



Principles of Socially Responsible Business of MTBank 2015

Address of the Chairman
of the Management Board
of JSC "MTBank"
Mr. Andrey Zhishkevich



Every year the principles of corporate social responsibility are deeper absorbed by MTBank employees, its clients and partners, which strengthens our participation in the project of the UN Global Compact.

We realize that the activity of our bank has considerable importance for financial welfare of hundreds of thousands of the Belarusians. At the same time the number of projects is increasing every year, and they are successfully implemented for improving cultural, educational and technological standards of living of the Belarusian people, as well as residents of the neighboring and foreign countries, who are directly or indirectly related to the activity of the bank. To prove my words, I would like to say that at the end of the year 2015 "The Banker", a prestigious international financial affairs magazine that is a part of "The Financial Times" group, named MTBank "Bank of the Year 2015 in Belarus".

It is obvious that the year 2015 passed under the motto "teach and learn", as we have started several new educational projects for clients, talented students, and also small and medium-sized



businesses.

Educational, sponsorship and charity projects, implemented by MTBank, are aimed at providing each Belarusian citizen with the opportunity to know, be able to use, raise the level of life and reach new horizons with the help of all financial benefits and tools of the modern world.

The philosophy of labour among the Bank's employees motivates each member of our team to develop and to strive for personal and collective success. The principle here is to provide employees with comfortable, modern and safe working conditions. Each employee has equal rights to social security and knows that the Bank will never leave him or her in difficult life situations. During the reporting period we have done a lot of work aimed at implementation of the basic principles of the UN Global Compact.

The results of the bank activities within the implementation of the principles of the UN GLOBAL COMPACT are actively covered in media, and we receive positive feedback and gratitude from many clients, business partners, customers and suppliers. Thanks to the positive reviews from these people, we are inspired for new projects that are getting bigger and more effective every year.

Nowadays JSC “MTBank” is one of the largest national private banks of the Republic of Belarus, providing full variety of services to corporate and individual customers.

In December 2015 “The Banker”, a prestigious international



financial affairs magazine that is a part of “The Financial Times” group, awarded MTBank with the title “Bank of the Year 2015 in Belarus”.

The Bank is one of the fastest growing and effective commercial financial institutions, regularly updating and expanding the line of innovative banking products and services.

The activities of the Bank are lending to individuals and legal entities, settlement and cash services, foreign exchange transactions and deposit transactions. Customer banking services are provided in the Head office, 6 branches and in more than 40 banking services centers, located in Minsk, Brest, Gomel, Grodno, Vitebsk, Mogilev, Molodechno, Zhodino, Bobruisk, Lida, Soligorsk and Baranovichy. The branch network also includes more than 50 remote points of banking services. Today the number of employees is more than 1,500.

MTBank is a two-time holder of “Brand Leader in Social Networks” title. For 7 years in succession MTBank has got Deutsche Bank’s Straight-Through Processing (STP) Excellence Award for high quality of transfers in US dollars. Since 2006 MTBank is a member of the UN GLOBAL COMPACT in Belarus - the United Nation’s initiative in the field of corporate social responsibility, and is still the only participant among Belarusian commercial banks.

In March 2007 MTBank was elected to the Coordination Council of the local network of the UN Global Compact in Belarus. In 2009 the most proactive participants of the local network were reelected in the Coordination Council, MTBank was among them.

For 20 years of its activity, MTBank has been successfully working on implementing various social projects.

The priority features of MTBank’s social responsibility are the quality of banking services provided, internal corporate social responsibility and responsibility to society on the whole. MTBank has determined its mission as providing each citizen of Belarus with the opportunity to use all the blessings of modern financial civilization and to fulfill his or her own dreams.

Support of sports events

MTBank financially contributes to achievement of good results of sports organizations. In 2015 MTBank sponsored the Tsmoki-Minsk basketball club, handball club "SKA Minsk", sports complex "Minsk-Arena", Belarusian union of skiers and the Belarusian federation of triathlon. The Bank of fresh solutions decided to support the Belarusian hockey by participating in the performance at the opening of playoff matches in "Minsk-Arena". For realization of the idea of "White Arena" each of the fans received the exclusive T-shirt, which was released specially for the opening match of the playoffs of KHL in "Minsk-Arena". The spectator, who had put on the T-shirt, automatically became the participant of a performance "All Arena in White!".



On the 2nd and 3rd of March 2015 fresh ice in Minsk Arena was reflected on snow-white T-shirts of fans. Thus, during opening the playoff matches series among hockey clubs "Dynamo-Minsk" and "Jokerit" Minsk-Arena spectators were all dressed in white.

On one of the Sundays of May at the stadium of the football club "Dynamo" players and trainers of "Dynamo Minsk" gave lessons of football for children of different age groups, told about the basic theory of football, and held individual master classes. During practical training for children, MTBank organized competition on knowledge of financial literacy among parents of future football players.

Mind Sports

The tradition of supporting mind sports takes its origin in MTBank from the year 2009. For seven years MTBank has been the general partner of television games “What? Where? When?” in Belarus. In 2015 business partners on the project of installment banking card “Halva” together with active users of this banking card were invited to the game shows on TV. The business partners of MTBank shared with TV viewers that the installment card “Halva” allowed them to attract new clients. The cardholders in their dialogues with the anchorman shared their impressions from this banking product and expressed gratitude to MTBank for the opportunity to realize their dreams with the card “Halva”.



Moreover, in the accounting period MTBank for the first time decided to support student games “What? Where? When?”. As a result, the bank has extended the range of the population involved in educational and self-development processes. Participation of MTBank in the educational project provides young specialists with additional opportunity to find a job and a place for practical training or internship even before graduating from a higher educational institution. In addition, the recruiting department of MTBank regularly considers the



direct applications of students for internship and for subsequent employment.

Despite the success in financial field proved by multiple awards from foreign correspondent banks and numerous gratitude of partners, the employees of the bank also express themselves in mind sports. The team of MTBank is a two-time winner far ahead of the rivals in the games “Intellect-capital” arranged during the interbank tournament by the Association of the Belarusian banks.





MTBank Enhances Financial Literacy

In 2015 MTBank started enhancing financial literacy of the population from a guided tour about the world of finance for pupils of one of the capital gymnasiums. Within the framework of the week of enhancing the population financial literacy, announced by National Bank of Republic of Belarus, MTBank together with the newspaper "Komsomolskaya Pravda" told the pupils from the 9th form of Minsk gymnasium No.10 about how to manage personal finances and interact with banks.

Within the regions of Belarus the employees of banking services centers regularly give lectures about financial literacy for students of colleges, employees of health care and school teachers.

The bank's educational project on enhancing financial literacy, realized together with the news agency Telegraf.by, also continued its educational mission. During the year the bank employees reported to the readers of the portal about safety of non-cash payments, noncontact technologies of bank's payment cards and even about peculiarities of opening "start-ups".

In the autumn of 2015 MTBank together with LADY.TUT.BY initiated the project "This is Her Business". The famous Belarusian portal reported stories of success of 10 Belarusian women, who changed their hired work to their own business. The bank employees gave their expert evaluation of the businesses from banking viewpoint. We are sure that it was not just an interesting project for readers, but it has become a necessary push to development of personal business.



Charity and Professional Help to Public and Non-profit Organizations

Last summer the provider of using the new for Belarus technology “pro bono” appeared in HR Department of MTBank. The main value of using this new technology in our bank is a team building effect and uniting our young and professional team.

The action, organized by HR Department of MTBank at the boarding school in Kopyl, became one of examples of the “pro bono” actions in MTBank. The specialists of the department are professionals in the field of psychology, pedagogics and psychological methods of work with people. MTBank continued to share professional skills with the younger generations, connecting friends and partners to the new trend. MTBank has supported the students’ initiative “BSEU Case Club” for the second year in a row. At the beginning MTBank participated in the development of this project only as a sponsor.

The “BSEU Case Club” project consists of two parts: theoretical and practice-oriented. Initially, the project consisted only of practical part - business case championships. The partners, well-known Belarusian companies, created market conditions and set a task for students to create a product for "X" company and to bring it to the market. During solving business cases students did not know the real name of the company and no information about the market was provided.

During 2 weeks future businesspeople should have analyzed an economic situation, identify needs of business, create a project and “sell” it to investors (judges).



Apart from holding business case championships the students’ initiative to create “BSEU Case Club” based on economic university with assistance of MTBank brought also the idea of educating talented youth in questions of creation, promotion and getting necessary skills for implementing new business ideas. As a result, Educational Business Week within the framework of “BSEU Case Club” project was arranged.

The famous Belarusian businesspeople again conducted the course of the practice-oriented lectures for development of skills, needed to students for becoming successful in the company or during creation of Start-up, in BSEU from May 4th to May 8th, 2015.



Autumn is intensive time for education in any sphere. In October specialists of Marketing Department of MTBank took part in TEEN GURU project. It is a school of an entrepreneurship for teenagers. The business courses for teenagers, organized by "Imaguru" business club, include blocks of training in business planning, marketing, finance, HR, sales and negotiations.



Ekaterina Varenikova, the head of Marketing Department of MTBank, developed the Program of TEEN GURU-MARKETING block.

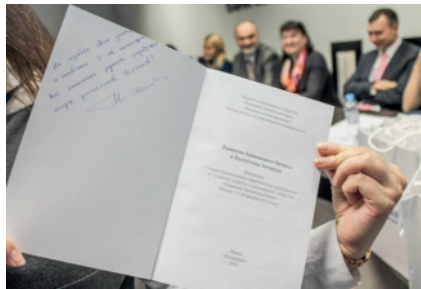
The final presentation of the project of young entrepreneurs included:

- product description, its strengths and weaknesses;
- analysis of competitive environment;
- consumer insights revealed by detailed interview;
- product description, product suite and target audience;
- brand pyramid, its character and positioning;
- communication channels (online and offline) and promotion programme .

Education

Apart from cooperation with the Belarusian higher education institutions and providing them with financial support MTBank opened the new level of educational process and organized scientific conference together with the faculty of economics teaching staff of the Belarusian State University (BSU).

Selection of finalists lasted for several months. After participants chose subjects for scientific research selection tour



based in BSU was held. As a result, 9 most talented finalists were determined. The following stage on the way to victory became defense of thesis in MTBank. In comparison with the first stage of the scientific conference during the second one the panel of jury was added by leading experts and heads of departments of the bank, as well as heads of the bank's branches. The finalists of the conference will take part in summer training practice held in different departments of MTBank in 2016. Moreover, MTBank published the collection of scientific publications for all the participants of the conference.

The educational project for corporate clients, starting in September 2013 and including a series of seminars "Business in FLEX style", completed the third season.

This year the interest in business seminars was very high. We chose the most topical subjects for the crisis time: work with bad debts, work of chief financial officers with banks,

automatization of business, and sales on the Internet. Thus, "Business in FLEX style" was obviously transformed and became a good discussion platform for energetic, demanding and intellectual business - clients of MTBank.



Social Policy for Employees

MTBank also implements the principles of corporate social responsibility into work with employees. No child labour is used in MTBank. MTBank adheres to strict principles of social policy in its activity. They are as follows:

the principle “for everybody”: events within the framework of MTBank social policy are arranged for all employees without exception, and each employee has equal rights and opportunities for getting additional bonuses;

the principle “taking care of an employee is taking care of MTBank”: events of social policy are aimed at enhancing employees’ professional effectiveness and loyalty to the bank;

the principle “protection”: the employee, who found himself in a difficult life situation, which is not related to violation of the legislation, can count on the financial help and competent advice from the bank.

MTBank social policy is represented by the events, connected with providing employees with additional bonuses, services and social benefits paid. We are aimed not only at enhancing the efficiency of our employees, but also at developing their potential. The bank cooperates with Belarusian universities, and every year students intern at the Bank. Many of these students become members of MTBank Team afterwards. The working conditions are provided for students so that they can successfully combine study and work.

In 2015 the excursions for children of the bank employees called “Visiting MTBelka” gained a new format in 2015. Corporate games “Mafia”, tournaments on billiards, bowling and table football became traditional in the bank.

During the reporting period the significant role in development of the bank’s personnel was devoted to training. This includes internal corporate training, external and distance

training. There are also online courses “Welcome to MTBank”, “Lending course”, “Algorithm of retail products sales and services” course. Electronic library has been created on the basis of portal WebTutor. The e-library contains a huge amount of literature needed for work and for self- development of the bank’s employees.

The programmes for implementation of social responsibility among the bank’s employees also include: company benefits for employees (social benefits paid for the birth of a child, death of a close relative, anniversary, marriage), the opportunity to use the services of fitness and sports centers with 50% discount, participation in cultural events, corporate discounts from the bank’s business partners).



Environmental Protection



Unfortunately, every year the environmental problems in the world are getting worse. MTBank Team are intended to do their best to save natural resources, not to do any harm to the environment and to reserve for MTBank the status as a truly “green” brand.

Environmental protection is an important task for each socially responsible company.

For many years JSC “MTBank” has provided financing to the energy efficiency projects under the Programmes of European Bank for Reconstruction and Development (EBRD) and the Nordic Environment Finance Corporation (NEFCO). Under the energy efficiency Programmes of EBRD and NEFCO companies acquire energy efficient manufacturing lines and modernization of heat supply systems. Thanks to cooperation with MTBank some companies have switched to alternative fuels: they use the energy of the sun, wind and water.

MTBank saves the environment by reducing the usage of natural resources. The employees of the Bank care about the natural environment both locally and globally. Landscape gardening, planting of trees and flowers near the branches of the Bank have become a good tradition. Moreover, the employees in all the offices of MTBank try to use draft paper and install energy- saving equipment. Printer cartridges are repeatedly refilled, which reduces the amount of non-biodegradable waste.

The Bank encourages potential clients for taking measures aimed at reducing energy intensity and improving energy efficiency.



Responsibility to Business Partners

MTBank builds up relationships with business partners based on trust, transparency and mutual respect. These principles are compulsory for achievement of common strategic goals.

MTBank publishes financial statements quarterly in the media and annually on the Bank's website. All the information about actions, products and work of offices immediately appears on the Bank's website and on social networks, forums and media.

MTBank continues development of a cooperation with many international financial institutions: European Bank for Reconstruction and Development (EBRD), International Finance Corporation (IFC), the Netherlands Development Finance Company (FMO), the Nordic Environment Finance Corporation (NEFCO). MTBank also takes active steps to develop business relations with new international financial institutions and investment funds, such as IIV Mikrofinanzfonds (Incofin CVBA).

Following the results of work in 2014, MTBank won the prestigious banking award "Deutsche Bank's 2015 Straight-Through Processing (STP) Excellence Award" of the largest German Bank Deutsche Bank AG for the high quality of transfers in US dollars. MTBank has received this award for 7 years in succession since 2007. In 2015 MTBank became the owner of Commerzbank AG banking award "STP Award 2014" for the third time for the high quality of transfers.

In December 2015 MTBank signed the "Agreement on the order of interaction within the framework of financing start-up companies: small and medium-sized enterprises" with OJSC "Development bank of the Republic of Belarus". A month before this during the Global Entrepreneurship Week the Development bank of Belarus presented MTBank the Diploma in the nomination "The Most Dynamic Growth in Support of Small and Medium-sized Enterprises". The Diploma refers to

active and efficient participation of MTBank in the Programme of the Development bank of Belarus on financial support of small and medium-sized businesses. Based on the Programme, MTBank created its own banking product called "MTBasis".





MTBank aims to improve the level of providing services of high quality to its Customers and to give the opportunity for consumers to monitor and evaluate the quality of services provided. The main aim of the Bank is maximum customer-oriented approach.

At the end of 2013 MTBank developed automated points of EFB (Electronic Feedback Book) to improve processes of receiving feedback from customers. The year 2015 was marked by implementing the programme "Quality Assurance". The programme provides the opportunity to compensate the funds to the client, in case the bank's employee has made a mistake in calculations or while providing a banking service. If the mistake has been made from the bank's side, any corporate customer can send in an application to the bank and, as a result, receive a discount on banking services next month. To make the program as transparent as possible, we have classified possible types of violations with the description of bank's actions in case of mistake and the amount of compensation by the following criteria:

1. due and high-quality payments;
2. guaranteed quality of salary projects;
3. guaranteed quality of cash servicing;
4. guaranteed quality of remote banking servicing;
5. guaranteed speed of loan transactions processing.

In April 2014 MTBank issued the banking installment card "Halva", which opened new banking product category in Belarus called installment card. The installment card "Halva" was awarded honorary title "The Brand of Year 2014" in the nominations "Opening of Year" and "Banks and Banking Services". In February 2015 MTBank was also awarded a silver



medal of the financial and analytical portal Infobank.by in the field of customer servicing quality. The main objective of the portal's journalists is monitoring and the analytics of all Belarusian banks' activities, aimed at enhancing the level of clients servicing.



MTBank's award in the category "Consumer Experience" says that we really try to keep the high servicing level and to provide each person visiting any branch of the bank with the availability of financial products.

February 2015 stayed in memory of the clients due to issue of the bonus savings card "Halva Plus". Less than in a year more than 3000 shops throughout the whole Belarus were connected to the programme. The income of up to 3% per annum in Belarusian rubles is daily accrued on the balance of funds on the card. The client gets bonus points while making payments with the card "Halva Plus" for goods and services in the bank's business partner shops. The bonus points can be used for payment of up to 100% of the cost of new purchase from the partner of the programme.

By 2016 MTBank has prepared 2 presents for the clients, who are car owners and who admire travelling: banking card

PayOkay for making profitable purchases with CashBack and returning of Tax Free on the owner's banking card; as well as banking card Autocard. Using the Autocard of MTBank either during a long journey or a trip to work brings the client more pleasure. As using a car requires inevitable expenses (fuel, spare parts, checkup, replacement of tires, car wash, etc.), and while using the Autocard clients can get up to 10% CashBack from each payment. Besides, the holders of the card get 1% cashback from the purchases made either in Belarus, or abroad.

