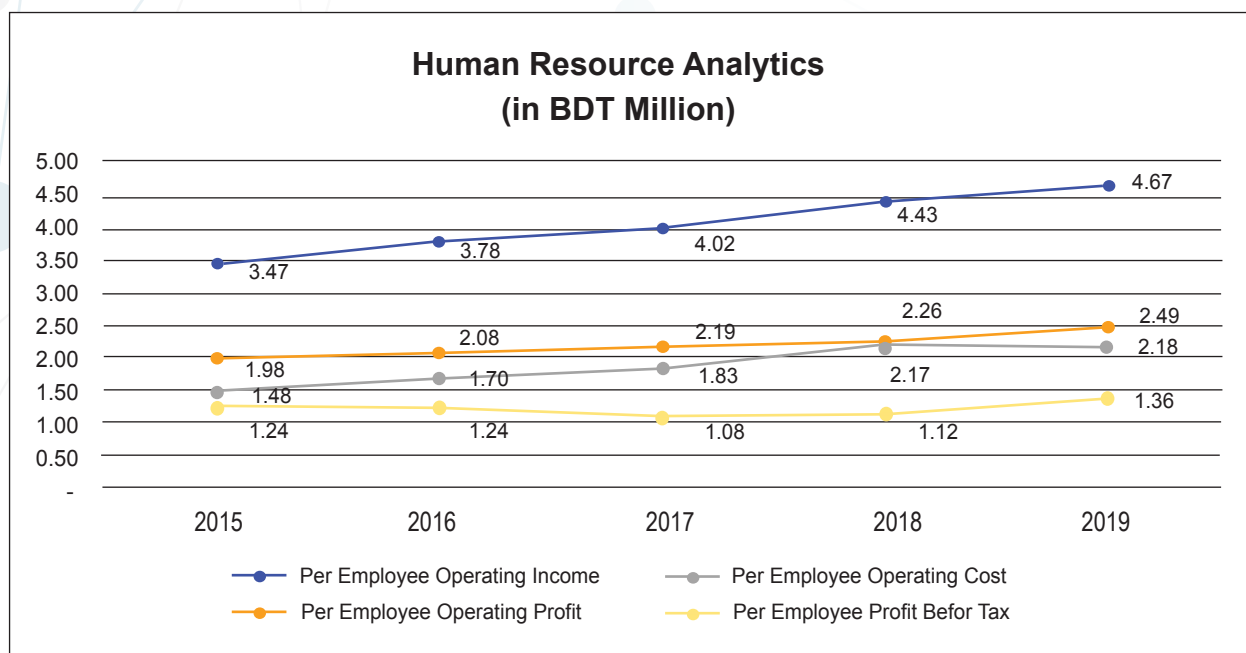
Every female employee who is expecting a baby, is entitled to have a maternity leave of 6 months.

Human Resource Accounting

Human Resource Accounting (HRA) can be a powerful tool for analyzing and allocating one of most crucial capitals of an organization, the "Human Resource Capital". To ensure growth and development of any organization, the efficiency of people must be augmented in the right perspective. Fundamentally, HRA involves accounting for the company's workforce as capital that provide future benefits. Our HR policies and procedures are carefully articulated to ensure human resource value gets appreciated over the period of time provided placed, applied and developed in the right direction.

In principal, following variables are considered for HRA:

1. Total Value of Human Resources
2. Number of Employees
3. Human Resources Policy
4. Employee Categories
5. Management Succession Plan
6. Employee Benefits
7. Performance Recognition
8. Training and Development



With the above metrics, we analyze employees' productivity and all the metrics show upward trend till December 2019. As at December 2019, total number of employees were 2,340, who were working as permanent employees of the bank. In 2019, per employee operating income was BDT 4.67 Million, which is 5.42% higher than the previous year. Per employee operating cost rose by 10.18% to BDT 2.49 million and per employee operating profit was BDT 2.18 million, an increase of 0.46% than previous year, whereas per employee profit before tax marked at 1.36 million, which increased by 21.43%.

COMPENSATION AND BENEFITS (GRI 201-3)

Table: MTB Employees' Service Benefit Fund-2019

Name of the Funds	No. of Employees Benefited	Total Disbursement in BDT
Employees' Provident Fund	42	43,654,556
Employees' Gratuity Fund	21	31,708,518
Employees' Welfare Fund	84	1,842,000
Employees' Medical Assistance Fund	259	6,017,000
Employees' Death Benefit Plan	2	5,202,000
Total	408	88,424,074

EMPLOYEE BENEFIT SCHEME



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

a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly, a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part-B of the First Schedule of Income-tax Ordinance, 1984. The recognition took effect from 30 April 2001. The Fund is operated by a Board of Trustees consisting of 5 (five) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis.

b) Gratuity

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

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

c) MTB Employees' Welfare Fund

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

d) MTB Employees' Medical Assistance Fund

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

e) MTB Employees' Hospitalization and Group Life Policy

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

f) MTB Employees' Death Benefit Plan

The plan has been formed to provide financial benefit to the bereaved family of a deceased employee. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members. In case of death of an employee while in active service, financial benefit is paid to the nominee of the deceased employee at a prescribed amount ranging from 3 (three) lacs to 10 (ten) lacs.

g) Incentive Bonus

Mutual Trust Bank Limited has started an incentive bonus scheme for its employees. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually and costs are accounted for the period to which it relates.

Performance and career development reviews, by gender and by employee category (GRI 404-3)

Group Human Resource Division (GHRD) of MTB has a vigorous Performance Management System (PMS) for evaluating employees in terms of performance and install a performance-based culture within the organization, for all employees irrespective of gender. This is applicable for all full-time employees. In order to reduce carbon emission, increase efficient usage of time, and eliminate the complexity; MTB has automated the entire performance appraisal process. In 2019, every MTBian was appraised against his/her respective key performance indicators and all of them were evaluated by their supervisors based on performance management system.

Minimum Notice Periods regarding Operational Change in MTB (GRI 402-1)

Minimum number of days' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them is 30 days.

HEALTH AND SAFETY ISSUES (GRI 403-1,403-3)

OCCUPATIONAL HEALTH AND SAFETY PROGRAM

Bank employees are not usually exposed to work-related injury and occupational hazards because of its operating nature. Nevertheless, MTB also remains cautious so that hazardous work conditions can be avoided by standard procedures and its policies. MTB has formed a rescue team comprised of members from every floor at the head office premises. The team works in line with MTB's Group Security & Fire Safety Department. Fire drill takes place twice a year.





Photos: Fire drills in MTB in 2019

**Table: Fire Fighting & Security & Emergency Teams in 2019
(MTB Centre, MTB Square, MTB Tower & WW Tower)**

Team	Number of Members
First Aid Team	23
Fire Wardens	23
Deputy Fire Wardens	23
Rescue Team Members	96
Fire Marshal (Group Chief Security Officer)	01
Assembly Point Manager	04

Table: Training program on “Security, Fire Safety, Fire Fighting, First Aid & CPR

No. of training program conducted	01
No. of participants	37

Number of fire drills	04
No. of employees received formal training on security & emergency management	121

Table: Training program on “Basic Security, Fire Safety for Gunmen

No. of training program conducted	01
No. of participants	20

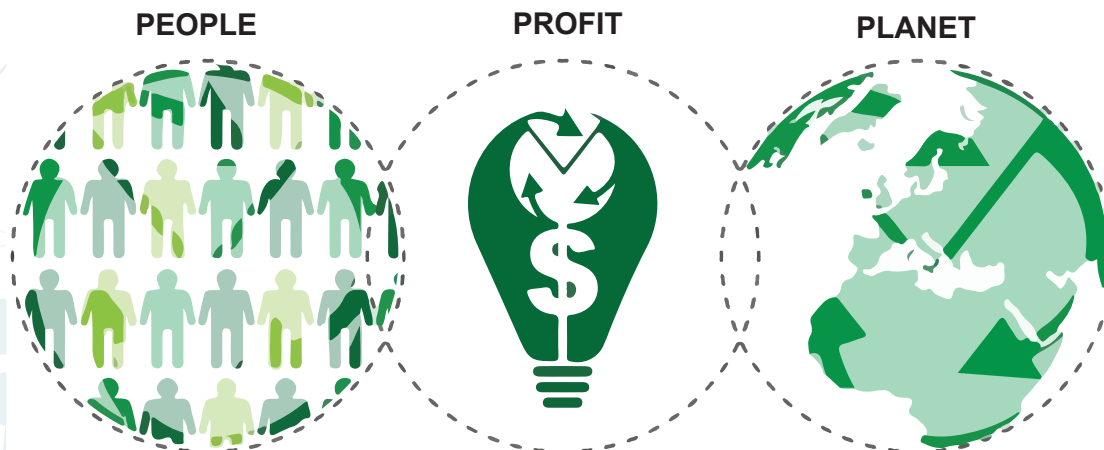
Table: Health and Safety Policy

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

SUPPORTING OUR COMMUNITY (GRI 413-1)

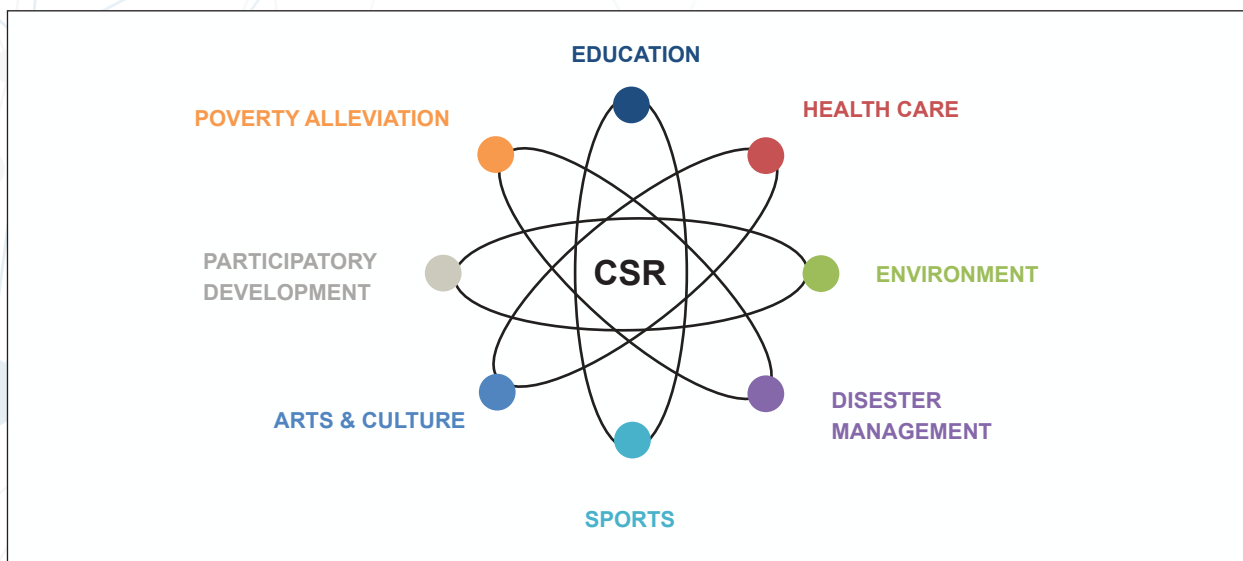


Everyone has a role in helping address community's greatest needs. At Mutual Trust Bank Limited (MTB), we do this through our work with clients and communities to further economic and social progress all around Bangladesh. We do this by focusing on environmental sustainability, driving economic and social progress, and enabling financial health. It is prevalent that the best investment a bank can make is in its community. In our bank, all MTBians have their finger on the pulse of our region — we feel our community's pains, we know the opportunities, and we're invested in the future. When our communities succeed, we all succeed. MTB aspires after achieving sustainability through its business activities. Therefore, MTB's model for sustainability is based on the 3P approach: People, Planet and Profit.



CORPORATE SOCIAL RESPONSIBILITY (CSR)

A business can only become sustainable when it conducts its operations keeping in mind the preservation of the environment and development of the community in which it operates. CSR is a way towards sustainable business by creating long-term value for the stakeholders, the environment and the community. MTB believes that a responsible and sustainable business organization is one that does its business responsibly by keeping in mind the interests of its stakeholders - both internal and external. We believe our conscious choice of protecting the environment today will lead to a better and sustainable tomorrow. MTB's priority sectors for initiative are education, healthcare, environment and disaster management. Our CSR strategies are based on the fundamental conviction of sustainable business that integrates good governance and social priorities with a view to enhancing community empowerment in a sustainable manner.



Highlighting Activities of MTB CSR

Approved CSR Policy

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

MTB CSR DESK

MTB with its vision to build a more habitable and prosperous society, has always been on point regarding the establishment of a properly planned CSR program. This notion has led to comply with the Bangladesh Bank's circular to establish a separate CSR desk with a dedicated officer continuously working for those causes.

DOS Circular Letter No. 16; Date: 20 December, 2010 "Establishing separate 'CSR desk' in banks" was circulated with the purpose of furnishing up-to-date information to Bangladesh Bank on CSR initiatives/activities as well as maintaining proper communication and liaison with all concerned, banks are required to have a separate focal/contact point. Maintaining this requirement, MTB also established a CSR desk at its corporate head office. Anybody can send a CSR proposal to Mutual Trust Bank CSR Desk. The desk can be contacted by calling Tel: +880(2)8826966, 8822429 Ext 2242 at Head Office and through email - monsur.sikdar@mutualtrustbank.com.

"Swapno Sarathi" (The Dream Chariot)

In accordance with the bank's policy to nurture the primary education sector in the rural hard-to-reach areas, MTB launched a special campaign titled "Swapno Sarathi" in 2015. The campaign aims at motivating students (mainly female) with the motto "School-e jete durotto jeno badha na hoy" by providing them with bicycles with a view to facilitating their movement to and from school. Till date almost 1,600 bicycles have been distributed in different regions of the country including Panchagar, Bogura, Dhorkora Bazar, Dinajpur, Joypurhat, Kadair Bazar, Ramchandrapur Bazar, Rangpur, Sirajganj, Thakurgaon, Lalmonirhat, Tangail, Cumilla, Ishwardi, Feni and different former enclaves of Bangladesh. This project helps in-

- increasing retention in schools
- encouraging students to take up higher studies
- inculcating sense of confidence among the girl students by promoting mobility and ensuring women empowerment along with participatory development
- promoting environment-friendly and healthy means of transportation

MTB "Bravery & Courage" Award

Initiated in 2012, MTB "Bravery & Courage" award recognizes lifesaving bravery activities of common people in the country. This award aims to encourage selfless individuals who put others' lives ahead of their own. A few courageous and selfless personalities and their families have been awarded over the years. Mutual Trust Bank Limited (MTB) has handed over its 8th MTB "Bravery & Courage" Award to the family of late Sohel Rana, the firefighter who succumbed to death due to his injuries subsequent to the fire rescue operation during Banani's FR Tower fire incident on March 28, 2019.

MTB hands over cheque of BDT 10 million to the Prime Minister's Relief Fund



MTB Managing Director & CEO, Anis A. Khan is seen handing over a cheque of BDT 10 million to the Honorable Prime Minister of Bangladesh, Sheikh Hasina for the Prime Minister's Relief and Welfare Fund as part of the bank's Corporate Social Responsibility (CSR) at a simple ceremony held at Gonobhaban, Dhaka 1207 on April 01, 2019.

MTB Foundation supports Monomela Foundation

MTB Foundation has recently handed over BDT 300,000/- to Monomela Foundation to support their endeavors such as free after-school education programmes for the underprivileged children, providing basic medical treatment through free health camps, arranging training programmes on organic agriculture for farmers and many other philanthropic projects. Syed Mahbubur Rahman, Managing Director & CEO of MTB, handed over the cheque to Md. Abdur Rahim, Founder of Monomela Foundation, at a simple ceremony held at the Corporate Head Office of Mutual Trust Bank Limited (MTB).



MTB hands over Blankets to Cadet College Club Limited (CCCL)



Mutual Trust Bank Limited (MTB), as part of its Corporate Social Responsibility (CSR) initiatives, has recently donated blankets for distribution amongst the cold-affected people of different regions of the country through the Cadet College Club authorities.

GpCapt Muhammad Alamgir, acsc (Retd), President, Cadet College Club Limited (CCCL) received a token sample of blankets from Amitav Kaiser, Head of Infrastructure Division, Mutual Trust Bank Limited (MTB) at a simple ceremony, held at Cadet College Club Limited, Gulshan 1, Dhaka. M Musleh Uz Zaman, Vice President and Jashim Mohammad Al-Amin, Secretary General of Cadet College Club Limited (CCCL) and Md Ehethesham Rahman, Head of Structured Finance Unit, and Samia Chowdhury, Deputy Head, Group Communications of MTB along with other senior officials of both the organizations were also present at the occasion.

Blind Education and Rehabilitation Development Organization (BERDO)

Blind Education and Rehabilitation Development Organization has started working hand in hand for the development of the visual impaired community in Bangladesh. MTB and Blind Education and Rehabilitation Development (BERDO) recently signed a Memorandum of Understanding (MoU) to support the visually impaired children with the later. Md. Saidul Huq, Executive Director, BERDO and Azam Khan, MTB Group Chief Communications Officer signed the MoU on behalf of their respective organizations at a simple ceremony held at the office of BERDO, Mirpur, Dhaka 1216 on July 23, 2019.



MTB Establishes Children's Rights to Education by supporting the school Project of Jaago Foundation



MTB and Jaago Foundation recently signed a Memorandum of Understanding (MoU) to bear the expenses for education of destitute children studying in the schools run and supervised by Jaago Foundation. Karvi Rakshand, Executive Director, Jaago Foundation and Azam Khan, Group Chief Communications Officer, MTB signed the MoU on behalf of their respective organizations at a simple ceremony held on July 07, 2019 at the office of Jaago Foundation, Banani, Dhaka 1213.

The education sector of the country has always been a priority for MTB's initiatives related to Corporate Social Responsibility (CSR). As part of the MoU, MTB will be engaging in participatory development in Bangladesh through quality education.

Happy Home, Safe Home for underprivileged girls, a project of Action Aid International Bangladesh



MTB establishes Girls' Rights to Education by Supporting the "Happy Home" Project of Action Aid International Bangladesh. Mutual Trust Bank Limited (MTB) and Action Aid International Bangladesh (AAIB) have recently signed a Memorandum of Understanding (MoU) to bear the expenses for education and vocational training of vulnerable girls residing in the "Happy Home" hostel supervised by AAIB. The education sector of the country has always been a priority for MTB's initiatives related to Corporate Social Responsibility (CSR). As part of the MoU,

MTB will be engaging in participatory development and empowerment of women in Bangladesh through quality education.

MTB Distributes Scholarships Amongst Students In Kushtia Through MEDHA



MTB establishes Girls' Rights to Education by Supporting the "Happy Home" Project of Action Aid International Bangladesh. Mutual Trust Bank Limited (MTB) and Action Aid International Bangladesh (AAIB) have recently signed a Memorandum of Understanding (MoU) to bear the expenses for education and vocational training of vulnerable girls residing in the "Happy Home" hostel supervised by AAIB. The education sector of the country has always been a priority for MTB's initiatives related to Corporate Social Responsibility (CSR). As part of the MoU, MTB will be engaging in participatory development and empowerment of women in Bangladesh through quality education.

Other CSR Activities:

Society for the Welfare of Autistic Children (SWAC) has initiated to build education and vocational training centers and residential facilities for individuals with autism, named SWAC Village. They have already received an amount of BDT 500,000.00 from the MTB.

“**Proyash**” –is a specialized organization that values the holistic development of all children with special educational needs through multidimensional programs. BDT 500,000.00 has been disbursed to them.

JEXCA Free Friday Healthcare Centre Khulna (KJFFHC), a project initiated by Ex-Cadets of Jhenidah Cadet College (JEXCA) at Khulna, for providing with free medical services to the people of the local area. They are receiving BDT 100,000.00 per month.






A project with Assistance for Blind Children (ABC) has been renewed and disbursed BDT 400,000.00 for their residential girls residing at their hostel.

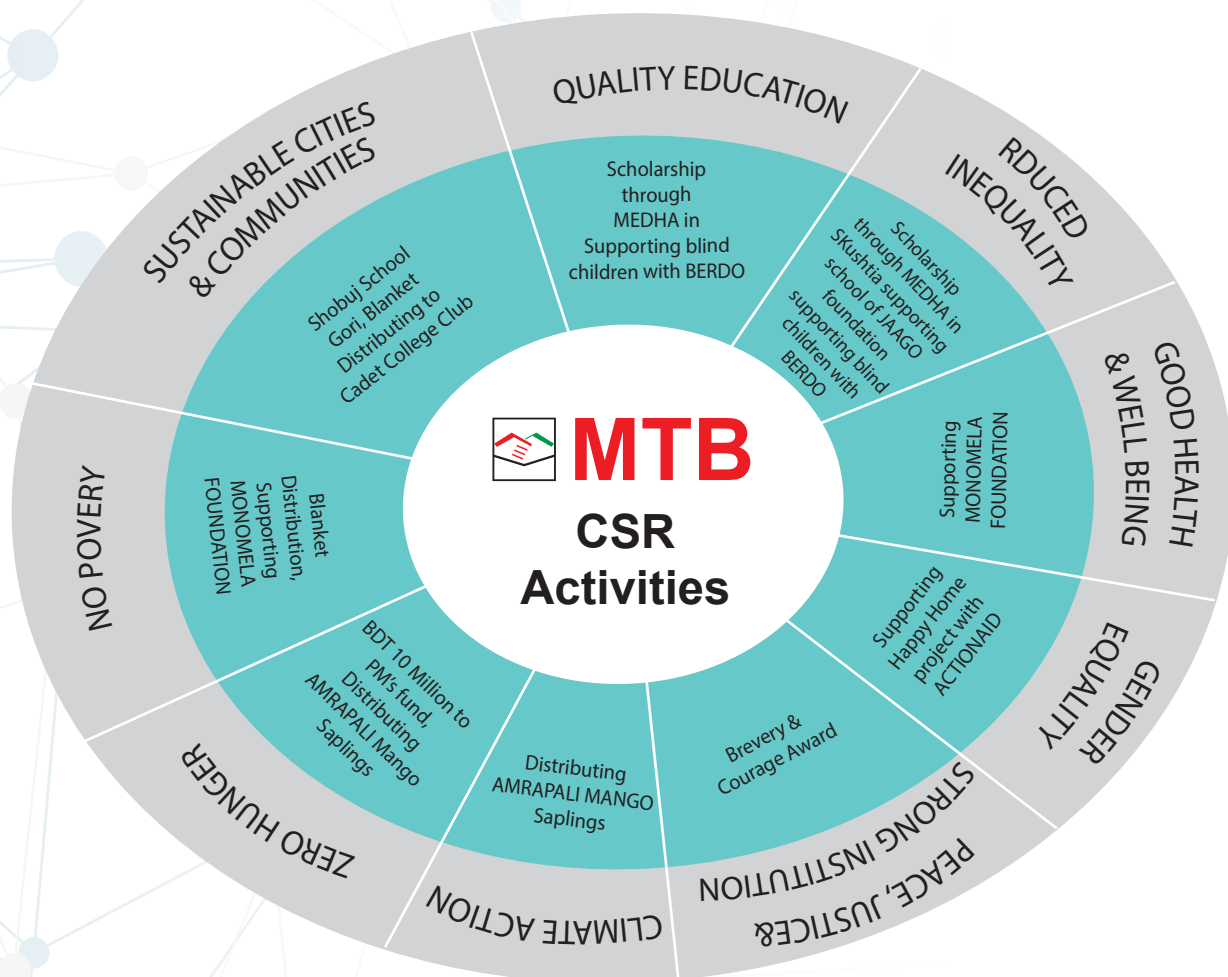
MANABIK SHAHAJYA SANGSTHA (MSS) organizes ‘Eye Care Project (ECP-MSS)’ with the financing of MTB CSR funds.

Table: CSR Initiatives of MTB in 2019

INITIATIVES	AMOUNT (BDT)	No. of BENEFICIARIES
Education	7,674,791	5771
Health	5,149,904	959
Disaster Management	36,722,000	12100
Environment	60,000	2000
Art & Culture	100,000	50
Others	3,675,000	5008
Total	53,381,695	25888

MTB CSR ACTIVITIES & SDG GOALS IN 2019

	SDG GOALS	INITIATIVES TAKEN IN 2019
	NO POVERTY	Blanket Distribution, Supporting MONOMELA FOUNDATION
	ZERO HUNGER	BDT 10 Million to PM's fund, Distributing AMRAPALI Mango Saplings
	GOOD HEALTH AND WELL-BEING	Supporting MONOMELA FOUNDATION
	QUALITY EDUCATION	Scholarship through MEDHA in Kushtia Supporting blind children with BEEDO
	GENDER EQUALITY	Supporting Happy Home project with ACTIONAID
	REDUCED INEQUALITY	Scholarship through MEDHA in Kushtia Supporting school of JAAGO foundation Supporting blind children with BERDO
	PARTNERSHIPS FOR THE GOALS	Happy Home, Safe Home for underprivileged girls, a project of Action Aid International Bangladesh



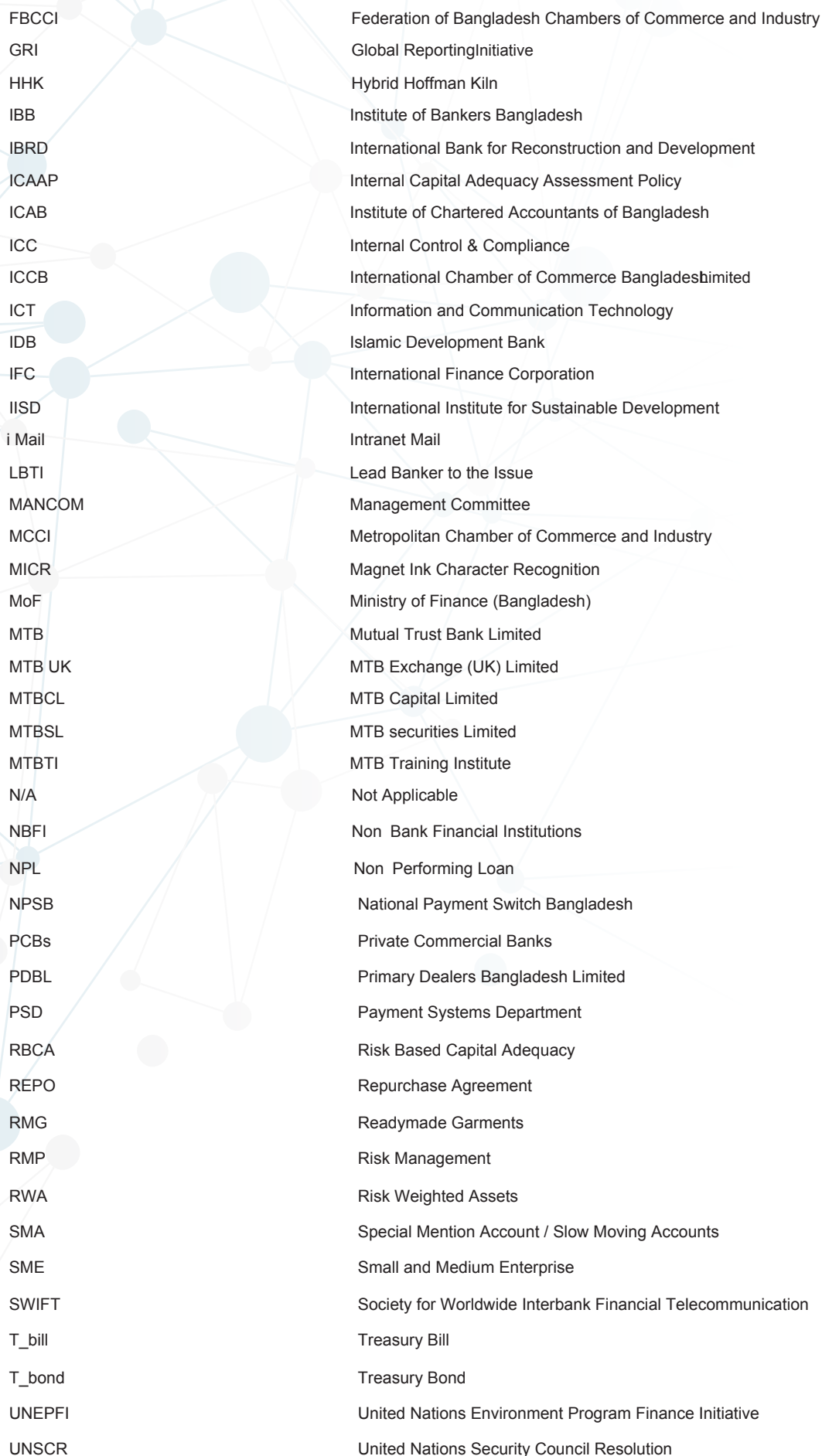
Graph: MTB CSR & SDG Goals

SUPPORTING OUR COMMUNITY

Everyone has a role in helping address community's greatest needs. At Mutual Trust Bank Limited (MTB), we do this through our work with clients and communities to further economic and social progress all around Bangladesh. We do this by focusing on environmental sustainability, driving economic and social progress, and enabling financial health. It is prevalent that the best investment a bank can make is in its community. In our bank, all MTBians have their finger on the pulse of our region — we feel our community's pains, we know the opportunities, and we're invested in the future. When our communities succeed, we all succeed. MTB aspires after achieving sustainability through its business activities. Therefore, MTB's model for sustainability is based on the 3P approach: People, Planet and Profit.

ACRONYM

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



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



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