





SUSTAINABILITY  
& CSR

# Sustainability & Corporate Social Responsibility

As a leader in the Pakistani banking sector, MCB Bank has a great legacy in preservation and safeguarding the interests of all our stakeholders. This legacy has been established by our senior management and is carried forward by our hard working and talented employees, who fully embody our values of service and quality.

Through careful evaluation and selection, the Bank selects and promotes projects and services that benefit the Pakistani economy and society in the most effective manner. Particular emphasis is placed upon the need to promote environmental sustainability and social welfare.



## Environmental, Social and Governance (ESG) Strategy & Overview

ESG is gaining momentum globally. However, priorities vary significantly across stakeholder groups and geographies. The need to balance environmental and social initiatives is more pronounced in Asia than in the more developed regions.

At MCB, we want to drive measurable, material change in our communities in a way that brings our purpose to life, differentiates us and strengthens our business. To do this, we have identified various ESG focus areas where the Bank shall continue to invest for delivering sustainable value for its stakeholders.

### Our CSR policy

The Board of the Bank has approved Corporate Social Responsibility Policy covering major areas of SECP's CSR guidelines 2013. We ensure that our CSR initiatives embody a vision of harmonious and sustainable development in Pakistani communities.



### Key Pillars

- |                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                       |
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| <ul style="list-style-type: none"><li>• Respect for culture, customs, history and laws as the Bank constantly searches for safer, cleaner and better practices that meet the growing needs of the society.</li><li>• Minimize environmental footprint to coexist harmoniously whilst encouraging minimum wastage of resources.</li></ul> | <ul style="list-style-type: none"><li>• Business operations are conducted with honesty and integrity</li><li>• Engagement in social welfare activities that help strengthen communities and contribute towards the uplift of society.</li><li>• Support and promote Financial Inclusion and Literacy.</li><li>• To build and maintain sound relationships with customers and other stakeholders through open and fair communication in order to contribute towards sustainable image building.</li></ul> | <ul style="list-style-type: none"><li>• Compliance with relevant laws and regulations, in letter and spirit</li></ul> |
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**Environmental**



**Social**



**Governance**

**Initiatives Overview**

Sustainable finance, incorporating climate-change risk into the business, net-zero targets, biodiversity, energy efficiency, water and waste management, sustainable procurement, shifting branch banking network to alternative modes of environmentally viable and energy efficient sources and tree-planting initiatives.

Inclusive financial services for SMEs and Agriculture sector, women and youth, support for education, health and skills development, support for communities, employees and clients in need, and championing diversity and inclusion.

Governance and risk management, fair outcomes and transparency, and resilient and a robust control environment.

The Board of Directors has diversity in terms of expertise, knowledge and age. None of the directors is on the Boards of more than seven listed companies. The Chairman and the CEO of the Bank are not the same person.

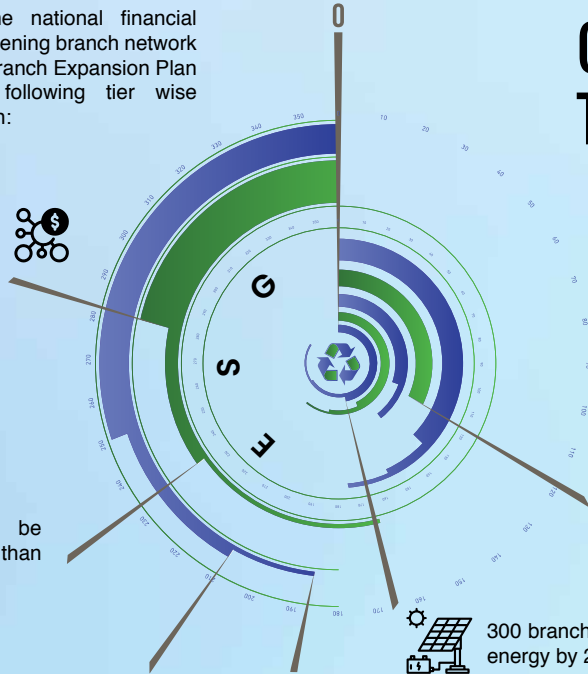
A code of conduct is developed for Directors & Employees which is revised every year. SBP & Board approved guidelines for all businesses and departments are in place.





Contribute towards the national financial inclusion agenda by widening branch network under Bank's 'Annual Branch Expansion Plan (ABEP 2024)'; with following tier wise geographical distribution:


- 8 branches in Tier 1
- 5 branches in Tier 2
- 3 branches in Tier 3
- 1 branch in Tier 4


**Quantitative Targets**




 ATM uptime to be maintained at higher than 97%

 Client Satisfaction Index to be maintained at higher than 90%

 1000 branches to be covered under real time IoT based fuel management & monitoring system by 2024

 300 branches to be shifted to solar energy by 2024

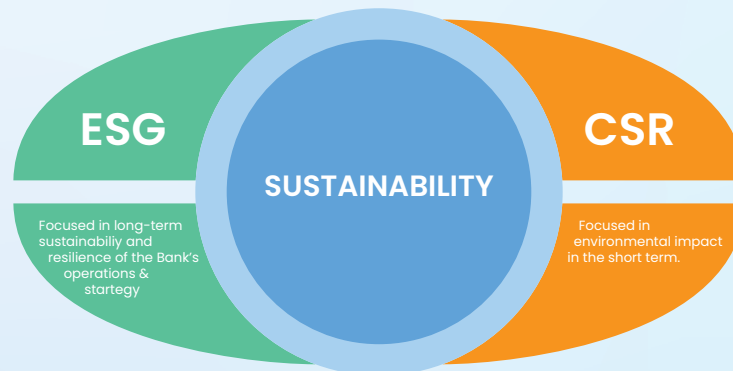
 Achieve SME & Agri-based lending targets allotted by SBP for FY 2024

## Key Highlights

 <p>Green Awareness Campaigns undertaken (website &amp; social medial views)</p> <ul style="list-style-type: none"><li>◦ World Water Day: &gt;<b>14K</b></li><li>◦ Mother Earth Day: &gt;<b>75K</b></li><li>◦ Environmental Day: &gt;<b>16K</b></li></ul>	 <p>The contribution by the Bank to the national economy by way of value addition was Rs. <b>153.38</b> billion.</p>	 <p>Achieved customer complaints resolution rate of <b>98.71%</b></p>
 <p><b>287,000+</b> KWHs Energy Mix conserved in 2023 at MCB Centre, Lahore as part of WWF-Green Office Program.</p>	 <p>Disbursed Rs. <b>155.484</b> million under Agri-based lending.</p>	 <p><b>26</b> model branches have been completed/revamped to facilitate People with Disabilities (PWD) customers.</p>
 <p>Approximately <b>7+ tons</b> of dry waste generated from selected iconic buildings was recycled.</p>	 <p>Conducted <b>363</b> training sessions, with approx. <b>12,625</b> participants, under SBP's National Financial Literacy Program.</p>	 <p>The Bank created a Women Protection and Empowerment (WPE) Unit in 2023, a dedicated function which manages Grievance and Harassment complaints received from the females working at the Bank.</p>
 <p>Approximately <b>1,300+</b> personnel (class room / e-learning) successfully obtained Green Banking trainings.</p>	 <p>Women represent <b>18.54%</b> of our total workforce.</p>	 <p>CSR activities carried out throughout the year in areas of education, healthcare and community welfare</p>
 <p>MCB Live application has increased digitisation to minimize usage of paper and energy.</p>	 <p>Prominent women influencers were invited to celebrate International Women's Day, Mother's Day and Working Women's Day to inspire young women to excel and shine in their respective domains.</p>	 <p>Developed Environmental &amp; Social Risk Rating (ESRR) Model.</p>
 <p>Launched digital account under the Digital and Paperless Banking initiatives.</p>	 <p>RISE to Leadership - Various sessions were arranged in 2023 to help and guide the female workforce of the Bank to become aspiring leaders in future.</p>	 <p>Compliance Knowledge Assessment Test is mandatory for all employees of the Bank</p>

## Our approach to sustainability

Sustainability is the umbrella that both ESG and CSR fall under and contribute to. ESG and CSR are both ways that the Bank can demonstrate its commitment to sustainable business practices.

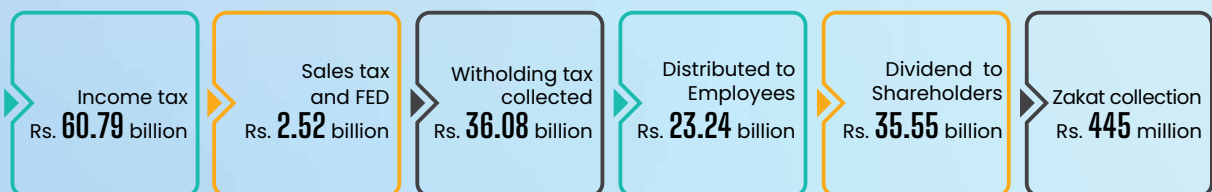


The Bank focuses on several key principles as an institution. It is committed towards fostering a better work place and cleaner environment through varied initiatives with measurable outcomes. By committing to a culture of excellence, good governance, transparency and integrity, it ensures that all activities are conducted in a manner that is ethically responsible and beneficial for all stakeholders. MCB Bank has a well-defined Code of Ethics and Conduct policy that serves as a guideline for the behavior and ethics of employees.



### 1. Contributing to sustainable economic growth

MCB Bank uses its core business of banking to promote sustainable development in all the markets it operates.



#### Contribution to Economy & National Exchequer

MCB Bank has one of the highest market capitalizations in the banking industry. In 2023, the Bank paid approx. Rs. 60.79 billion on account of income taxes to Government Treasury and collected over Rs. 36.08 billion for the National Exchequer as withholding tax agent under different provisions of Income Tax Ordinance 2001. In addition to that, the Bank has also paid Rs. 2.52 billion in respect of sales tax and FED. The contribution by the Bank to the national economy by way of value addition was Rs. 153.38 billion, out of which around Rs. 23.24 billion were distributed to employees and Rs. 35.55 billion to the shareholders.

Zakat is an essential component in delivering assistance to those most in need. The Bank supplemented and augmented the Zakat collection efforts of prominent public welfare organizations such as Shaukat Khanum and Edhi Welfare Organization through its communication channels including MCB Live, internal email, propagation via the MCB Bank corporate website and via the Bank's diverse 1,450+ ATM network. MCB Bank also contributed to the national exchequer in Zakat Deductions to the sum of Rs. 445 million.

The Bank is making significant contribution to the development and growth of the country. An analysis of the Bank's value creation and allocation of value among key stakeholder groups is represented in the 'Statement of Value Added'.

## Key financial highlights

Key financial figures and related ratios have been discussed in the 'Analyses of Financial Performance' section.

## 2. Being a responsible organization

The Bank has a "Corporate Social Responsibility (CSR) Policy", which is approved by MCB Board of Directors. It envisions the strategic guidelines of incorporating CSR into the very core of all business practices and operations, across the Bank and areas it operates in. The Bank's short term and long term CSR goals are aligned to execute bank operations for the betterment of its stakeholders, which necessarily includes the general public and society of Pakistan. The aim of the Bank is to be well versed in CSR by being a sustainable organization. We do this by making the right investments in developing our human resources, protecting the interests of our customers, weighing environmental impact in our decision making and combating the scourge of corruption through implementation of ethical and responsible best practices.

Sustainability is therefore embedded in all policies of the Bank through direct and indirect means. All groups of the Bank work together to not only educate its employees regarding various facades of corporate sustainability and social responsibility, but to also ensure that its strategic CSR vision is met through operational objectives. The Bank's policies therefore address these key aspects:

- a) Driving Strategy Through Learning & Development:
- b) Women champions/ Gender sensitivity/ Leadership/ National Financial Literacy Program
- c) Occupational Health and Safety
- d) Business Continuity Plan
- e) Business Ethics and Anti-Corruption Measures
- f) Customer Experience Management, Consumer Protection Measures and Grievance Handling
- g) Banking on Equality and Women Empowerment

The Bank's CSR activities are centrally monitored throughout to ensure that the Bank invests in the right places that magnify the goodwill of Bank and our community at large. The performance against sustainability and integration of various groups in achieving this are explained through this report.



### a. Driving Strategy Through Learning & Development

Being critical for the effective employee engagement at all levels, growth and sustainability of the Bank in terms of human capital enrichments and performance enhancements, Learning & Development Division offered specialized learning programs, designed in close partnership with business and field functions. Enhanced focus was also given on mobile learning programs to extend the coverage in remote areas. 2023 witnessed revamped learning agenda for developing our employees on four major pillars i.e. Product/Process Knowledge, Service, Compliance and Leadership. This year witnessed the learning initiatives for new joiners, existing employees from cross-functional teams. With our continuous & extended focus on capacity building towards regulatory framework and global compliance obligations, several programs were offered on Anti Money Laundering, Trade Based Money Laundering & cyber security awareness. Realizing contemporary trends and future proofing of our employees, learning initiatives have been taken to enhance their digital quotient. Frontline teams were upskilled on Product & Process knowledge and enhanced levels of customer services.

Besides our regular training programs focused on functional and behavioral competencies, brief details of key achievements during 2023 include:

### **IFC Train the Trainer – Elevating Training Skills**

Trainers play a crucial role in the organization as they are responsible to provide employees with the necessary knowledge and skills. As trainers need to stay abreast of new techniques and trends to address the changes in the workforce, two 4-Day comprehensive workshops were arranged in collaboration with International Finance Corporation (IFC) for L&D faculty and short-listed visiting faculty members. MCB has become the first bank in the region where all faculty members are trained & certified by the IFC.

### **TPMA Certification – Making**

MCB Bank also invested in getting L&D faculty certified through The Learning Performance Institute, an independent, not-for-profit global authority on learning and development. Our faculty members have been certified through a comprehensive Trainers Performance and Monitoring Assessment mechanism.

### **b. Women Champions – Facilitation of Women Customer**

Supporting SBP’s Banking on Equality policy, MCB Bank achieved a significant milestone by successfully upskilling 1,442 frontline staff as “Women Champion” in more than 60% of its branches across Pakistan. These Women Champions are vital to improve the facilitation of women customers and entrepreneurs

### **Gender Sensitivity – Beyond Bias**

Gender Sensitivity workshops were arranged across Pakistan to foster gender-inclusive environments. This special program covered 8,970 employees to understand existing gender relations, eliminate implicit gender biases, and improved customer interaction at customer touch points.

### **RISE to Leadership - An Exclusive Learning Initiative for Female Leaders**

In line with Bank’s agenda to foster diversity & inclusion, exclusive learning sessions for emerging female leaders were rolled out. This platform provides growth opportunity to all aspiring female leaders to develop essential leadership skills, network with like-minded individuals and gain valuable insights from accomplished leaders in various field. 141 Female staff completed their 2-day customized training.

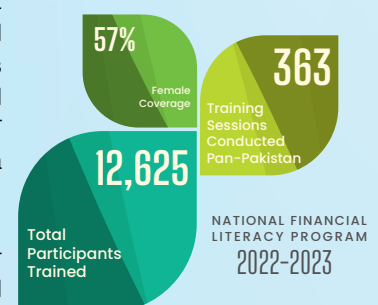
### **Leadership Excellence - Discover. Develop. Deliver**

A transformative journey of self-discovery and growth was offered to the talent pool providing them with an exclusive opportunity to discover their unique leadership capabilities and strengths. This program has been designed phased wise, commenced with the self-discovery surveys, providing the staff with profound insights into their leadership strengths and areas of growth, setting the base for Leadership journey of 700+ staff. This is a comprehensive development program where participants will be engaged in immersive workshops & will delve into various leadership concepts & adaptive leadership strategies, empowering them with relevant skills & creating tremendous value for the Bank.

### **National Financial Literacy Program – Financial Inclusion for All**

Supporting SBP’s efforts on financial inclusion, MCB played its active role to support and achieve this aim again in its 7<sup>th</sup> year. During FY 2022-23, MCB conducted 363 training sessions Pan-Pakistan with the inclusion of 12,625 total participants including 57% female coverage. Through these sessions our field trainers increased the financial literacy across the far flung areas of Pakistan. Through SBP TTT programs, our master trainers also helped other commercial banks to develop a pipeline of trained officials for this key initiative.

MCB will continue to inculcate learning solutions for our people to enhance their personal and professional skills and nurture learning culture for organizational growth.





### **c. Occupational Health and Safety**

MCB Bank places paramount importance on cultivating a work environment that not only ensures the health and safety of its employees and customers but also recognizes the significance of adaptability to unique workplace needs. The understanding that investing in occupational health and safety early not only avoids retrofitting costs but also enhances productivity and service delivery.

In response to the dynamic nature of workplaces, MCB has adopted effective measures, strategies, and initiatives to prevent, control, reduce, or eliminate occupational hazards. The implementation of a practical Occupational Health and Safety policy and guidelines reflects the Bank's commitment to staying abreast of technological, economic, and safety requirements. The staff at MCB Bank is not only well-informed about the importance of occupational health and safety standards but also actively contributes to maintaining these standards in the workplace.

Internal communication channels serve as a robust platform for reinforcing protective measures against various health, safety and environmental risks. All bank premises are equipped with First Aid Kits, demonstrating the Bank's commitment to emergency preparedness.

MCB's readiness extends to Facility Level Plans and Crisis Response Plans, which undergo regular updates to ensure preparedness for potential eventualities. The Bank has implemented stringent controls, processes, surveillance, and security equipment to safeguard the physical security of employees, customers, and visitors. Trained security personnel diligently implement these measures, and external Safety and Security Audits contribute to continuous improvement in workplace standards and alignment with industry best practices.

All iconic buildings and branches of MCB are fortified with modern fire safety, surveillance, and security equipment, showcasing a comprehensive approach to occupational health and safety. The well-established policy guidelines undergo periodic reviews and approvals by the Board and senior management. The Bank's unwavering commitment is evident through the integration of robust controls, risk control strategies, and the senior management's dedication towards ensuring the effective planning and implementation of in-house safety and health programs. In essence, MCB stands resolute in preserving its vision for the well-being of its employees, customers, and visitors.

### **Board's Policy on Employee Health, Safety & Protection**

At MCB, safeguarding the health, safety, and welfare of our employees is of paramount importance. Our commitment extends beyond mere compliance with legal requirements to creating a workplace that minimizes the risk of work-related injuries and illnesses. This pledge is embodied in the Board-approved "Health, Safety & Environment" policy, underlining our dedication to continually enhance our health and safety management protocols. It reflects our unwavering dedication to fostering a workplace culture where the health and safety of every individual are not just policies on paper but an integral part of our organizational DNA.

Our policy goes beyond the confines of legal obligations; it encourages a proactive stance towards health and safety. This proactive approach encompasses all facets of our operations, from businesses and offices to branches, ensuring a uniform commitment to safety standards. It is a collective responsibility wherein every employee is not just expected to adhere to safety measures but also to actively promote the well-being of colleagues, customers, and non-customers alike

### **d. Business Continuity Plan (BCP)**

Business Continuity Management (BCM) at MCB Bank is a dynamic process designed to proactively address potential threats, guaranteeing operational continuity before, during, and after disasters. It encompasses a comprehensive approach, combining policies, procedures, and plans to develop, drive, leverage, and protect business continuity consistently. Regular assessments of critical business processes ensure sustainability, adaptability, and ingenuity for optimal outcomes.

Senior Management and the Board, demonstrating a commitment to foresight, periodically review and approve the BCM Policy, Framework, and plans. The Business Continuity Management Committee (BCMC), a senior executive committee, translates these policies into actionable items, safeguarding critical processes and systems during outage scenarios.

MCB Bank places a strong emphasis on staff training for crisis management and contingency planning activities aligned with the business strategy. Even in recent past, during the pandemic situation, the critical business functions were fortified by dedicated and tested BCM plans, enabling the Bank to deliver high-quality customer services consistently.

Regardless of the disruption scope, MCB Bank, with its robust business continuity strategies, tactical measures, and a commitment to regular review and updates, aims to continuously meet the needs of valued customers and stakeholders. The Bank's resilient approach not only ensures uninterrupted operations but also exemplifies its dedication to excellence in business continuity management.

#### **e. Business Ethics and Anti-Corruption Measures**

A comprehensive "Code of Conduct and Business Ethics" guidelines have been disseminated for all staff of the Bank for information and signoff to mitigate and addresses the possible risks related to ethics and corruption.

The Bank is striving hard to maintain a strong compliance culture through its robust policies and procedures. Employees are expected to perform all Bank related task with due diligence and ethical manners. The code of conduct of the Bank comprehensively defines the values and minimum standards of ethical business conduct. Bank staff must ensure to follow ethical standards and guidelines while interacting with the clients, competitors, business partners, government and regulatory authorities, shareholders or with one another. It is the utmost responsibility of the Bank to ensure that employee's conduct is impeccable and within the Bank's defined Code of Conduct and business ethics.

MCB Bank strives to ensure a friendly and harassment free environment for all employees. The policy for protection of women harassment has been revisited and is circulated Bank wide every year. Zero tolerance for any form of harassment or discrimination is further covered in the Bank's existing Code of Conduct. The Disciplinary Action Committee (DAC) is vigilant and takes vigorous actions to address any violation of policies & procedures, acts of fraud & forgery, breach of discipline and code of conduct, ethics & business practices, law of land and statutory regulations by an employee. To maintain a harmonious and efficient work environment in which the employees are assured a nondiscriminatory, transparent, harassment free and respectful atmosphere regardless of their caste, religion and gender, HRMG has issued a clear and non-discriminatory Code of Conduct; violation of which may lead to disciplinary action.

#### **f. Service Quality Function & Grievance Handling Mechanism**

##### **Service Council**

Service Council is a monthly forum, chaired by the President, which brings together key stakeholders from across the bank with a view to place service on the forefront through thought leadership, collaborative discussions and creation of a clear service roadmap.

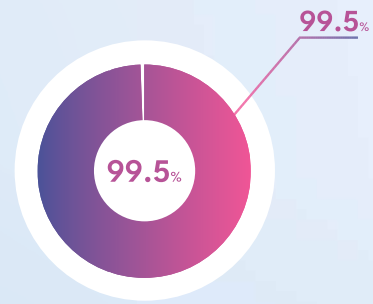
##### **Customer Experience Management**

Feedback is solicited from customers for all contact points via surveys and remedial actions are taken for identified areas:

- In the year 2023, the **VOC** (Voice of Customer) team increased its outreach to pan pak customers while covering added Products of the Bank and tapping pain points which were impacting customer experience.
- **Banca customers** were contacted to gauge their on boarding experience and feedback was also taken from the customers who cancelled their policies during the year.
- **Remittance Customers'** feedback was taken and remedial actions were taken with respective Stake holders accordingly. All branches were provided with added biometric devices to reduce customer Wait and Transaction times.
- **NTB** (New to Bank) **customers** were contacted to gauge their onboarding experience and to capture feedback on areas for improvement.
- **Complaint Resolution Satisfaction** was another area that was re-visited for customers who had lodged their complaints with the bank. Customers were also probed about their experience regarding ease of lodgment.
- **The External Customer Satisfaction Survey (CSS)**, with an external vendor was also initiated and executed during the year covering Retail, Consumer and Digital segments of the Bank across **Urban and Rural population**.
- The external CSS (Customer Satisfaction Survey) was further conducted in three phases with the intend to draw a comparative on the customer experience regarding the same product but using a different customer base each time.
- The Bank conducted CCTV Live Monitoring of 1,327 branches in 2023 to enhance customer experience.

### Turnaround Time (TAT) Monitoring

During 2023, 99.5% of the total pan pak branches were monitored by following approved surveys parameters and protocols. The remaining branches were not visited owing to security concerns / remote locations while a few were under renovation. Moreover, 1,358 branches were ‘Mystery Shopped’ by independent external vendors and results of this activity were shared with management while focusing on further improvement.



### Consumer Protection Measures

The Bank is committed towards providing quality products and services to its customers. It maintains a privacy statement for the usage of its products i.e. Credit Cards, ATM pins etc.

To ensure a culture of ‘Quality Customer Service’, the Bank has a dedicated Service Quality Division with the objective of strengthening the Bank’s service culture. Regular training sessions are conducted in all Circles, Contact Centers and other front-end staff offices regarding ‘Service Excellence’ & ‘Customer Satisfaction’.

### Customer Grievance Handling

Bank considers complaints as opportunities for improvement and understands the link between complaint resolution and customer loyalty. We believe that complaints are a primary measure of customer dissatisfaction; thus, they should be taken seriously and staff should be encouraged to bring complaints to the forefront so that gaps can be identified and fixed.

Service Quality (SQ) function is the custodian of customers’ grievance handling and works in collaboration with all businesses / functions of the bank responsible for acknowledging, investigating, tracking, escalating and resolving customer complaints within specified turnaround times. A centralized complaint resolution team manages all customer complaints through a Complaint Management System. Currently, all our customer touch points have access to this system so as to ensure that all complaints, whether verbal or written, are immediately captured in the system.

The Bank makes its best effort to ensure that resolution of complaints is comprehensive, appropriate and quick. The customer is kept informed on the status of their complaint, starting from complaint acknowledgement till its resolution. The escalation matrix for complaint resolution observed and designed in the system is such that a complaint, if not resolved within the specified turnaround time, gets escalated to the next senior level of management and keeps on escalating further till resolved.

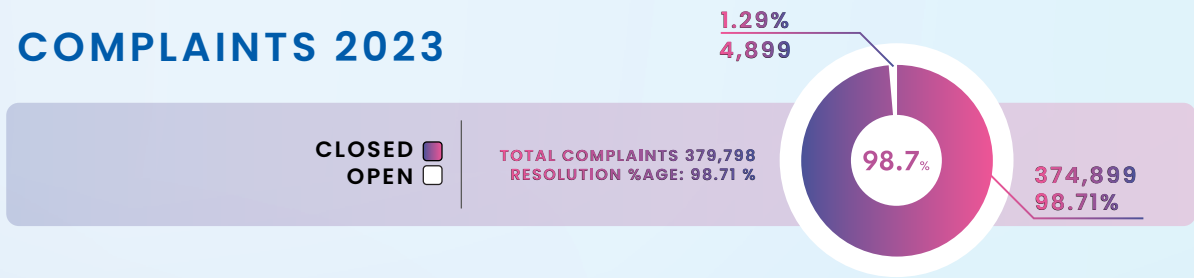
Service Quality Division also performs in-depth qualitative and quantitative complaints analysis followed by suggestions and recommendations in order to eliminate root causes of customer issues and drive continuous improvement.

During 2023, a total of 379,798 complaints were logged in the system out of which 374,899 complaints were resolved by the year end (resolution rate 98.71%).

There was a 11.21% increase in total logged complaints in 2023 as compared to the previous year. Total complaints logged during 2022 were 341,494.

	NUMBERS	PERCENTAGE
STATEMENT OF COMPLAINTS	379,798	-
CLOSED	374,899	98.71%
OPEN	4,899	1.29%
AVERAGE RESOLUTION TIME	-	5WDS

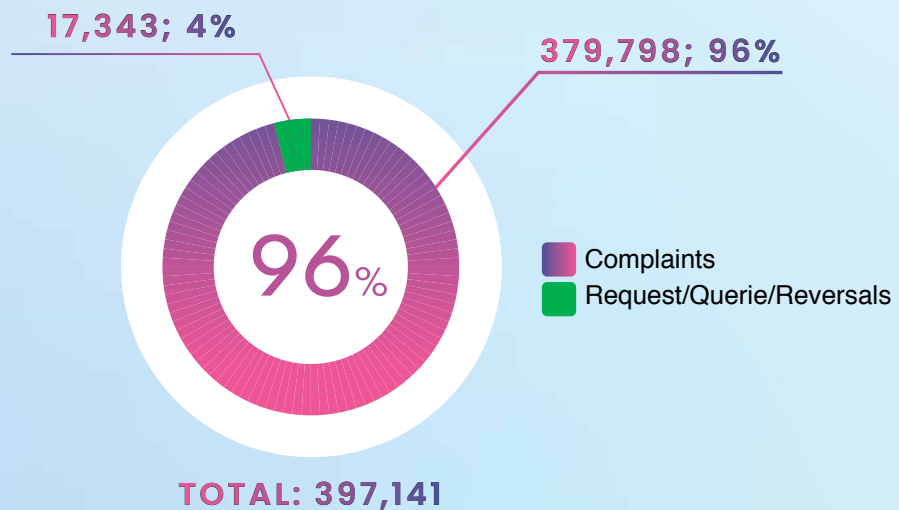
## COMPLAINTS 2023



STATEMENT OF COMPLAINTS	NUMBERS	PERCENTAGE
COMPLAINTS	379,798	95.6%

REQUEST/QUERIES/REVERSALS	17,343	4.4%
<b>TOTAL</b>	<b>397,141</b>	<b>100%</b>

## Total Login Details



### g. Banking on Equality and Women Empowerment

MCB Bank Ltd has been working diligently towards fostering a culture endorsing Diversity and Inclusion:

#### Training

- Trained staff for Gender Sensitivity Training now stands at 60% of staff, i.e. 8,533 staff members of the Bank have been formally trained and are acquainted with the concept of DE&I.
- More than 1,000 branches now have Women Champions – Ambassador Women Financial Services placed at respective locations who cater to the needs of female customers as front end personnel.

#### Empowering Women

- Women in Workforce as of Dec 31, 2023 stands at 2,637, (18.54 % of workforce)
- Various sessions and road shows for financial inclusion and digital financial literacy were held in 2023 to instill knowledge of financial facilities offered by the Bank while suggesting the importance of economic empowerment

- Prominent women influencers were invited to celebrate International Women's Day, Mother's Day, National Working Women's Day to inspire young women to excel and shine in their respective domains.
- RISE to Leadership- Various sessions were arranged in 2023 to help and guide the female workforce of the bank to become aspiring leaders in future.
- MCB Bank Ltd has attained Approved Employer status from ACCA Global. Female applicants will be encouraged to apply for the upcoming ACCA Affiliate Program.
- The Bank created a Women Protection and Empowerment (WPE) Unit in 2023, a dedicated function which manages Grievance and Harassment complaints received from the females working at the Bank. It counsels and guides female employees and is actively engaged in the development of Policy and Product improvement. The Unit works in collaboration with various teams and engages with various female education institutes.

## Products

- In April, '23 the Bank rolled out a comprehensive relaxation policy for making the loan application process easier for potential female borrowers.
- MCB SME product suite is now available to women entrepreneurs across the country. In order to further promote women financing, the Bank has developed financing relaxations for women entrepreneurs.
- On the Agri Finance side, MCB has launched a Dairy Value Chain Financing for women and Solar Tube well financing.
- On the Liability Product side, MCB Ladies Current account was revamped and MCB Ladies Saving account was launched. 51,000 accounts were opened during 2023.
- Exclusive Debit Card bin was created for Ladies account to provide women centric discounts, rewards and alliances.
- MCB offers a Digital Account Opening Portal offering a convenient channel to open accounts remotely.
- Collaboration with CARE foundation and onboarding of 700 female employees took place who are now using MCB branchless banking wallet salary accounts.

## People with Disabilities initiatives:

- 26 model branches have been completed/revamped to facilitate PWD customers.

## 3. Investing in communities

MCB Bank is committed to create sustainable economic and social development for our stakeholders. All groups of the Bank work throughout to identify and execute opportunities that cover health, community, recycling, green banking and environment protection, awareness and empowerment etc.

Following areas were addressed by the Bank in 2023:

- Youth Development Program
- Community Development & Healthcare awareness
- Consumer facilitation services
- Privilege banking
- Energy Conservation
- Environmental Cleanliness & Protective Measures
- Solarisation
- Remittances services
- Environmental & Social Risk Management (ESRM)
- Green Banking



### Youth Development Program

All Pakistan Memon Federation (APMF) represents the interests of 3 million memons living in Pakistan and has more than 57 affiliated Jamaats under its umbrella. The organization engages in a wide range of social welfare activities including but not limited to Housing rent assistance, financial assistance on marriage, offering discounts and scholarships in Education and Healthcare and also promotes self-employment programs. Considering the positive social effects of their various welfare initiatives, MCB Bank collaborated with APMF to sponsor their 5-year Youth Leadership Development Program which intends to develop leadership and entrepreneurial skills among the participants and provide them with Education pathways and support them in future goal setting. An event under this program took place on 24<sup>th</sup> and 25<sup>th</sup> December 2023 at Moven Pick Hotel Karachi.

## Community Development & Healthcare awareness

The Bank seeks to support key initiatives that bolster the health care sector of Pakistan.

The Bank has partnered with Saleem Memorial Hospital to offer discounted healthcare services to our MCB employees and their families. This initiative is based on our commitment to the health and well-being of team members, who are the backbone of our success. Through this collaboration, we aim to provide them with access to quality medical care at reasonable costs.



The Bank also helped generate awareness for organizations like Edhi Foundation, Saylani, Alkhidmat, Chhipa Welfare, Shaukat Khanum Memorial Cancer Hospital, SIUT, Pink Ribbon & Care with its internal and external communication through various ADC platforms; especially during the holy month of Ramadan.

In its effort to support healthy outdoor activities, the Bank continued to play its part by extending ongoing monthly maintenance support to Shuhada Park Chakwal.

During the year, MCB Bank Sponsored Habib University Foundation to contribute in education sector.

In order to support health care sector The Bank also supported patient's Behbud Society (AKUH) & Lahore Hospital Welfare Society.



## **Consumer Facilitation Services**

### **Credit Card Online Portal**

Credit card online portal targets customer convenience and has been enriched with additional features to provide customers with smooth and effortless management of their credit cards. These additional features also attract, engage and facilitate non MCB account holder who cannot avail MCB Live facility at the moment. The following features have been added:

- Online inquiry
- Cash back against reward points
- Credit cards statement for current and previous month
- Channel activation & deactivation (e.g. local & international ATM, POS transactions, ecommerce transactions, recurring transactions/subscription etc.)
- Temporary card block (with re-activation option available)
- Permanent card block (replacement option available)
- Generation of WHT certificate

### **Wealth Management**

This Pinktober 2023, MCB Wealth Management in collaboration with Adamjee Life initiated a Breast Cancer awareness campaign which ran from October 20<sup>th</sup>, 2023 till October 31<sup>st</sup>, 2023.

MediQ, a medical consultation partner provided FREE on-request consultation services with healthcare experts to all MCB account holders during the campaign tenure. MCB accountholders could connect with professionals at their own convenience, anywhere and anytime. In order to funnel awareness, MCB Bancassurance posted social media posts and routed the message to all MCBians via Corporate Communications.

This not only provided an opportunity to create awareness but also created a Har Pal Mehfooz moment for our valuable customers.

### **Privilege Banking**

Privilege Banking has conducted regular engagement sessions for its customers. The events keep High Net Worth (HNW) customers well informed of our product suite as well as MCB Bank's CSR initiatives. In this light, they are encouraged to also contribute towards the cause of social welfare.

### **Energy Conservation**

MCB Bank is fully aware of its responsibility towards conserving energy country-wide by exercising strict control over electricity lights, discipline whether in the bank branches or principal offices. MCB Bank accords priority to actions that contribute towards national obligations.

MCB Centre Lahore building has acquired & maintained WWF certification of Green Banking, which is a big achievement in-line with energy conservation by using solar energy, LED lights, paperless work and water conservation. WWF-Green Office is a practical environmental program designed for office/workplace, which helps to reduce the carbon footprint, achieve resource conservation and contribute towards slowing down climate change.

Moving towards improved monitoring & conscious utilization of fuel, water, electricity and paper etc. to help in own impact reduction, the bank has initiated baseline data collection for resource consumption in other buildings. This will support in enhanced vision of in-house operational management of natural resources. The Bank also engages employees through its internal communication forum to follow the best practices and initiatives to inculcate consciousness to save energy.

### **Energy Saving Measures**

MCB Bank is already conscious of controlling excessive electricity usage. The bank through its concerned departments & staff monitors power consumption and ensures that all unnecessary lights / gadgets are switched off if not required.

Natural light is utilized instead of artificial lights during day time wherever possible in the buildings. Windows/ blinds are kept open to capture sunlight for heating during winter. Almost, all the bank buildings have been switched over to the LED Lights.

To exercise maximum control over building energy resources, a Building Management System (BMS) is installed at MCB Bank Principal Buildings i.e. MCB House Lahore, MCB Center Lahore and MCB Tower Karachi. The facility enables to control all the building fitted resources from a single point/ place. Scheduled cleaning of HVAC filters and air ducts is ensured to further support energy conservation.

### **Environmental Cleanliness & Protective Measures**

Waste is a major hazard to health of employees and aesthetics of the organizations. MCB Bank focuses on waste reduction for environmental improvement and workforce productivity. Therefore, MCB Bank has segregated the building waste into recyclable and non-recyclable waste, for converting waste into recycling mode.

MCB Bank is moving towards paperless banking and resource efficiency in our operations. Some of our notable initiatives include reduction of environmental footprint in transportation and mobility of staff, energy efficiency in offices, greening of office premises and developing a culture of self-segregation of waste into dry and wet waste streams at source.

We ensure our wet waste including kitchen and organic materials are responsibly led to the landfills with minimum impact to the natural environment. To enhance awareness and behavior change of employees and staff, formal and informal channels of corporate communications and campaigns are run to encourage staff to take actions, such as tree plantation and awareness walks.

Partnership building is very important for environmental sustainability. Therefore, we are keen to develop impactful collaboration with civil society organizations such as Amal who are facilitating us to run MCB Bank's Green Office Program and achieve Net Zero objective.

Plantation with-in the commercial business premises / branches is encouraged by the Senior Management.

Emails through corporate communication are circulated to each staff, to maintain high standard of cleanliness inside/ outside office buildings/ premises. The respective building Administrators & each building floor coordinators periodically emphasized to maintain high quality cleanliness.

### **Solarization**

In order to adhere to its commitment to energy conservation and green banking, the Bank continued to implement clean energy projects for solarization of branches & buildings during the year 2023. Total number of solarized branches stood at 43 at year end with an accumulated generation capacity of 395kW. The provision of solar systems enabled these branches to reduce their dependency on fossil-fuel based grid electricity and remain operational during business hours for customers & staff while harnessing clean energy.

Building on the same momentum, the bank launched a mega project of solarization of 300 more branches across Pakistan in second phase by engaging leading solar companies. This project was launched in the last quarter of 2023 and is expected to be completed by mid-2024, with an anticipated total PV installation of approx. 3MW or more.

The 60.5kW On Grid solar power plant with an annual generation of approx. 85MWh units, was successfully installed and commissioned at one of bank's iconic building, MCB Landmark, in Islamabad. In parallel, the bank engaged solar companies to conduct survey of other iconic buildings in major cities including Lahore, Karachi and Multan to gauge potential of solarization with the aim to reduce energy bills. Detailed surveys were conducted by leading solar companies for MCB Shahrah-e-Aiwan-e-Tijarat China Chowk, Lahore, MCB Guest House Karachi and MCB Abdali Road Building, Multan. Feasibility reports for these locations will be reviewed for project planning and execution.

MCB Bank has taken these initiatives not only to meet legal requirements but as it is own corporate social responsibility to address environmental concerns of our worthy clients and stakeholders. We are proud that MCB Bank has adopted Green Banking Guidelines of the State Bank in letter and spirit. The MCB Bank management appreciates the cooperation it has received from its employees and staff and the interest shown by its stakeholders in adopting the responsible and ethical business practices.



## Remittances flow in the country

Flow of remittances through banking channels is an important contributor to the national cause. MCB Bank proudly stands at the forefront of Pakistan's financial landscape, actively fostering economic resilience through its commitment to facilitating remittances. With an unwavering dedication to serving Pakistani diaspora, MCB Bank has emerged as a beacon of trust and reliability for those living abroad. In 2023, MCB received an inflow of USD 3.2 billion, a testament to the faith placed in its services by overseas Pakistanis. This accomplishment led MCB Bank being recognized as the Leading Remittance Mobilizing Bank of Pakistan by PRI, at the 3<sup>rd</sup> Pakistan Remittance Summit 2023 held in Malaysia.

## Board's statement about Bank's strategic objectives on ESG /Sustainability reporting

The banking sector can play a crucial role in achieving Sustainable development goals because its involvement in sustainable activities has a potential impact on the sustainability of other industries through the lending channel.

The Bank focuses on several key principles as an institution. It is committed towards fostering a better work place, connecting, enriching and supporting the communities in which we live and cleaner environment through varied initiatives with measurable outcomes. By committing to a culture of excellence, good governance, transparency and integrity, it ensures that all activities are conducted in a manner that is ethically responsible transparency and integrity, it ensures that all activities are conducted in a manner that is ethically responsible and beneficial for all stakeholders. We, therefore embrace the globally accepted ESG criteria to ensure that our organization's corporate interests are primarily focused on sustainable and ethical impacts towards long-term organization's corporate interests are primarily focused on sustainable and ethical impacts towards long-term value creation for internal and external stakeholders of the Bank.

The State Bank of Pakistan (SBP) has played a pioneering role in integrating environmental risks into overall credit assessment and developed the Green Banking Guidelines (GBGs) for Pakistan's financial sector in 2017. During 2022, SBP has issued Environmental & Social Risk Management (ESRM) Implementation Manual for Financial Institutions.

The BoD has overall responsibility of green banking oversight and has developed ESRM Policy and Procedures. For environmental and social due diligence of Customers, a new rating model namely Environmental & Social Risk Rating (ESRR) Model has been implemented.

## Chairman's Overview: Embed Sustainability for Financial Performance

We believe that the Bank play's a unique and vital role in enabling a more secure, equitable and sustainable future. That's a responsibility we act on every day, right across our team. Through our interactions with our stakeholders we understand their sustainability ambitions and help make them real, and through our commitment to help create economic opportunities for all, both inside our Bank and across the economy.

MCB is aware of its importance in this transition towards a more sustainable world, primarily through its financing activity and has the desire to play a relevant role, as demanded by the society, in this shift towards a sustainable future. Furthermore, the Bank is committed to banking responsibly and will ensure that its activity is developed in line with a series of values, principles, criteria and attitudes aimed at achieving sustained creation of value for its shareholder groups.

- **Embrace Sustainability as a Core Strategy**

The Bank has integrated environmental and social considerations into decision-making processes relating to the business activities to avoid, minimize, and offset negative impacts. For the environmental and social due diligence of customers, the Bank has developed and implemented a new rating model; namely the Environmental & Social Risk Rating (ESRR) Model. This will enforce a restriction on providing for or funding businesses that pose a threat to the environment or community in which they reside.

For MCB, delivering on our ESG strategy by accelerating climate action, creating access to opportunities, and building integrity and trust often requires innovative thinking and challenging the traditional ways of doing things, During the year the Bank took the initiative for green energy via the installation of solar panels and aim to power 300 branches by the end of 2024. In addition, traditional lights and equipment are being replaced by LED and inverter-based technology.

By rigorously implementing our sustainability strategy, we have made substantial progress in integrating sustainability into our business and operating model. Sustainability practices will help to reduce the carbon footprint, energy cost, mitigate risks associated with regulatory non-compliance, reputational damage and attract socially conscious investors thus reflecting a positive impact on the Bank's financial performance and goodwill.

- **Stakeholder Engagement**

Stakeholders hold a vested interest in a Bank's success, and their actions and decisions can directly impact its financial performance. Recognizing the vital role, we're committed to continuing to activate our resources to create positive change for our clients, team, communities and the planet.

Continuous engagement with stakeholders inside and outside the Bank through digital media and branch network, the Bank was able to understand their needs and expectations, and tailor its products and services accordingly. This not only resulted in increased customer retention and business opportunities but also added to the long-term financial stability.

- **Risk Management & Long-term Financial performance**

Adoption of sustainability reporting has provided the Bank with a vast array of granular and standardized extra-financial indicators that shall help the Bank in assessing and monitoring ESG risks and opportunities.

The Bank, by using extra-financial indicators, can gain a better understanding of the material ESG risks associated with its customers' business activities, helping reduce their exposure to those risks for the Bank itself, the environment, and society as a whole.

Additionally, sustainability reporting and granular data shall help the Bank to identify and seize opportunities for investments in sustainable projects that better align with its values and strategies.

- **Enhanced Transparency and Accountability**

Sustainability reporting has improved transparency and accountability by providing investors and other stakeholders with a better understanding of the Bank's environmental and social impact. This will help the Bank to build trust and strengthen relationships with stakeholders, including regulators, clients, NGOs, and shareholders.

With the continuous adoption and implementation, the Bank is able to communicate its sustainability performance in a more consistent and meaningful way, which can help to enhance its reputation as responsible Financial Institution; while facilitating the Bank in avoiding reputational risks associated with legal or regulatory penalties and in-turn enhance focus on its core businesses.

- **Competitive Advantage and Differentiation**

The adoption of sustainable practices presents a competitive advantage and differentiate the Bank from its peers. By adhering to these, the Bank has signaled its commitment to ESG considerations and responsible investing to clients who prioritize these issues. This shall help the Bank to attract a loyal customer base, including younger generations who are increasingly concerned about sustainability and expect their Financial Institutions to align with their values.

Moreover, by integrating sustainable finance into its business strategy, the Bank shall have access to growing markets and customer segments that prioritize sustainability; enabling the Bank to generate new revenue streams, and enhance its market share.

# Supply chain disruption and Risk Mitigation

Local and international trends have transformed the way banks operate, affecting their capital positions and profitability. In particular, ongoing digitalization and technological innovation continue to add pressure on the traditional banking models, including the supply chain. While management's focus on capital preservation, profitability and growth for shareholders remains, risks from an operational perspective have intensified.

## Environment

### Natural Disaster Risks

#### Overview

Environmental risks like earthquakes, hurricanes, floods, or pandemics that harm infrastructure, disrupt logistics, or result in shortages.

#### Risk Mitigation

The Bank has business contingency plans and disaster recovery (DR) sites to help address these risks.

## Social

### • Geopolitical Risks

#### Overview

Social uncertainties arising from political changes, cross-border conflicts, trade disputes, and regulatory shifts.

#### Risk Mitigation

The Bank addresses these risks by staying informed about global events and political updates, has a geographically diversified branch network to provide services to its customers and has adopted flexible vendor sourcing in the era of globalization.

### • Man-Made Risks

#### Overview

Supply chain disruptions occur due to various artificial risks from human actions, such as strikes, terrorism, vandalism, or intellectual property theft.

#### Risk Mitigation

To address these risks, The Bank utilizes comprehensive due diligence, established security protocols, vendor scrutiny & approval process and have contingency response plans to minimize disruptions' impact.

## Governance

### Cybersecurity Risks

#### Overview

Threats such as hacking, phishing, malware, and ransomware can disrupt operations, cause data breaches, or compromise sensitive data

#### Risk Mitigation

The Bank has addressed these risks by undertaking strong supply chain security measures, including, encryption, thorough security audits and have in place a robust internal IT governance and cybersecurity infrastructure.

# ESG Reporting & Challenges

## 1. Measuring & Quantifying ESG Factors

- **No unified or “universal” standard**

The absence of a unified ESG reporting standard has resulted in the emergence of numerous sustainability reporting frameworks, surveys, and initiatives to engage shareholders and data providers, each with their unique approaches and prerequisites. Consequently, banks frequently find themselves in the position of having to determine which sustainability aspects to emphasize, what to disclose, and which metrics to use. This lack of standardized ESG reporting metrics poses a significant challenge, hindering performance comparison and decision-making for organizations and investors.

- **Subjectivity and complexity**

ESG factors encompass various performance measures. These are commonly referred to as qualitative and quantitative metrics or indicators that capture corporate ESG performance. However, some of these factors are more subjective than others, making their measurement and quantification challenging; particularly relevant in the context of informal operating environments like in Pakistan.

## 2. Data Collection and Management

- **Data fragmentation and silos**

Manually gathering relevant sustainability data from diverse sources within the organization can be complex, particularly if the data is dispersed across departments and systems. Indeed, fragmentation seems to be the name of the game. Spreadsheets are prone to error, and disparate systems often have no way of speaking to one another (at least, not in a way that a human can readily comprehend). And, because data banks are siloed, integration or system interoperability is not readily available.

- **Inefficient and convoluted workflows**

Inefficient and complex workflows are one of the byproducts of the traditional siloing of ESG data. Because corporate sustainability is inherently a cross-functional exercise, nearly every department tends to oversee some aspect of it. From human resources to building operations to finance, coordinating the data collection, reviews, and approval from these various teams can be arduous and prone to error.

- **Data complexity and scope**

ESG reporting covers a broad spectrum of environmental, social, and governance issues, each with its own set of indicators and data requirements. Tracking and collecting data across these diverse dimensions can be complex and resource-intensive. In addition, relevant ESG data might be hard to come by: it may be proprietary, confidential, or difficult to access, particularly when it comes to supply chain information or indirect environmental and social impacts.

### 3. Stakeholder Engagement and Communication

- **Diverse stakeholder groups**

ESG reporting involves engaging with a wide range of stakeholders, including investors, employees, customers, communities, NGOs, and regulatory bodies. Each stakeholder group has unique interests, perspectives, and information needs, making it challenging to communicate and engage with all of them simultaneously.

- **Varying levels of knowledge & complexity**

Stakeholders have different levels of familiarity and understanding of ESG issues, reporting frameworks, and terminology. Communicating complex ESG topics—and large volumes of data—in a way that is accessible and meaningful to diverse stakeholders isn't always immediately apparent. Moreover, making the data understandable and relevant requires careful interpretation, analysis, and contextualization, which can't be achieved overnight.

- **Transparency and trust concerns**

Stakeholders increasingly demand transparency and assurance regarding ESG performance. However, ensuring the accuracy, reliability, and consistency of reported data can be challenging, leading to concerns about greenwashing or misleading information. Indeed, a lack of robust data management, verification processes, and streamlined communication can make trust hard to come by.

# Certifications Acquired and International Standards Adopted

## World Wide Fund for Nature (WWF) - Green Office Certification

MCB has successfully attained 'Green Office Certification' from WWF for one of its iconic buildings; MCB Centre, Lahore. This certification represents a landmark achievement in MCB's pursuit of reducing the ecological footprint at its workplace and has consequently placed the Bank in an exclusive club of domestic Banks that have met the requirements of this rigorous assessment and certification program.

## MCB and The Sustainable Development Goals

Connecting an international building standard with global aims

Seven umbrella categories under which The MCB Bank Limited contributes to the Sustainable Development Goals (SDGs):

**3 GOOD HEALTH AND WELL-BEING**



In addition to supporting employees' health and wellbeing, the Bank also actively engages in community services within the health sector under its CSR Plan. During the year under review, MCB donated Rs. 16 million cumulatively to 'Lahore Hospital Welfare Society', Patient's Behbud Society for 'The Aga Khan University Hospital (AKUH)' and 'Saleem Memorial Trust Hospital'.

Additional initiatives have been disclosed in the 'Sustainability & Corporate Social Responsibility' 'Green Banking' sections of the Annual Report.


**5 GENDER EQUALITY**



The Bank prides itself on providing equal employment opportunities that are free of discrimination and are being implemented on a methodical and merit based selection process:

- There has been a consistent growth in the number of female staff at the Bank (18.3% in 2022 to 18.54% in 2023).
- 12.8% of the women reporting directly to the Head of Departments (HOD's) who in turn report to the CEO.
- During FY 2022-23, MCB conducted 363 training sessions pan-Pakistan with the inclusion of 12,625 participants in total; including 57% female coverage

**7 AFFORDABLE AND CLEAN ENERGY**




MCB, being originator of Green Financing activity, gives preference to energy efficient & social conscious industries by following its internal financing protocols. Before considering any financing request, due weightages are given to customer's environmental & social factors including compliance to all national, international and provincial environmental & social laws.

**8 DECENT WORK AND ECONOMIC GROWTH**



**1 NO POVERTY**



The Bank continued to effectively play its role as a key service provider and intermediary in the financial market; hence, making a significant contribution to the country's economic growth:

- Created employment opportunities which led to the hiring of 2,329 employees.
- Contributed Rs. 60.787 billion in the national exchequer on account of income taxes paid to Government Treasury.
- 59 differently abled people have been employed, as permanent staff, by the Bank as on December 31, 2023.
- Extended finance to all key economic segments including the SME and Agriculture sector which cumulatively contribute above 40% to the domestic GDP.

MCB remains steadfast in its commitment to support government's economic policies aimed at fostering economic development and better utilization of resources. Key measures taken to support policy initiatives stemming from the national agenda of financial inclusion, digitalization of financial services, reforms in the Foreign Exchange (FX) framework and promotion of sustainable finance have been disclosed in the 'Directors Report'.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**



The Bank continues to actively contribute to SBP's cause of improving financial inclusion in the country by extending branch outreach and customer access avenues.

MCB has over 1450 branches across Pakistan and is connected with its customers through multiple digital touchpoints. These touchpoints include ATM, CCDM, POS machines, QR codes and Bank's corporate website

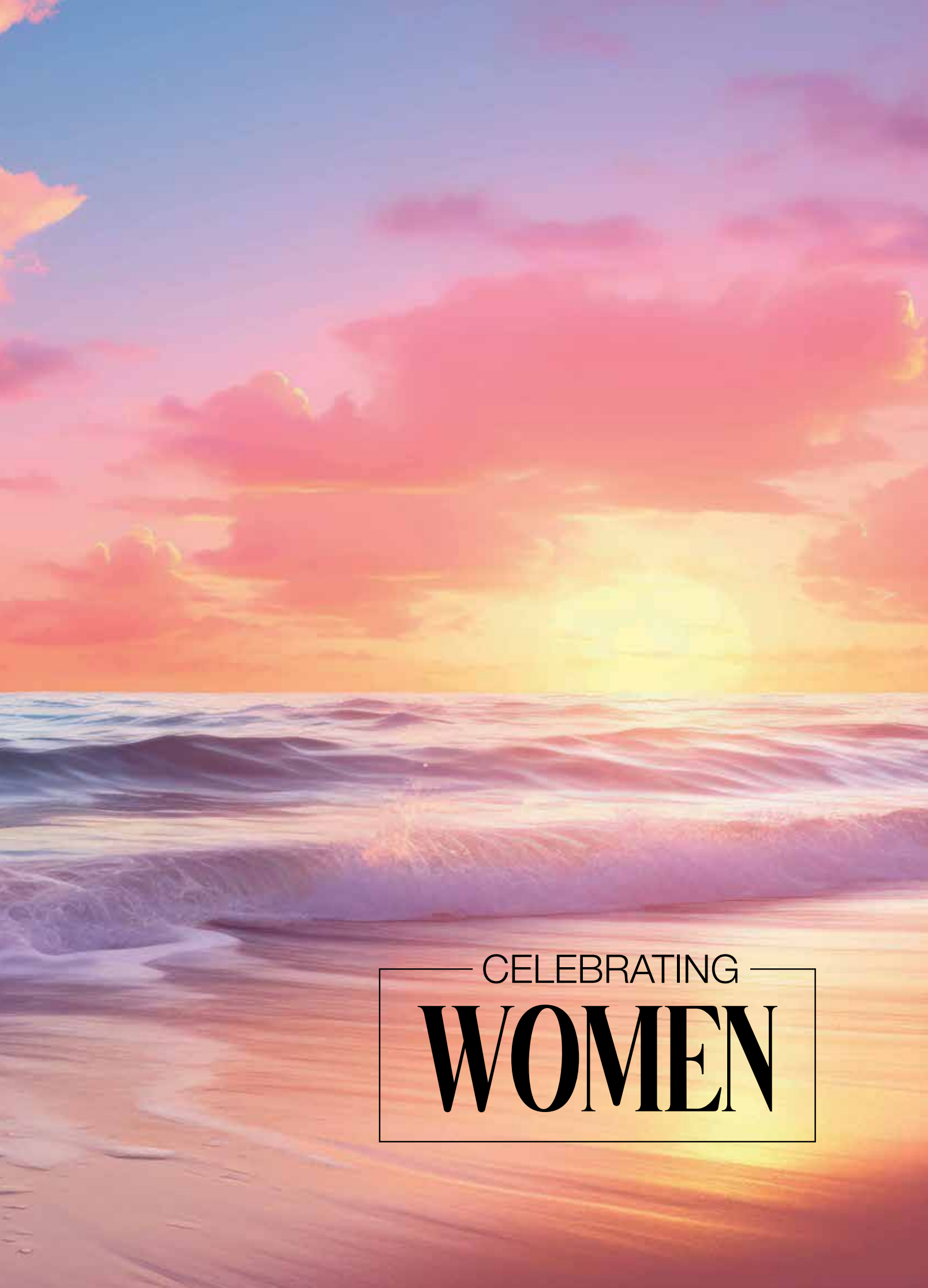
**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**



MCB's Green Banking Policy lays the foundation for safeguarding the Bank against environmental vulnerabilities and playing its due role in transforming the country towards a low carbon and climate resilient economy.

The detailed policy has been disclosed in the 'Green Banking' section of the Annual Report





— CELEBRATING —  
**WOMEN**



In 2023, MCB Bank remained steadfast in its commitment to fostering a culture of diversity, equity and inclusion (DEI) within its workforce, recognizing the invaluable contributions of women to the organization's success. Embracing the principles of inclusivity and gender balance, MCB Bank continues to prioritize initiatives aimed at creating an environment where every individual, regardless of gender, feels empowered to thrive professionally and personally.

Throughout the year, MCB Bank launched a series of targeted initiatives designed to champion women's advancement and address gender disparities in the workplace. These initiatives ranged from leadership development programs and skill-building workshops, by providing tailored support and resources, MCB Bank sought to enhance the representation of women at all levels of the organization, fostering a pipeline of diverse talent poised for leadership roles.

One of the cornerstones of MCB Bank's DEI efforts was the implementation of policies and practices that promote gender balance and equitable opportunities for career progression. By establishing transparent and merit-based processes for recruitment, promotion and leadership appointments, MCB Bank ensured that talent is recognized and rewarded based on competency and potential, rather than gender. Additionally, MCB Bank continued to invest in training and development programs specifically designed to equip women with the skills and knowledge necessary to excel in their roles and advance their careers within the organization.

Furthermore, MCB Bank actively engaged with external partners and stakeholders to advocate gender equality and women's empowerment beyond the confines of its own operations. Through strategic partnerships with industry associations, non-profit organizations, and government agencies, MCB Bank amplified its impact by contributing to broader initiatives aimed at addressing systemic barriers to women's participation in the workforce and promoting gender-inclusive policies and practices across the banking sector and beyond.

## Celebrating Women in the Workforce: International Women's Day

In celebration of International Women's Day, MCB Bank proudly organized 'Gal-Axy of Leaders', an event dedicated to recognizing female staff to share their experiences, insights, and tips, empowering each other to reach for the stars. MCB Bank is committed to promoting gender diversity and inclusion in the workplace, and was honored to celebrate the remarkable women who help drive success.



“



### Natasha Ahmed

You are bold, You are beautiful, You are brilliant!

”

“



### Wajiha Afridi

Women are achieving a lot. It is an absolute delight to see all of this happening at MCB !

”

“



### Mehreen Iftikhar

My message is to create and renew our commitment to uplifting women. Create a world where gender equality is a reality.

”

“



### Nadia Aslam

We have just started to chip away at the glass ceiling. I want all young women to come forward and break this glass ceiling and make it a part of history !

”

“



### Samia Rehman

It's not so easy to become an SVP or Divisional Head. I have faced a lot of challenges but one thing I keep on telling myself is, I can and I will !

”

“



### Shazia Basheer

Today we celebrate the resilience, strength and beauty of women. Happy Womens Day to my MCB family !

”

## MCB Bank's Mother's Day campaign 2023

MCB Bank celebrates the incredible women in our workforce who gracefully fill the shoes of both moms and employees. We interviewed some of these remarkable individuals, and their heartfelt stories remind us of the immense dedication and strength they possess. From juggling work deadlines to nurturing their families, they exemplify the true meaning of multitasking. We are proud to acknowledge and appreciate these extraordinary women who inspire us every day. Happy Mother's Day!

*Celebrating  
Mothers*



“ Thank you, Mummy. I want to celebrate you and treat you like the queen of our house every day. I am very lucky to have you as my mother! ”

**-Nausheen Karamally**



“ Thank you, Mother, for supporting me, loving me, and caring for me. You are the heart and soul of our family. Home is wherever you are, Mom. ”

**-Kamran Butt**



“ Thank you, Mama, for raising me right even though I was a handful. Your unwavering support and belief in me shaped who I am today. ”

**-Natasha Ahmed**



“ Thank you, Ammi, for your unconditional love, support, and prayers. My day isn't complete without hearing your beautiful voice. I love you. ”

**-Syed Faheem Ahmed**



“ Thank you, Mom. All I am I owe it to you. If I have done anything in life worth attention, I feel sure that I inherited the disposition from you. ”

**-Bilal Andrabi**





## Celebrating Pinktober 2023 MCB and Pink Ribbon join hands for Breast Cancer Awareness

MCB Bank is a strong advocate for women and women's health. Healthy women lead to healthy families which lead to healthier societies. In the past, MCB Bank has joined hands with several reputable organisations, including SKMCH, Pink Ribbon and others to create awareness of diseases that majorly impacted women, with an aim to dispel common misperceptions and foster awareness.

This year, MCB Bank joined hands with reputable NGO Pink Ribbon Pakistan to organize a special breast cancer awareness seminar for female staff members at MCB Head Office in Lahore. Breast cancer is highly prevalent in South Asia, especially in Pakistan where over 40,000 deaths annually are attributable to this dreaded disease.

During the session, Ms. Sonia Qaiser, Programmes and Fundraising Manager at Pink Ribbon Pakistan, presented essential facts and insights into breast cancer and how simple precautionary measures such as annual checkups and mammograms could mitigate the risk of the disease. If detected early and treated promptly, there was an increased likelihood of the illness being completely cured.

After the presentation, members of the audience raised pertinent questions on symptoms, signs and treatment of breast cancer in Pakistan. The seminar was well received by female colleagues, who felt the session helped raise attention and awareness of this important health issue.





MCB House Lahore



MCB L&D Centre Lahore

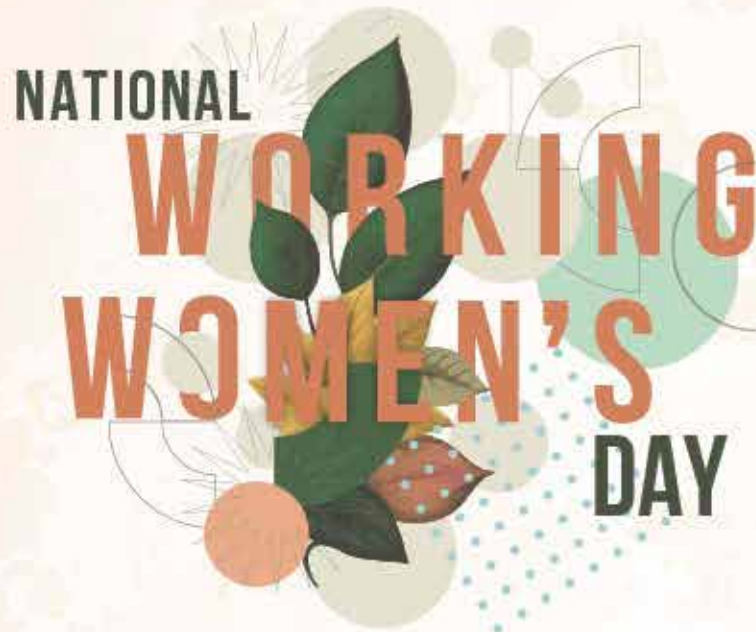


MCB Sri Lanka



## MCB Bank's National Working Women's Day Event

MCB Bank organized an event for National Working Women's Day to celebrate and acknowledge the achievements of women. The event was held simultaneously across 7 locations and 3 countries. The session included keynote speeches, panel discussions. The Panelists included successful entrepreneurs, senior executives, and female leadership from non profit organizations. The event aimed to inspire, empower, and support women in the workplace.





## Naz Mansha

Chief Executive Officer  
Nishat Linen (Pvt) Limited

When I started work, I hoped that I would have a total female workforce. Unfortunately, that dream was shattered quite quickly because, unlike China, where I have seen women do heavy duty work, they are carrying heavy loads, here women don't do these kind of things. There is a restriction, in our industry, that we can't keep women after sunset. Whatever it is, it is, therefore I had to maintain a mixed gender workforce. However, I am happy to meet you all, you guys are all privileged and you come from good backgrounds. When I started in 1989, even though I had a subsidized canteen, women used to come with their food in their little handkerchiefs, they wouldn't look me in the eye. Today they come with a little purse and are wearing heels. They are dressed like I am, and they are confident. They are contributing to their households, so they have respect in their families. I think this is an amazing time for women.

”

My name is Roshaneh Zafar and I founded Pakistan's first Microfinance Company that targets women from low-income groups. I would urge all women who want to set up their careers to use data as a friend because you have to be evidence backed when its comes to decision making. That's something I learnt over the years. Challenges will be there but we also need to know that those challenges are ways to strengthen us. The challenges that we face are lessons in the making. On that note, I would like to wish every woman Happy National Working Womens Day.



## Roshaneh Zafar

Founder and Managing  
Director Kashf Foundation



## Shoaib Mumtaz

President & CEO

As we celebrate National Working Womens Day at MCB Bank, it is with immense pride that I acknowledge the invaluable contributions of our female colleagues. The strength and resilience demonstrated by the women in our workforce is not only commendable but essential to our success. Embracing diversity in our teams lead to innovation, creativity and a more robust workplace. Today, let us reaffirm our commitment to fostering an environment where every individual, regardless of gender, thrives and contributes meaningfully to our shared goals. Happy National Working Womens Day!

”







MCB Karachi



MCB Sri Lanka



MCB L&D Centre Lahore

## Successful Commemoration of National Working Women's Day

Women Protection and Empowerment in collaboration with Marketing and Learning and Development recently, organized an event at the MCB Head Office to commemorate National Working Women's Day. The occasion was celebrating the achievements and contributions of our female colleagues across borders. The event featured active participation from our dedicated female colleagues in Sri Lanka, Dubai, and Bahrain, creating a sense of unity and camaraderie among our international teams. We were honored to have Mrs. Mansha, CEO of Nishat Linen, as the Chief Guest. Her insightful remarks and presence added immense value to the event, inspiring everyone in attendance. Additionally, we were privileged to host esteemed international female clients who joined us via virtual conference. They shared their incredible journeys and milestones to success, providing valuable insights and fostering a global perspective on women in the workplace. The event was met with enthusiastic responses, highlighting the positive impact it had on our diverse and talented team. We extend our heartfelt gratitude to all participants, making this commemoration a truly memorable and empowering experience.



MCB House Lahore



MCB UAE





# GREEN BANK



ING

# Green Banking

“Green Banking” is a holistic approach that envisions the incorporation of Environmental and Social considerations into various aspects of banking operations, products and services. The main objective of Green Banking is to enhance the resilience of financial institutions to environmental and social vulnerabilities by implementing sustainable banking practices and addressing environmental risks associated with both business activities and in-house operations.

The concept of Green Banking has gained momentum in Pakistan due to growing concerns about climate change, environmental degradation and social inequality. Banks are embracing Green Banking principles which intend to promote sustainable development by aligning financial activities with environmental and social responsibility. Recently, State Bank of Pakistan (SBP) has issued Environmental & Social Risk Management (ESRM) Implementation Manual to strengthen and accelerate the implementation of the Risk Management Section of its already issued Guidelines on Green Banking (with addition of Social Risk).

In the year 2023, Green Banking continued to evolve within MCB Bank as forward-thinking concept in line with SBP's aim to decarbonize the country's economy. The Bank is fully aligned with SBP's guidelines by incorporating necessary amendments into its Green Banking Policy (with addition of Social Risk) and has also developed an ESRM Manual that will enable the relevant functions to systematically review, assess and manage Environmental & Social risk of the clients.

The overarching objective remains the fortification of Bank against Environmental & Social risks emerging from bank's operations. Additionally, MCB Bank is also committed to enhance integration of sustainable practices in Bank's own operations through use of information technology and appropriate physical infrastructure. These efforts will position the Bank as a responsible and sustainable financial institution marking an initial step toward the aspiration of becoming a Net Zero or Carbon Neutral Bank in the future.



## Environmental & Social Risk Management System

The Bank has initiated Environmental & Social (E&S) Risk assessment of existing and prospective borrowers as part of the credit approval process for its overall operations both at Pakistan and Overseas jurisdictions. This initiative is envisaged to enable the Bank to identify, assess, manage and mitigate possible E&S risks involved in the Bank's credit portfolio.



## Green Finance Products/Services

MCB Bank has introduced various tools to embed sustainability into its array of products and services. These products include Renewable Energy, Digital Services, household energy efficient products and advanced Drip/Sprinkler irrigation techniques etc. The Bank has capitalized the mandate for utilization of allotted limits under SBP's Renewable Energy Scheme by directing investments towards various Green financing projects across the Corporate, Consumer, SME and Agriculture sectors. These projects contribute significantly to the generation of renewable energy, aligning with the Government's objectives to increase the share of alternate energy in the country. Bank also offers Credit Card customers access to household energy-efficient products through an affordable installment plan. Additionally, clients receive advisory services on leveraging Green Finance for environment friendly and renewable energy projects.

In addition to that, the Bank has introduced a range of tools, channels, and services to actively influence customer behavior towards adopting Green Products/Services. Key initiatives include MCB Live (a digital platform for online banking and services), Roshan Digital Account (RDA) Opening Solution catering to Non-Resident Pakistanis (NRPs), digital provision of various products and services to RDA customers, Digital Account Opening Solution for domestic customers (MCB e-Account portal), Asaan Mobile Account (AMA), QR Code Facility, e-statement Facility, RAAST, and the utilization of digital collateral to reduce the need for physical flyers/brochures.



## Paperless Operations

MCB Bank is strategically pursuing methods and mechanisms to reduce, if not entirely eliminate, paper consumption and related resources. The Bank is actively working to transform internal operations and branches/offices from paper-based processes to efficient and cost-effective paperless operations and services. Notable steps have been taken to curtail paper usage, including the suspension of paper-based internal circular dissemination practices, e-Branch Operations Manual, promotion of duplex printing, utilization of digital collateral, introduction of a web-based dispute claim filing utility for all Alternate Delivery Channels and the implementation of application-based workflow systems, raising awareness and facilitating a gradual shift towards a paperless environment. Moreover, customer service enhancement initiatives include maximizing electronic methods such as e-statements, online fund transfer, online bill and fee payments etc. The Bank has also implemented a value-added feature to its ATMs by enabling the option for making financial transactions without receipt printouts.



## Green Awareness Campaign

A Green Awareness Campaign has been developed to commemorate annual environmental occasions such as World Water Day, Mother Earth Day and World Environment Day. This initiative utilizes various dissemination mediums, including artwork-based emails and customized face cut-out standees placed in iconic buildings. To enhance customer awareness, special web-based banners were created and showcased on the MCB Corporate Website and ATM screens. Additionally, customized animated artworks were featured on MCB's official social media platforms, including Facebook, LinkedIn, Instagram, and Twitter.



## World Wide Fund for Nature (WWF) – Green Office Certification

MCB Bank has consistently maintained its esteemed recognition within the industry, being awarded the WWF -

Green Office Certification to its iconic MCB Centre, Lahore. WWF conducts a comprehensive certification surveillance audit to verify the sustained implementation of resource conservation measures within the building. This certification serves as a testament to MCB's unwavering dedication to reducing the carbon footprint within its workspace, positioning the Bank among the top-tier institutions that have successfully fulfilled the stringent requirements of this impactful Green Office certification program. Since its inception, the Green Office program has conserved approximately 1 Million+ Kilowatt hours from the base year, resulting in the avoidance of approximately 280+ tons of CO<sub>2</sub>e emissions.

A WWF certified Green Office is characterized by its efforts to alleviate its environmental impact, achieve cost savings, and reduce its carbon footprint through the execution of an Environmental Management Plan (EMP). MCB Centre, Lahore has actively embraced the building-specific EMP, facilitating a reduction in the consumption of energy/electricity, fuel, paper, and water, alongside the implementation of effective recycling practices for dry waste generated within the premises.



### Solarization of Branches/ATMs

MCB Bank is currently in the process of installing solar power systems for branches and ATMs, with the aim of transitioning gradually to a renewable energy source. These solar installations contribute to increase the proportion of clean energy in the overall energy mix, consequently leading to a reduction in Carbon Dioxide (CO<sub>2</sub>e) emissions released into the environment. Going forward, Bank may evaluate to convert some of the solarized branches into Green branches following other prerequisites of Green Banking Guidelines.



### Dry Waste Management

MCB Bank has collaborated with an organization specializing in dry waste collection and recycling through its network of green partners. Currently, the Bank is availing dry waste recycling services at four prominent facilities in Lahore. The proper segregation and recycling of dry waste are carried out in an environmentally friendly manner which reduces the burden on landfill sites and contributes to a more sustainable environment. Approximately 7+ tons of dry waste is recycled during the year through these eco-friendly practices.



### Reduction of Business Travel

The transportation sector significantly contributes to the emission of Greenhouse Gases (GHGs) and the phenomenon of climate change. MCB Bank is committed to minimize its business-related travel whenever situations permit through effective utilization of video conferencing and tele-presence technology. These virtual meetings not only result in time and cost savings but also contribute to reducing the carbon footprint compared to traditional travel-based meetings.



### Generator Fuel Monitoring System

MCB Bank has implemented a real-time Internet of Things (IoT) based fuel management and monitoring system. This forward-thinking monitoring solution enables the centralized

monitoring for analyzing fuel consumption through telemetry data recordkeeping. This strategic approach aims to minimize fuel wastage and overconsumption, ultimately leading to a reduction in the bank's carbon footprint.



### Own Impact Reduction Measures

The Own Impact Reduction is an enhanced version of in-house operational management including conscious utilization of Electricity/ Energy, Water, Paper and Petroleum etc.

MCB Bank is trying to gradually decrease the adverse effects on the environment resulting from its own activities and operations. It underscores the conservation of resource by employing resource efficient technologies and adopting sustainable business practices. The baseline scenario assessment was developed for one of Bank's multistory iconic building as a pilot project. Based on the learning(s) obtained from the pilot project, a baseline scenario of Energy Mix and other resources used in branches/offices will be developed.

Based on baseline data analysis, realistically achievable targets shall be assigned to branches/offices. This will not only reduce emissions through adoption of resource conservation measures but will also establish a foundation for hedging against anticipated increases in future costs.



### Green Banking Web-Page

A dedicated webpage focusing on Green Banking, categorized under "Social and Environmental Responsibility" has been created on the MCB Corporate Website. This webpage serves as a platform to effectively communicate the Green Initiatives implemented by the Bank to stakeholders.



### Employees Capacity Building

Green Banking training remains a mandatory component in the Bank's Annual Training Calendar. The training sessions were conducted through classroom and video conferencing. This aims to sensitize staff members about environmental implications and foster the adoption of a Green Culture across the Bank. In 2023, approximately 1,300+ personnel successfully obtained Green Banking training.

The e-learning portal has also emerged as an important source for staff members to obtain Green Banking and other trainings. The e-learning portal has contributed to resource conservation encompassing paper, printing, electricity, and fuel, when compared to traditional classroom training settings resulting in a reduced carbon footprint.