

MCB World

AUGUST 2005 ~ MARCH 2006



Customer Satisfaction
Makes the Difference



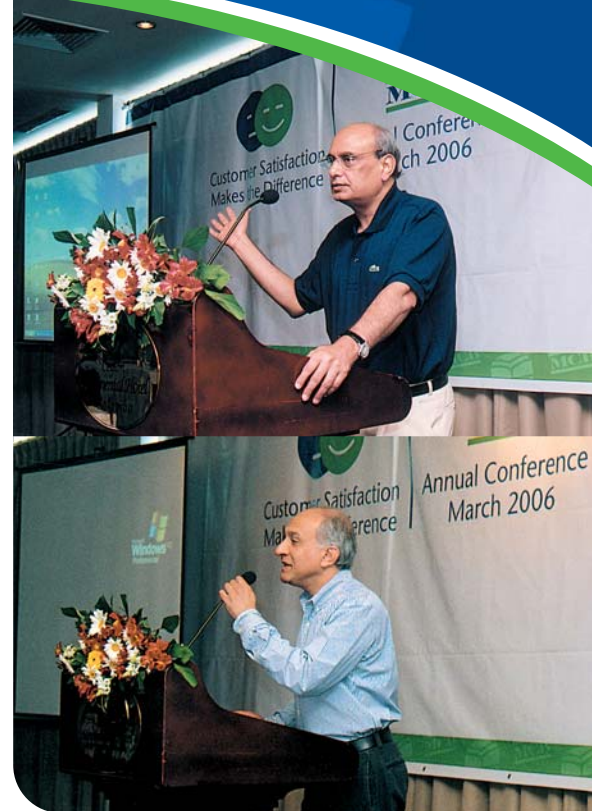
Annual Conference
March 2006

Annual Conference 2006

MCB's Annual Conference was held in Colombo this year and was attended by 140 participants. In his inaugural speech, the President welcomed all participants and stated that the bank performed very well during 2005 with a growth of 217% in profit before tax.

While going through the figures for the year, he explained that maximum growth was achieved in the commercial sector. However, the deposits were a cause of concern as they had grown only by 4%. He specified that the Bank would concentrate on growth and improvement in deposits along with advances during the upcoming year - The targets for deposits were set at Rs. 285 billion and for advances at Rs. 235 billion.

The President also emphasized that service quality and technological up-gradation would be the crucial areas in the future, as they are essential for the growth of the Bank and will provide the differentiating factor to distinguish MCB from other competing banks. He encouraged people to work as



a team in order to succeed and find solutions to the problems currently being faced during up-gradation.

He concluded his address by presenting a revised mission statement, vision statement and core values of the Bank.

In his address, the Chairman, Mian Mansha, congratulated the senior management for the growth achieved in the year 2005. Expressing his concern over the low deposits



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growth, he highlighted the need for manifold increase in deposits in the upcoming year. He also stressed upon the fact that in 2006, MCB would concentrate on attaining growth and market share in the banking sector by providing better interest rates to the customers and focusing on consumer banking.

He emphasized the fact that the differentiating factor that would make MCB the leading bank in Pakistan would be its focus on service quality. He assured all participants that the Board of Directors is committed to provide encouragement and support to the management in their efforts to retain and increase the Banks market share.



Mission Statement, Vision Statement & Core Values

Companies that consistently do well are guided by a core ideology- a sense of purpose and core values, beyond just making profit. Strangely enough, these visionary companies tend to show higher profits in comparison to profit-driven companies. Visionary companies are identified as the ones where all team members have a clear understanding of the Mission, Vision and Culture.

In order to make MCB an example of a visionary organization which depicts best social, moral and corporate values, the President took a decision to revise the Bank's Corporate Mission, Vision and Values. A consultant was hired to craft and roll them out through the entire Bank. In order to engender it from MCB employees, sessions were conducted through a consultative process to ensure representation from all key business groups. About 150 MCB employees, representing all business groups and the field attended these sessions and gave their input. The sessions were lively and interactive with a number of exercises to highlight significant learnings. Ideas and suggestions given by the participants were collated and presented to the President and the Management Committee for finalization and were further approved by the Board of Directors.



Mission Statement:

"MCB Bank's team of committed professionals is dedicated to maintaining long term customer relationships through outstanding service and convenience".

Mission Statement, Vision Statement & Core Values

Vision Statement:

"Challenging and Changing The Way You Bank".

Core Values:

Our values are the standards and principles which determine our behavior, how we interact with each other and with our customers.

Trust:

We are the trustees of public funds and serve with integrity & commitment. Ethical behavior is of critical importance to us. We shall adopt full compliance with internal and external policies and procedures, operating within the legal framework.

Customer Focus:

We continuously seek to exceed our customers expectations, forging and maintaining long term relationships.

Innovation:

We strive to be the market leaders in innovative products and services offering customized financial solutions with flawless execution.

Teamwork:

The diversity of our people is our strength. We inspire and challenge each other in working together to achieve synergy.

Achievement:

Our people are our most valuable asset. We are committed to a result oriented culture. Our goals are clear and merit is the only criterion for reward.

Social Responsibility:

As responsible citizens we contribute to the social welfare of the community we live in.

Plans are underway to impart these values to the rest of the organization so that there is a clear understanding of what they mean at an organizational and individual level. The challenge and success of the whole initiative depends on how deeply the entire MCB team believes in this ideology and how consistently it lives, breathes and expresses it in all that it does.



Photo taken on the occasion of signing ceremony at MCB Tower, Karachi. MCB Bank Ltd. to provide term loan facility of PKR 484 Million for financing a portion of the latter's distribution of Power and Energy loss reduction project for the year 2006, seen in the picture seated from left to right are Mr. Aamer H. Zaidi, SEVP & Group Head Wholesale Banking, MCB Bank Ltd., Mr. Mohammad Aftab Manzoor, President & CEO of MCB Bank Ltd., (signing the agreement) Brig. (Retd.) Tariq Rasool, CEO of FESCO, Mr. Izhar-ul-Haq, Finance Director, FESCO.



Cash Management



Mr. Mohammad Aftab Manzoor, President and Chief Executive, MCB Bank Limited and Mr. Asadullah Sherazee, GM Coca-Cola Beverages Limited, recently signed a Cash Management Services Agreement at a ceremony held at Coca-Cola's Head Office in Lahore, also seen in the picture are officials from both organizations.

PRESIDENT ▶
Mr. Mohammad Aftab Manzoor
Addressing the participants of the
Managers Meeting at Shelton Hotel,
Gujranwala.



◀ Group Head Retail Banking
Mr. Shahid Sattar addressing the
participants of the Managers
Meeting at Shelton Hotel,
Gujranwala.

▼ Participants of the Managers Meeting at Shelton Hotel, Gujranwala.



▲ Group Photograph with members of the Executive Committee of Gujranwala Chamber of Commerce & Industry.



Mr. Mohammad Aftab Manzoor, President & Chief Executive Mr. Shahid Sattar SEVP / Group Head RBG addressing the Regional Managers, Chief Managers and Managers of Sargodha Circle. Mr. Nadeem Ahmed Butt, SVP / GM Sargodha gave a presentation on the circle's performance.

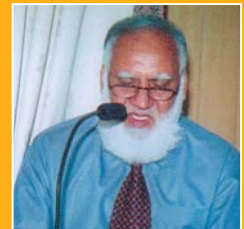
Striving to Excel Top Performers in the Circle



Mr. Muhammad Siddique Chaudhry
AVP / Manager B/O Chashma Barrage
(Mianwali Region)



Mr. Muhammad Saleem Bajwa
OG-1 / Manager B/O Chak No.47/NB Sargodha
(Sargodha Region)



Mr. Abdul Majeed Chaudhry
AVP / Manager B/O Shaheed Road, Jhang Saddar
(Jhang Region)



Mr. Mohammad Aftab Manzoor President & Chief Executive, delivering souvenirs to Regional Managers of Sargodha Circle for "Best Performance for the Year 2005".

Top Performers: Branch Managers

Mr. Shahid Sattar, SEVP/Group Head Retail Banking - sitting in the centre
Addressing Regional Managers Jhang, Sargodha, Mianwali Regions and Managers of Sargodha Circle during his visit to Sargodha on 14th September, 2005.



Sitting on the left side:
Mr. Munir Saleem,
EVP/Business Head CBG - North, Lahore.
Mr. Nadeem A. Butt
SVP/General Manager Sargodha Circle

Sitting on the right side:
Mr. Faheem Butt,
SVP/General Manager, Faisalabad Circle.
Mr. Muhammad Tariq Mirza,
VP/ Regional Manager, Faisalabad Central Region.



Mr. Nadeem Butt, G.M. Sargodha.



Mr. Farooq Malhi, R.M. Sahiwal.



Mohammad Jamil, Branch
Manager, Chak 204, Faisalabad.

ATM Installation at SBP, Lahore



Photograph taken at the eve of the inauguration ceremony of MCB ATM, Installed at SBP premises Lahore, largely attended by other bank officials. Seen in the picture; Mr. Barbruce Ishaque-Chief Manager, SBP Lahore, Mr. Liaquat Durrani - M.D. (BSC)- SBP and Mr. Munir Saleem EVP/Business Head CBG - North.



Mr. Liaquat Durrani M.D - BSC (Bank), State Bank of Pakistan is cutting red tape to inaugurate the MCB ATM installed at the State Bank of Pakistan, Lahore premises. Also seen in the picture; Mr. Munir Saleem - EVP/Business Head CBG - North & Mr. Barbruce Ishaque - C.M. SBP Lahore.

- ▶ Disbursement of salaries and loans of all staff have been centralized at the HRD. This will ensure proper deduction and recovery in case of loans and increase the overall efficiency of the process. Branches, relieved of this administrative task will be able to focus on their core functions.
- ▶ An e-learning program was launched in October 2005 through which a limited number of e-learning scratch cards were delivered to all the groups for distribution amongst their staff. With an e-learning card and a PC connected to the internet, a user can instantly download one or more than four hundred courses available online. After completing a course at their own pace, the user can take an online test and receive a certificate.
- ▶ A series of soft-skills courses were offered for the staff working at MCB Tower, in the auditorium. A distinguishing feature of these trainings was that employees were empowered to enroll in courses of their own choice with their manager's consent. Such programs, including video based trainings will continue to be offered at this venue.
- ▶ HR related policies, circulars and other information will soon be made available on the MCB intranet.

Training & Development



Group Photograph taken on the occasion of Performance Management Training conducted by Mr. Mueen Zafar for Branch Managers in Peshawar.



Workshop on Professional Selling conducted by Mr. Usman Butt for Branch Managers at Training Centre, Karachi.

Training Courses at Training Centre Islamabad



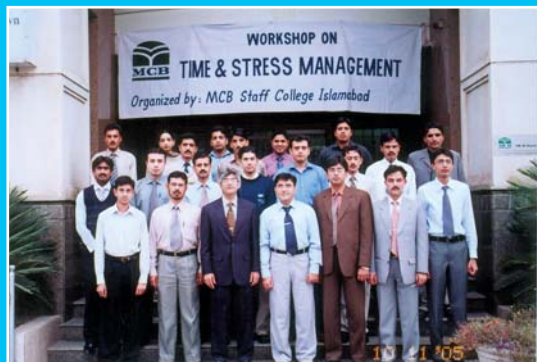
Date: August 20, 2005 **Course Name:** Effective Branch Manager **Participants:** Chief Manager / Managers **Duration:** 2 Days **Speaker:** Mr. Usman Y. Butt **Venue:** Training Centre Islamabad.



Date: August 16, 2005 **Course Name:** CIF Training **Participants:** Officers / Executives **Duration:** 1 Day **Speaker:** Mr. Mukhtar Ahmed **Venue:** Training Centre Islamabad.



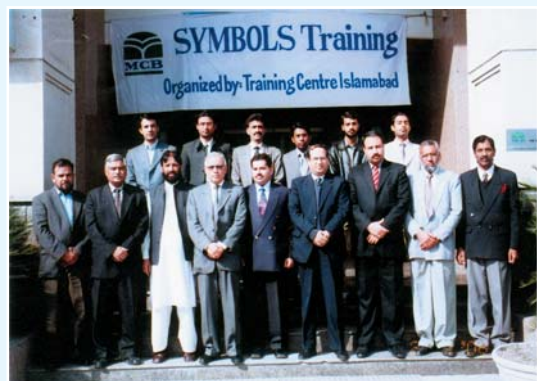
Date: October 3, 2005 **Course Name:** Transport Documents and Incoterms **Participants:** Forex Incharges **Duration:** 1 Day **Speaker:** Mr. Ahmir Mansoor **Venue:** Training Centre Islamabad.



Date: August 10, 2005 **Course Name:** Time & Stress Management **Participants:** POs / Fresh officers **Duration:** 1 Day **Speaker:** Mr. Mueen A. Zafar **Venue:** Training Centre Islamabad.



Date: November 14, 2005 **Course Name:** Introduction to Islamic Banking **Participants:** Chief Managers / Managers **Duration:** 1 Day **Speaker:** Mr. Mir Sajjad Rafiq **Venue:** Training Centre Islamabad.



Participants of **Symbols (General Banking) Training** conducted by Mr. Saif-ur-Rehman for branches in Islamabad.

SERVICE QUALITY ASSURANCE

What are we up to?

We at SQA emphasize on complete customer focus, believing that quality is not a destination but a journey. The major activities of the quality unit include process flow documentation, process improvements, quality measurements, customer satisfaction, surveys/mystery shopping /focus groups, quality workshops, service quality audits & giving due importance to customer complaints. The unit is responsible for sharing the quality philosophy of the organization, keeping in line with the new Vision, and to develop, design and implement the different quality initiatives in the Bank to improve overall service, making MCB the best service provider in the market.

Putting things in Black & White

Consumer SQA North started off with documenting the process flows for the three products of Consumer Banking of MCB i.e.; Pyara Ghar, Business Sarmaya and Car-4-U. With the current consumer setup, it is imperative that all processes are documented and agreed by all stakeholders in order to meet our set service standards. Now that the documentation is done, it will be smooth sailing all along. We thank the consumer team for all their support & co-operation.

Service Quality Measurements

The next step after documentation was to assign the indicators to measure the TAT (Turn Around Times) of all the critical steps within these processes. The TAT measurement didn't prove to be a walk in the park. For one thing, collection of MIS turned out to be a Herculean task.

Once the TAT were assigned, the indicators were measured for each product by sampling cases through physical files. A report was then compiled and shared with the business. Some indicators could not be monitored due to lack of data but from next month all shall be measured as suggested to the units. Looking on the bright side, the only way to go from where we currently stand, is upwards.

With regard to the video monitoring of our selected branches, it was decided to launch a pilot project of ten branches, where cameras will be

monitoring on a central basis to look at the service being offered by the branch staff. By doing so we are optimistic about increasing the effectiveness of branch services, improving client efficiency and boosting customer satisfaction in branches. In addition, it will enable automated incident management and monitoring of business activities and employee performance.

Process Improvement Teams

The concept behind PI Teams is training, formation and facilitation of cross-functional Process Improvement teams sponsored by the Senior Management. The tasks of these PI Teams will primarily be streamlining/re-engineering of the processes and improvement of TATs.

Our Consumer Analyst decided to start off Process Improvements with Autos, and met the various staff of all the concerned departments. Work on Pyara Ghar and Business Sarmaya has also been initiated. The issues that were creating bottle necks are being marked and action plans are being made. Meetings with department heads were called where all the issues and action plans were discussed in order to reach unanimous decisions. These action points are continuously being added to, updated, and are circulated fortnightly.

TELL US HOW?

Bilingual Customer Comment Card

SQA has designed and circulated a bilingual customer comment card which will help us to ascertain the overall perception of our services and to gauge the level of satisfaction of the MCB customers. In the initial stage approximately 150 comment cards will be placed adjacent to the suggestion boxes in selected branches of MCB. Also, 100 leaflets will be placed on CSO desks in other MCB branches. As per SBP requirements, the designed comment card displays a complaint logging procedure and contact information.

Spirit of Service

Preparations are underway to launch the new service campaign in selected key branches across the country. This campaign will drive our vision of creating customer loyalty, exceeding expectations and strengthening relationships. The purpose of this campaign is to share the SQA spirit with the entire Bank and to push towards a cultural shift which will promote our aspired SQA Vision. The rollout of this campaign will be extremely beneficial for the organization in terms of motivation, teamwork, bank outlook and customer focus.

IT ACHIEVEMENTS

1) Information Technology has become the corner-stone of conducting business in most industries. Enterprises have used their IT infrastructure to provide competitive advantage, increase productivity and empower users to make faster and more informed decisions. In today's online, highly connected, fast paced world we all expect Information Technology systems to provide high availability, continuous operations, and quick recovery in the event of a disaster.

To achieve the above objective, MCB has already taken a strategic decision to implement the Business Continuity Plan. A project of this magnitude and complexity requires long drawn implementations, partner management and various other challenges. During the past few months we have made significant progress and our efforts have paid off. During the week of March 20th, we achieved a major milestone by establishing connectivity of IBM storage systems between SST and Tower sites. Moreover, the replication of application, database and middleware was also tested between the two sites.

2) 220 ATMs out of the total of 235 have been shifted on Stable Communication Media which will significantly enhance our ATM uptime.

3) 538 branches have been connected to our online network out of which 295 branches have been shifted to Stable Communication Media.

4) Internet Protocol Telephony (IPT) Project has been initialized which will connect 100 priority branches in Phase-I for voice over IP, hence minimizing the telecom expenses of the bank.

5) IP scheme of the entire network is being revamped to achieve network consolidation and rectification of transaction delays, hence improving the service levels for our valued customers.

6) Enterprise Management System is being implemented for proactive problem resolution for better service levels.

7) Revised Demand Draft/Pay Order format and DD Advice Format/Issuance across the automated (RSBS) branches in Pakistan are in the process of rolling out to all MIBS branches. Presently there are two to three types of DD/PO formats and separate advices are printed in (MIBS) branches. In order to bring uniformity in the format of DD/PO for Symbols & MIBS branches, new enhancements have been incorporated in the existing MIBS branches Remittances System. This enhancement will also eliminate the preparation of DD advice, as carbonized copy of DD will be used as an advice for the responding branch.

8) In order to facilitate and provide basic banking facilities to the low income people of Pakistan, it has been decided by State Bank of Pakistan that all commercial banks operating in Pakistan will introduce a Basic Banking Account (BBA) facility. This Basic Banking Account

functionality has been implemented in all MCB branches and the accounts have been opened throughout the country.

9) RCOA (Reporting Chart of Accounts) has been implemented successfully. RCOA has been developed on the basis of returns provided by the State Bank of Pakistan (SBP). As a regulator of reporting entities that comprise of Banks, Development Financial Institutions (DFI's) and Micro Finance Institutions (MFI's), SBP has prescribed a number of returns through which data is sought from these entities on different frequencies of time for the purpose of monitoring their performance and generation of various reports for its requirements. MCB has designed Financial Management System to cater to the information collected from their branches/offices on a daily basis and consolidating for FCD for onward submission to SBP.

10) 20 new ATMs have been delivered and installed, 8 of which are activated and the remaining will be activated on the targeted schedule.

11) MCB's intranet has been launched. The address is <http://home.mcb.com.pk>. Please send your departmental information (circulars, forms, policy documents, department's, org charts or any other helpful information) to pmo.itg@mcb.com.pk.

MCB INDEPENDENCE DAY GOLF MATCH

2005



A banner displayed at the MCB Independence Day Golf Match - 2005, held at Piffer Golf Club Abbottabad on 14th August, 2005.



Brig, Sikandar Javed Commmandant FFRE Centre, Abbottabad presenting a souvenir to Mr. Muneer Saleem EVP/Business Head CBG - North.



Group Photograph of the MCB Team with Mr. Muneer Saleem EVP/Business Head CBG - North at the MCB Independence Day Golf Match - 2005.

MCB Circle Office Abbottabad hosted an Independence Day Golf Match on 14th August, 2005. The Abbottabad Golf Club was an ideal location to host such a big event as it is surrounded by lush green gardens, high mountains and beautiful chinar trees, which attract famous and high ranking golfers from all parts of the country. The players participating in the event included high ranking army officials and government servants. The tournament started at 9:30 a.m & Mr. Munir Saleem, EVP/Business Head CBG - North was the Chief Guest at the occasion. The MCB Team handed out give-aways to all the participants.

The refreshments/brunch were served to all the participants at the end of completing nine holes. Mr. Munir Saleem distributed the prizes to the winners of the tournament, which turned out to be a very successful and colourful event with quite a large number of participants.

The following Bank officials were also present at the event; General Manager Abbottabad, Khawaja M. Shafiq ur Rehman, Regional Manager Abbotabad, Mr. Muhammad Khalid Qureshi, Regional Manager Attock, Mr. Waliullah Khan and Mr. Khan Afsar Jadoon, Vice President, Circle Office, Abbottabad.

Umrah Mubarak Scheme

MCB Employees Foundation launched the **Umrah Mubarak Scheme** during January 2005. The scheme became immensely popular amongst the MCB staff and tremendous response was received from almost every



office and branch of the Bank. **Mr. Mohammad Aftab Manzoor**, President MCB and Chairman Board of Trustees of MCBEF expressed his heartiest congratulations to selected members. On the occasion, Mr. Khalid Niaz Khawaja, CEO-MCB Employees Foundation announced that a 2nd Ballot of Umrah Mubarak Scheme would be carried out inshallah by the end of August, 2005.