

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR has become a standard of sustainable business practices. Mercantile Bank CSR is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders. To engage in CSR means that, in the normal course of business, Bank are operating in ways those enhance society and the environment, instead of contributing negatively to it. In Mercantile Bank, we believe that financial sustainability goes hand in hand with the development of the communities and environment in which we operate. Our CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. We believe that investing in today is building for tomorrow. MBL Family always tries to be a responsible partner of our customers, shareholders employees, communities, and other stakeholders attaching highest priority to ethical conduct and integrity.

MBL's CSR Activities

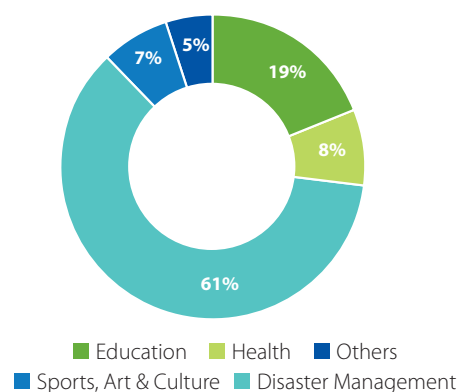
Corporate social responsibility is widely accepted as a strategically important issue for the sustainable growth and competitiveness of business now-a-days. CSR is the way in which an organization strikes a balance between economic, social and environmental imperatives on the one hand and the expectations and welfare of the shareholders on the other. For Mercantile Bank CSR is a commitment to manage the social, environmental and economic effects of its operations responsibly and in line with public expectations. It is a self-regulating business model that helps the Bank be socially accountable- to itself, its stakeholders, and the public. In Bangladesh, as one of the key stakeholders, Mercantile Bank can play a vital role in development and response to the society through its day to day operations. Guided by our Core Values of Teamwork, Integrity, Growth, Excellence and Efficiency, and Relationship Building, our place should be at the heart of the communities we serve. MBL's Corporate Responsibility initiatives are firmly based on the three key pillars of our Society, Economy, and Environment.

For Mercantile Bank, Corporate Social Responsibility (CSR) has been an inherited and inbuilt element of its culture from the day the bank was founded. However it is not charity but it is a core business strategy of an organization. Always we presume to contribute to the community through different projects, but our main focus is to help millions of underprivileged children and poor people in Bangladesh. Bank promotes CSR activities, apart from its own fund, through Mercantile Bank Foundation, which acts as a helping hand to the distressed people of the country. Investment in CSR programs is always supported and encouraged by the Board of Directors. Through "Sustainable Finance Unit", the Management reports to the Board and Regulatory Bodies on CSR activities. The funding policy has focused on five major areas: Education, Health & Medical research, Community outreach, Disaster Management, Arts & Culture and development of Sports.

Segment wise contribution under CSR activities of Mercantile Bank in 2018 is furnished below:

(BDT in Million)			
Segments	Jan-Jun, 2018	Jul-Dec, 2018	Total
Education	7.70	15.10	22.80
Health	6.50	3.60	10.10
Disaster Management	74.40	0.00	74.40
Sports, Art & Culture	3.10	5.40	8.50
Others	4.30	2.20	6.50
Total	96.00	26.30	122.30

Segment wise contribution under CSR activities



Mercantile Bank Award-2018

Mercantile Bank Foundation always tries to continue broadening the scope of its impact through its pioneering social programmes. It is continuously exploring methods of extending the reach and effectiveness of its activities in order to fulfill its long term vision. From foundation, MBL each year on its founding anniversary awards some noted intellectual personalities of the society for their outstanding performance in their respective fields. In 2018, the Foundation of the Bank provided awards to 5 (five) eminent personalities for their outstanding contribution in different areas under the heading "Mercantile Bank Award-2018". The Award includes a Gold Medal, a Crest and one time financial endowment worth BDT 3 Lac.

The Scholars who have been honored with Mercantile Bank Award-2018 are as under:

Arenas	Scholars Awarded
Education & Culture	Nirmalendu Goon
Freedom Fighter and Liberation war based research	Jahanara Imam (Posthumous)
Economics and Economics based Research	Dr. Atiur Rahman
Commerce and Industry	Mostafa Kamal
Sports	Mashrafe Bin Mortaza, MP



Recipients of Mercantile Bank Award-2018

MBL Young Bankers' Appreciation Award 2018

Mercantile Bank Limited has newly introduced 'MBL Young Bankers Appreciation Award' among the young talented private commercial bankers in 2018. Basically, the aim of this award is to inspire young bankers and make them more professional. On the occasion of 19th anniversary of Mercantile Bank Limited, Bank awarded these 5 young talented bankers at a grandiose program held at Pan Pacific Sonargaon Dhaka. The award includes Certificate, Crest & Cheque (cash reward of BDT 0.20 million each).



Education Scholarship Program

As a part of Mercantile Bank's CSR activities Education Scholarship Program began its journey from 2011. Education Scholarship program is an explicit expression of MBL's motive towards building the nation through extending hands of assistance to the future generation of the country. In this circumstance, Mercantile Bank Foundation launched a Scholarship program in the name and style, "Mercantile Bank Abdul Jalil Education Scholarship" for the meritorious and poor students across the country under the category of J.S.C, S.S.C and H.S.C.

In this year, Mercantile Bank Foundation is proud to have another year of success of its Education Scholarship Program. In 2018, MBL provided scholarships among the students who have successfully passed (with minimum CGPA of 4.50) J.S.C, S.S.C and H.S.C to continue their further studies. Through this program, we engage to build self-respect and capabilities to make career, educational and life-changing journey. The details information of the education scholarship program is as under:

Category	Monthly Scholarship (BDT)	No. of Beneficiary	Tenure
J.S.C	1,000.00	437	1 Year
S.S.C	1250.00	281	1 Year
H.S.C	1750.00	197	1 Year

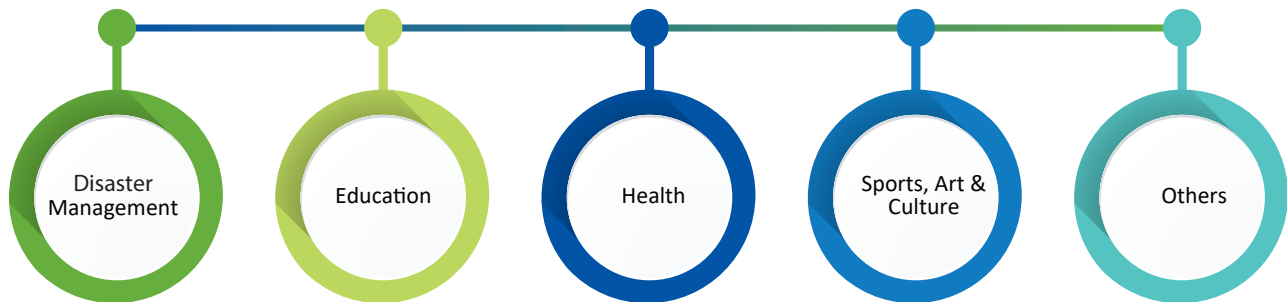
In 2018, MBL awarded scholarship worth BDT 13.6 million among 915 poor & meritorious students who passed in 2017 under three category of J.S.S, S.S.C & H.S.C. For awarding scholarship, Bank sought application eligible candidates all over the country through advertisement in leading national dailies and selected 915 awardees by a selection committee. Bank will distribute these scholarships among the selected students by organizing different ceremony in different location consecutively.

Mercantile Bank Abdul Jalil Education Scholarship Distribution program-



Responsibility to the Society

Committed to sustainable banking, CSR is embedded as an integral part of Mercantile Bank's core value system and culture. Over the past nineteen years, MBF has relentlessly pursued a range of activities with the sole purpose of benefitting its target people. Following are brief outlines of the activities of MBF which provide new options for many and make a significant contribution in improving the quality of life of the target population.



Community Outreach: a helping hand for populations at-risk

Responsibility to the society is included in everyday activities through various projects and events, thus realizing the mission of the Mercantile Bank. Along with the ongoing programs, Mercantile Bank Foundation is actively involved in numerous activities which are undertaken to support the society people. In addition Bank has to directly participate in social activities to help the development of specific areas/segments. MBF receives requests for financial aid from disabled people, disaster victims and various organizations including educational and professional institutions and response to these every now and then. MBL as a legal corporate entity is fully aware of its responsibility about how its operational activities impact on its stakeholders and the society.

Donation to Prime Minister's Relief & Welfare Fund

Mercantile Bank Limited donated an amount of BDT 50.00 (Fifty) million to Prime Minister's Relief & Welfare Fund as part of Corporate Social Responsibility of the Bank. A.K.M. Shaheed Reza, Chairman of the Bank, Md. Shahidul Ahsan and M. Amanullah, Directors of Bank handed over the cheque to the Honorable Prime Minister Sheikh Hasina at Gonobhaban.



Winter clothes donation to Prime Minister's Relief

MBL has donated 50,000 Pieces Winter Clothes to Prime Minister's Relief Fund for clod affected people as part of Corporate Social Responsibility.

Donation to Society for the Welfare of Autistics (SWAC)

Mercantile Bank as part of its Corporate Social Responsibility has donated BDT 1.00 million to SWAC. Bank's Chairman A.K.M. Shaheed Reza handed over the cheque to SWAC Chairperson Subarna Chakma on 8 August 2018.



MBL continues Financial Support to BDR Mutiny affected Families

BDR mutiny in February, 2009 caused an irretrievable loss to the nation. MBL has widened its arms to share the sufferings of the revolt-affected families. In continuation, this year also MBL donated BDT 0.96 million to two BDR mutiny-affected families.

Donation to Child Day Care Centre

MBL has donated BDT 0.40 Million to child Day Care Centre of Privates Banks, Motijheel



Distribution of Winter Clothes

MBL also distributed winter clothes among the individual distressed peoples of the cold affected areas of the country.



Beside above Mercantile Bank contributed to following arena-

- Donation of BDT 0.05 million to 'Fire Service & Civil Defense Welfare Trust'.
- Donation of BDT 0.20 million to 'Bangladesh Poribesh Andolon'.

Education: teaching the young and spreading knowledge

MBL is continuing its supports to the education sector. This year, Bank contributed BDT 22.80 million to individual students and institutions. Besides, Bank encourages the employees to have professional degrees and also gives opportunities to the employees who wish to get higher studies in abroad. The Bank provides cash money incentives to the employees who passed the Banking Diploma.

Following are the major contribution of MBL in same arena-

- Donation of BDT 0.10 million to Julu Miah Gono Gronthagar, Noakhali.
- Donation of BDT 0.30 million to Shaheed Buddhijbi Smrity Pathagar, Dhaka.
- Donation of BDT 2.50 million to Pragati Balika Bidda Niketon, Feni.
- Donation of BDT 2.50 million to Nurnesa Hafiza Nurani Talimul Quran Madrasha, Noakhali.
- Donation of BDT 0.24 million to PFDA- Vocational Training Center Trust, Dhaka.
- Donation of BDT 0.20 million to Patuakhali Collectorate School & College, Patuakhali.
- Donation of BDT 1.30 million to Paschimgopal Master Bari Tamiul Madrasah, Feni.
- Donation of BDT 0.45 million to Dhaka University for purchasing News Paper for Students, Dhaka.

Health and Medical

From the beginning, Bank provides financial support to different medical and health institutions. Apart from institutional support, the Bank also provides financial assistance to individuals for their treatments. In 2018, Bank contributed BDT 10.10 million to different individuals and hospitals.

Donation to Feni Diabetes Hospital

Mercantile Bank Limited donated an Ambulance to Feni Diabetes Hospital operating by Feni Diabetic Samity as part of Corporate Social Responsibility of the Bank. A.K.M. Shaheed Reza, Chairman, Mercantile Bank Limited handed over the Key of Ambulance to Sushil Chandra Shil, Secretary of Feni Diabetic Samity at Bank's Head Office.



Donation to Nilphamari Diabetic Association

Mercantile Bank Limited donated Tk. 0.50 million to Nilphamari Diabetic Association for the purpose of extension of their hospital building.



Following are the major contribution of MBL in same arena-

- Financial aid of BDT 6.69 million to 99 individual patients for their treatment.
- Donation of BDT 0.05 million to Child Heart Trust Bangladesh, Dhaka.
- Donation of BDT 0.10 million to Saool Heart Center, Dhaka.
- Donation of BDT 0.10 million to National Heart Foundation, Sylhet.
- Donation of BDT 1.30 million to Shaheda Gafur Ibrahim General Hospital, Patuakhali.

The Arts: preserving cultural heritage and sponsoring the performing arts

Arts & Culture

Mercantile Bank always supports promotion of art and culture. As a recognized benefactor of culture, MBL takes some non-profit initiatives every year. Cultural institutions have been donated to organize cultural events in different times. Moreover, the Bank supports the writers, musicians and other performers in their inventive and creative activities. As earlier, in 2018 MBL contributes to organize and celebrate different cultural and traditional festivals.

Donation to Ministry of Cultural Affairs

MBL donated an amount of Tk. 5.36 million to Ministry of Cultural Affairs through Bankers Associations of Bangladesh (BAB).

Celebration of Bangla New Year-1425

MBL celebrated the Bangla New year-1425 as it has been doing since inception. All its offices were decorated to a colorful festive look. Customers in the Branches were invited to share the joy of festival and they were entertained with sweets as a traditional ritual. Apart from that, MBL also donated to various cultural and educational institutes to celebrate the Bangla New Year.

Following are the major contribution of MBL in same arena-

- Donation of BDT 0.05 million to Rabindra Academy, Dhaka.
- Donation of BDT 0.20 million to Central Kachi Kachar Mela, Dhaka.
- Donation of BDT 0.20 million to Journy for Photography Exhibition and Publishing Book's of Bangabandhu Sheikh Mujibur Rahman, Dhaka.

Traditional Games and Sports

MBL always encourages the development of games and sports of the country. In different times, the Bank has contributed to organize a variety of traditional games and sports. In 2018, Bank contributes to different institutions/clubs to arrange games and sports. Some major contribution of MBL in same arena such as Donation of BDT 2.50 million to Bangladesh Olympic association, Dhaka and Donation of BDT 0.10 million to Kendrio Khelaghar Asar, Dhaka.



Care to Environment: Encouraging new thinking about Environmental Challenges

Environmental sustainability is defined as promoting environmental-friendly practices and reducing carbon footprint from banking activities. It is the process of maintaining change in a balanced environment, in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations. Environmental sustainability is a key part of MBL's social responsibility efforts. Banks have established environmental policies, goals and practices that help guide their activities inside and out. Environmentally-oriented thinking is incorporated into a range of banking operations, lending, products and services and community activities.

Contribution to the Economy

The Bank has contributed to the economy by generating employment of over 2,305 full time employees. It also plays an imperative role in creating job opportunities by financing to the productive sectors. In 2018, the Bank mobilized resources of BDT 243,643.42 million from the surplus economic unit and deployed BDT 224,230.61 million to deficit group. The Bank plays its responsibility to the Government of Bangladesh paying corporate tax regularly. As per tax law, the bank deducts at source income tax, VAT, excise duty from various payments and services for ultimate credit to government exchequer. Total amount of BDT 6,239.78 million has been deposited to national exchequer during the year.