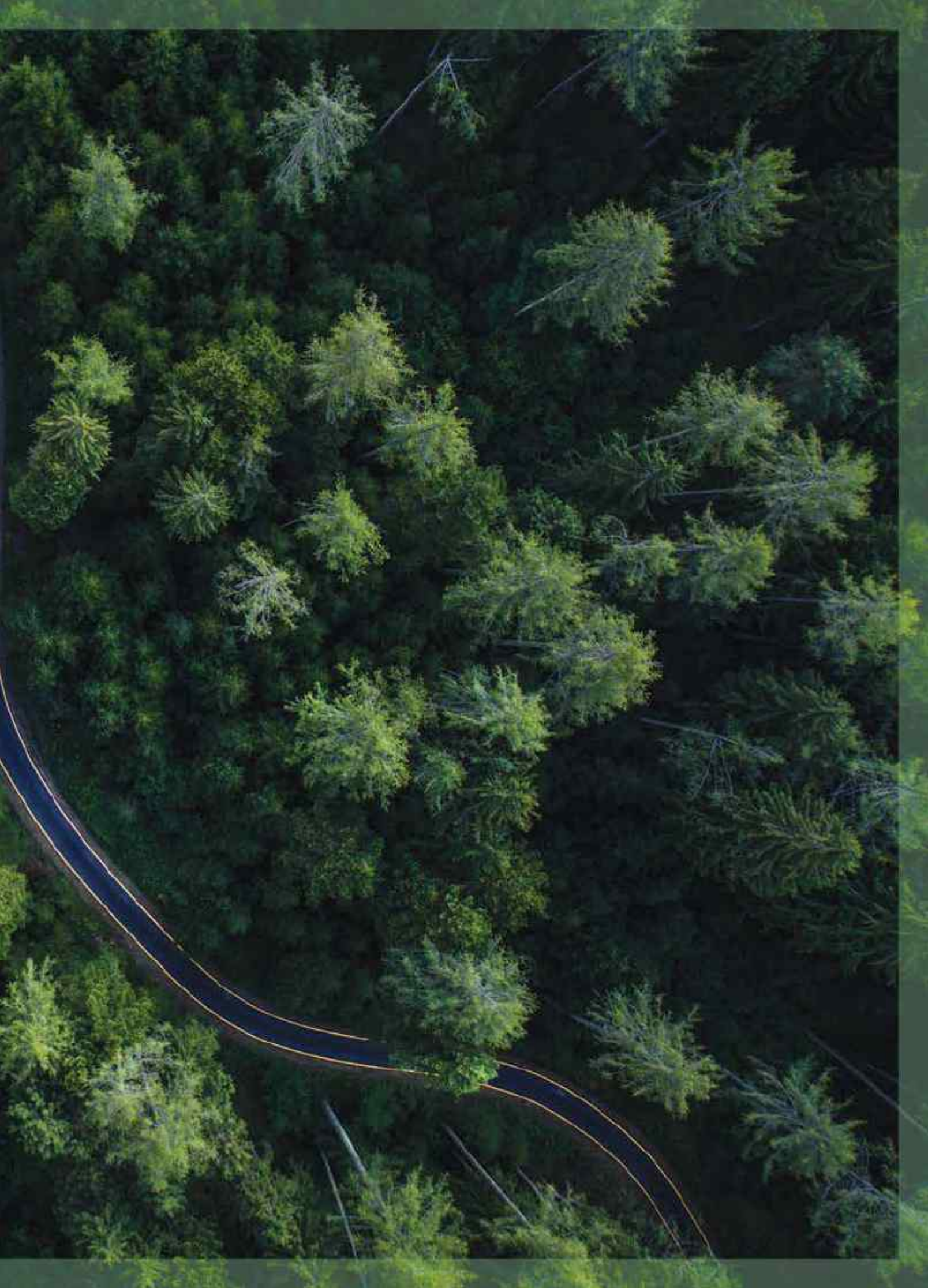


An aerial photograph of a dense, lush green forest. The trees are tall and packed closely together, creating a vibrant green canopy. On the right side of the image, a paved road with a white dashed line runs vertically, curving slightly at the top. The overall scene is bright and natural, suggesting a healthy, well-maintained forest.

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.

Our 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. Broadly speaking, the pillars of CSR activities undertaken by the Bank ensure:

1. Compliance with relevant laws and regulations, in letter and spirit
2. Business operations are conducted with honesty and integrity
3. Engagement in social welfare activities that help strengthen communities and contribute towards the uplift of society.
4. Support and promote Financial Inclusion and Literacy.
5. To build and maintain sound relationships with customers and other stakeholders through open and fair communication in order to contribute towards sustainable image building.
6. 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.
7. Minimize environmental footprint to coexist harmoniously whilst encouraging minimum wastage of resources.



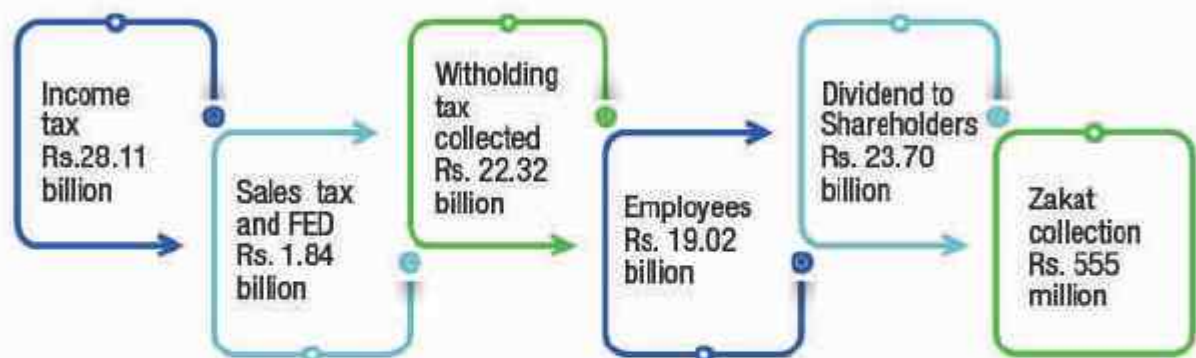
Our approach to sustainability

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.



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 the second highest market capitalization in the banking industry. In 2022, the Bank paid approx. PKR 28.11 billion on account of income taxes to Government Treasury and collected over PKR 22.32 billion for the National Exchequer as withholding tax agent under different provisions of Income Tax Ordinance 2001. In addition to that Bank has also paid PKR 1.84 billion in respect of sales tax and FED. The contribution by the Bank to the national economy by way of value addition was PKR 94.49 billion, out of which around PKR 19.02 Billion were distributed to employees and PKR 23.70 billion to 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 organisations such as Shaukat Khanum and Edhi Welfare Organisation through its communication channels such as MCB Live, internal email, propagation via the MCB Bank corporate website and via the Bank’s diverse 1450+ ATM network. MCB Bank also contributed to the national exchequer in Zakat Deductions to the sum of PKR 555 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 Statement of Value Added.

Key financial highlights:

Key financial figures and related ratios are discussed in financial performance section.

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:

- Internship Program for Persons with Disabilities
- Financial Literacy for Un-banked Population / Gender equality and equal opportunity employment
- Occupational Health and Safety
- Business Continuity Plan
- Business Ethics and Anti-Corruption Measures
- Quality Checks and Mystery Shopping/ Service Council
- Customer Experience Management, Consumer Protection Measures and Grievance Handling
- Investing in communities

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.

Internship Program for Persons with Disabilities

The Bank prides itself on providing equal employment opportunities, free of discrimination, and implemented on a methodical merit based nondiscriminatory selection process. Gender Diversity & inclusion remains one of the top priorities on our strategic agenda. We have further improved the Diversity, Equity and inclusion index by adopting gender diverse hiring practices, capability development and providing career progression opportunities while ensuring meritocracy. The Bank capped off the year 2022 with permanent staff strength of 14,236 employees and 105 contractual employees.



The Bank rolled out customized internship programs over a 3 month duration for persons with disabilities (PWD), at a national level, in branch banking and at back offices where the following were included:

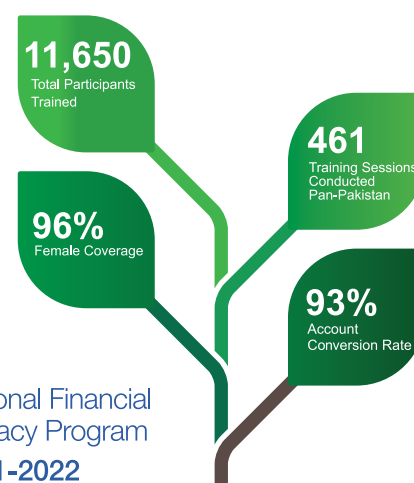
- 3 month Internships for PWDs which could be extended up to six months
 - Internships included a stipend amount of PKR 12,000 per month
 - Job offerings to potential candidates upon successful completion of the internship
 - Distribution of Welcome Packs among employees who were inducted through the PWD internship program
- Recruitments:
- Hiring for PWDs was made mandatory in all job posts across the Bank
 - Encouragement towards inducting PWDs through lateral hiring
 - Fast track hiring was introduced for PWD hiring cases taking into consideration geographical location and suitability of function to be performed by them

Trainings:

Learning & Development engaged an external trainer to conduct awareness / sensitization training for staff on ways to interact with and accommodate PWDs, while providing them with special assistance and due care. A total of seven sessions were conducted in 2022 to build sensitivity around PWDs with the title “Financial Inclusion of Persons with Disabilities”. 195 participants were trained in these classroom and Zoom sessions.

Financial Literacy Program for Un-banked Population

In line with SBP’s initiatives towards increasing financial literacy in society and to include more of the unbanked population into the financial system through its National Financial Literacy Program (NFLP), MCB played its active role to support and achieve this aim again in its 6th year. During FY 2021-22, MCB conducted 461 training sessions pan-Pakistan with the inclusion of 11,650 total participants including 96% female coverage. Through these sessions our field trainers permeated financial literacy across the far flung areas of Pakistan.



Occupational Health and Safety

MCB is well aware of the fact that a conducive work environment, better health facilities and safety of employees and customers are of utmost importance. Occupational health and safety condiments not only avoid significant cost of retrofitting safety and health measures at a later stage, but also improves productivity and delivery of services to its customers.

Every workplace is unique and the health and safety needs vary accordingly. Therefore, effective measures, strategies and initiatives had been adopted to prevent, control, reduce or eliminate occupational hazards. Practical Occupational Health and Safety policy and guidelines have been implemented over the years to cope up with ever changing technological, economic and safety requirements.

The staff at MCB Bank, is well aware of the importance of occupational health and safety standards and is committed in maintaining these standards at workplace.

COVID-19 though not completely rooted out, has yet left lasting imprints on the world economy, causing permanent changes. MCB Bank has been proactive in propagating the precautionary advisories and ensured that all its staff and their families are vaccinated. Internal communication channels are being used to reinforce staff regarding protection against Dengue epidemic, avoid ill effects of SMOG, adopting cautious driving/riding measures during rainfalls, preempting the after-effects of floods/monsoon rainfalls etc. All premises of the Bank are equipped with First Aid Kits to deal with any emergency medical condition.

Facility Level Plans and/or Crisis Response Plans are regularly updated to ensure readiness associated with possible eventualities at premises. Moreover, effective controls, processes, surveillance and security equipment pertaining to the physical security of employees, customers and visitors are already in place. Trained security personnel at the Bank constantly implement the controls, processes, and security equipment. Safety and Security Audit of major iconic

buildings through external consultants has contributed in improving the workplace standards as per the industry best practices. All iconic buildings and branches of the Bank are equipped with modern fire safety, surveillance and security equipment (as applicable).

MCB has implemented well developed policy guidelines of health and safety, which are periodically reviewed and approved by the Board and senior management. By integrating robust controls, implementing risk control strategies, and senior management's commitment along with adequate planning and implementation of effective in-house safety and health programs, The Bank is staunch in preserving its vision for the well-being of its employees, customers and visitors.



Business Continuity Plan (BCP)

Business Continuity Management (BCM) is about creating strategies, that identify and recognize risks, threats and vulnerabilities that could impact Bank's operations internally or externally. BCM provides a framework encompassing steps to mitigate risk, withstand changes in the environment and still perform its critical processes and functions with minimum delay/outage.

BCM is an enterprise level plan which ensures the continuation of critical business functions during a disruptive event, however Disaster Recovery Plans (DRP) helps to recover the system(s), application(s) and data after a technology disruption. Furthermore, a robust Business Continuity Plan (BCP) eliminates the confusions that may arise in a crisis situation by offering a clear guideline for actionable steps, essential to mitigate the risks.

The Board of Directors periodically reviews Banks preparedness to deal with any untoward situation. The Senior Management of the Bank ensures to maintain an effective Business Continuity Policy & Framework to ascertain that clear and concise plans are maintained for all critical functions.

The spread of COVID-19 pandemic has been on a declining trend during the year, but it doesn't mean that we should lower our collective guards and that preventive measures against this infectious disease must not be followed anymore. The Bank has formulated well defined and dedicated BCM plans to combat COVID-19.

BCPs are tested and updated on regular intervals, ensuring Bank's preparedness to deal with any contingency situation. Since BCM is deeply rooted into Banks structure, it gives confidence to its customers, stakeholders and regulator that the Bank can live up-to its commitment and expectations by ensuring continuity of its critical businesses and functions in unforeseen circumstances.

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.

Service Quality Function & Grievance Handling Mechanism

Service Council:

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

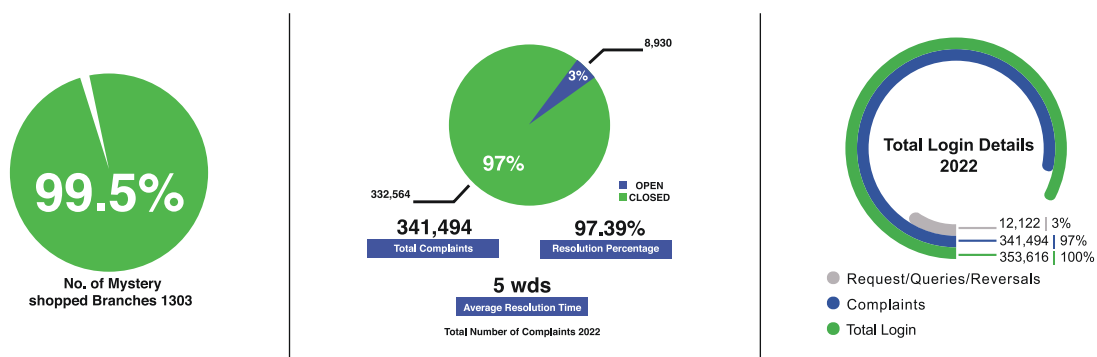
Customer Experience Management:

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

- In the year 2022, 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 onboarding 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 stakeholders 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 revisited 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.
- The Bank started Live monitoring of branches in 800+ branches in 2022 to improve customer experience.

Turnaround Time (TAT) Monitoring:

During 2022, 99.5% of the total pan-Pakistan branches were monitored while following approved service parameters and protocols. The remaining branches were not visited owing to security concerns/remote locations while a few were under renovation. Moreover, 1303 branches were 'Mystery Shopped' by independent external vendors and the 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, Call Centers and other front-end staff offices regarding 'Service Excellence' & 'Customer Satisfaction'.

Customer Grievance Handling

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

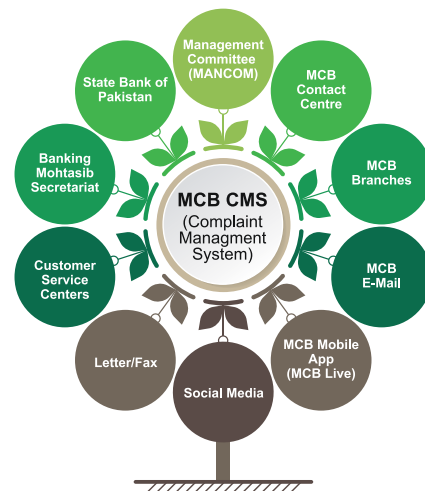
During 2022, a total of 341,494 complaints were logged in the system of which 332,564 complaints were resolved by year end (resolution rate 97.39%).

There was a 29.74% increase in total logged complaints in 2022 as compared to the previous year. The total number of complaints logged during 2021 were 263,212.

Channels / Sources of Complaint Lodgment

- Following are the Channels through which complaints are received:

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 his/her 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 continues via the escalation matrix until it is resolved.



Projects which were initiated as per regulatory requirement during the year including:

- Banking on Equality and Women Empowerment
- Facilities provided to Persons with disabilities
- PM’s Kissan Package, PM’s Youth Business & Agriculture Loan Scheme
- RAAST

Banking on Equality and Women Empowerment:

In keeping with regulatory requirement, the Bank created a working group headed by the focal person in order to work towards a Banking on Equality (BoE) policy while focusing on related campaign and initiatives to empower women both within the Bank as well as to encourage financial inclusion. The Bank’s policy was approved in December, 2021 and subsequently several campaigns and products were launched by the Marketing and Products teams. Sessions on gender sensitization were conducted by internal and external Trainers and select members off the Bank also attended SBP led “Train the Trainer” sessions to further disseminate these trainings pan Pak.

- Personal loan product has been launched for salaried women
- Celebrating ‘National Working Women Day’ and ‘Women of Spirit’ for recognizing contribution of working women.
- Ladies Saving and Current Accounts were revamped during 2022 etc.
- During the year the ratio of female staff member improved to 18.27% from 16.3% in the last year.

Prime Minister’s Kissan Package:

The Agriculture Sector is the back bone of Pakistan’s Economy and is a major stimulant of GDP growth. PM Kissan package is another giant leap forward intended towards farmers facilitation & revamping the agriculture sector.

Under the PM Kissan Package, farmers affected by the recent floods were provided relief, small time farmers were provided fresh financing on zero markup rate for production of crops and rehabilitation of farming activities in flood affected areas.

Moreover, financing was extended for farm mechanization which would greatly revamp the machinery/equipment for use by the farmers.

Recognizing the significance of this priority sector, MCB is extending financial support to the farmers. MCB has responded promptly to the national cause and aligned its policies & procedures aiming at optimum utilization of aforementioned.

Prime Minister's Youth Business & Agriculture Loan Scheme:

Developing economies around the world face a host of challenges in their pursuit of economic growth. One of the key challenges is the unemployment of youth. To ensure progression it is imperative to extend financing to this specific population. The Bank actively pursued PM's Youth Business & Agriculture Loan Scheme (PMYB&ALS) initiative during 2022.

MCB remains cognizant of the fact that emerging youth & agriculture set-ups stimulate economic growth by reducing income inequalities and fostering innovation. With this positive vision of the Prime Minister, MCB was aligned towards enabling youth to avail affordable financing for establishing new businesses or strengthening their existing business.

Moreover, MCB Bank acknowledges that women in Pakistan are a valuable asset and need to be addressed at each level. Therefore, the Bank provides equal opportunities to women working in the Agriculture and added business sectors.

RAAST

RAAST is an innovative digital payment solution introduced by the State Bank of Pakistan (SBP) that facilitates customers in making instant transactions conveniently with peace of mind.

It is a trusted payment gateway for thousands of customers, as it eliminates the need for customers to remember long-digit bank account codes. It is secure and best of all, free of cost. With minimal onboarding requirements and an easy to understand funds transfer procedure, RAAST is doing wonders to foster financial inclusion in all segments and strata of society. Furthermore, digital alerts and digital on boarding also reduces the need for customers to visit branches for fund transfers. This helps curb the carbon footprint and reduces reliance on paper.

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, education and empowerment etc.

Following areas were addressed by the Bank in 2022:

- Healthcare sector
- Community development & Sports
- International Outreach
- Equal Opportunity for All Employees
- Energy Conservation
- Environmental Cleanliness & Protective Measures
- Green Banking



Healthcare Sector

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

A dedicated seminar for female employees of MCB Bank was conducted at its head office. The seminar saw huge turnover and in-depth content and collateral were focused to raise awareness of breast cancer in collaboration with Pink Ribbon. The awareness campaign also supported Pink Ribbon in the NGO's efforts to raise funds for Pakistan's first ever Breast Cancer Hospital. The Bank has in the past also supported the construction and launch of hospital.

The Bank also helped generate awareness for organizations like Edhi Welfare Organization, Sundus Foundation and Shaukat Khanum Memorial Cancer Hospital with its internal and external communication through various ADC platforms; especially during the holy month of Ramadan.

Community Development & Sports

During 2022, Pakistan faced one of the worst floods that devastated major part of the country. MCB Bank, made its contribution in support of a charity event for flood affected victims organized by Bestway Foundation.

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. The Bank also sponsored for Inter Sapphire Cricket Tournament 2022.

During the year, MCB Bank sponsored the 17th 'My Karachi Oasis of Harmony Exhibition 2022' organized by Karachi Chamber of Commerce & Industry.

In order to promote small and medium businesses, MCB Bank was one of the sponsors at the SME Finance Mela 2022 organized by The Lahore Chamber of Commerce & Industry (LCCI). In addition, MCB Bank also sponsored PAF Aerospace and National Security Workshop led by Directorate of Mutual Cooperation, PAF.

International Outreach – UAE Roadshow

One of the key global events in recent times has been the Dubai Expo that provided international platform to thriving industries. In addition to its earlier participation in the Dubai Expo through a sponsorship, the Bank presented itself as one of the leading financial institutions of Pakistan at the UAE Roadshow. The aim was not only to have an international presence but also to contribute to the SBP's target of promoting MCB Roshan Digital Account (RDA) initiative to the masses.

Energy Conservation:

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

WWF certification of Green Banking to MCB Centre building 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. Under the guidelines of WWF-Green Office, training programs were run by WWF –Green Office Team at MCB Centre which were followed by Audit for "Logo" and "diploma".

The Bank also engages employees through its internal communication channels 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 using low energy consuming 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. Setting central heating / cooling system set point to maintain temperature at 24C degrees. Scheduled cleaning of air conditioner filters and air ducts is ensured. Building Management System (BMS), Waste Heat Recovery (Cogeneration - System) and Motion sensor lights system installed further support to conserve energy.

The MCB Tower Karachi Captive power generation from Gas Generators is being replaced with KE Electric Power. This action will contribute in saving the natural gas resources.

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 of MCB Bank. 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 implemented clean energy projects for solarization of branches during the year 2022. A total of 33 branches were equipped with Hybrid Solar PV Systems with battery backup and accumulated generation capacity of 339kW. Generation of clean energy through such measures helped the bank to reduce its carbon footprint. Building on the same momentum, the bank is planning to solarize around 300 more branches in second phase. Data collection for feasibility of solarization at these branches has been completed.

In parallel, the bank engaged solar companies to conduct survey of iconic buildings in major cities including Lahore, Islamabad and Multan to gauge potential of solarization with the aim to reduce energy bills. Detailed surveys were conducted by leading solar companies for MCB House, 15-Main, Lahore, MCB Center, Airport Road, Lahore, MCB Shahrah-e-Aiwan-e-Tijarat China Chowk, Lahore, MCB Landmark Building Blue Area Islamabad and MCB Abdali Road Multan. The management has decided to implement this initiative starting from MCB Landmark Blue Area Islamabad as a pilot project. Proposals for solarization of MCB Landmark Building Islamabad with a 60kW On-Grid Solar System, estimated annual generation capacity of 85MWh resulting in reduction of 14% in grid usage are under consideration and expected to be implemented during 2023.

In addition, the bank has also engaged vendors to submit proposal for energy audit of major buildings. In this regard, detailed proposals for comprehensive energy audit of MCB House 15-Main Jail Road Lahore were submitted by energy

auditing companies which are under management review. Energy audits are expected to help the bank identify & implement ways and methods of using energy efficiently and finding ways to improve energy performance of the facility. The expected outcome of such initiatives will be to reduce energy costs and minimizing carbon footprints.

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.

Solar financing

MCB Bank is providing solar financing solutions to a number of corporate and retail clients through both SBP's subsidized solar financing schemes and through the Bank's own sources. Given the shorter payback periods involved in solar projects, it is one of our preferred areas of financing.

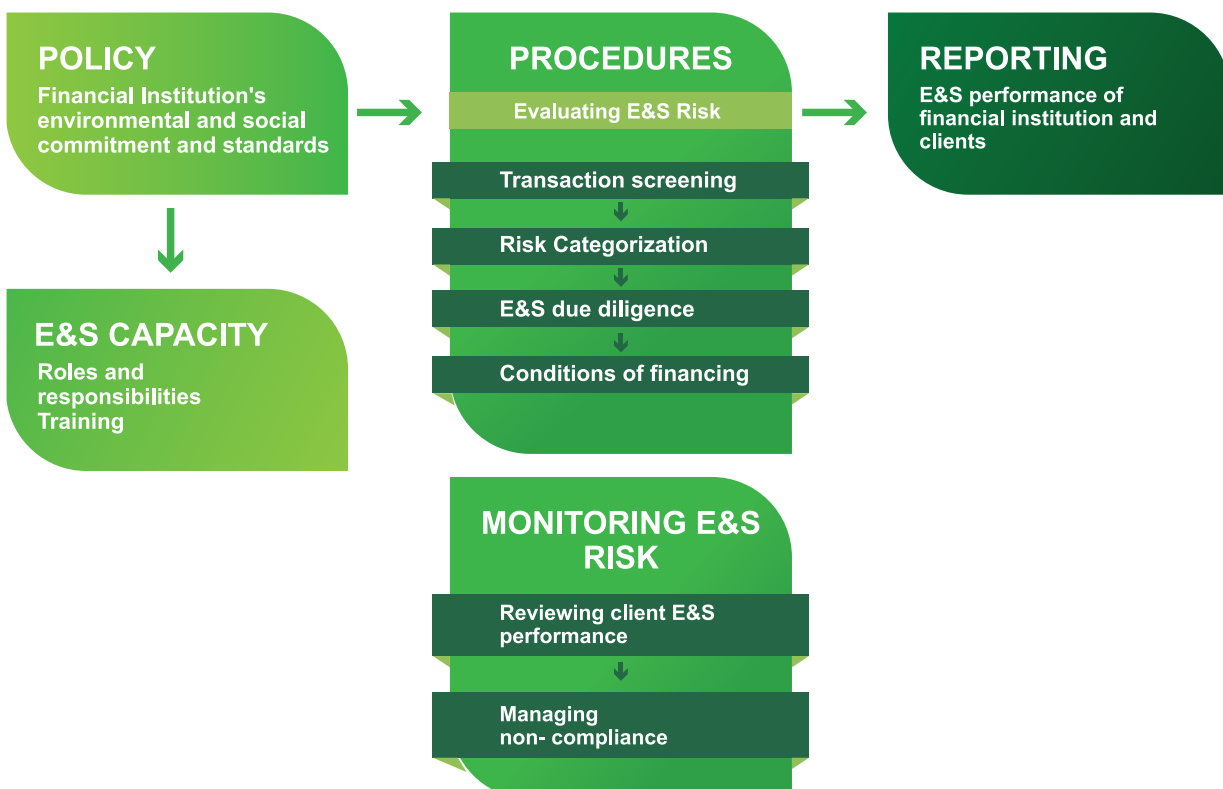
Remittances flow in the country

Flow of remittances through banking channels is an important contributor to the national cause. During the year 2022, MCB Bank attracted home remittance inflows of USD 3.4 Billion, increasing its market share from 11.4% to 11.6%. The Bank also facilitated overseas Pakistanis under the RDA initiative where the total inflows for the year 2022 summed up to USD 203 Million.

Environmental & Social Risk Management (ESRM)

The State Bank of Pakistan through IH&SMEFD Circular Letter No. 12 of 2022 issued ESRM Implementation Manual for Financial Institutions to ensure compliance of minimum standard for environmental & social risk management in the financial sector under Green Banking Guidelines (GBGs),SBP expects that the banks will fully implement the ESRM within three (03) years of issuance of this Manual. SBP will also play its due facilitative role in implementation of ESRM through trainings, awareness sessions and other support measures.

Componants of an ESMA



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.

International Standards of Sustainability adopted as per UN SDGs and UN Global Compact

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

UN Global Impact
Elimination of discrimination with respect to employment

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 (16.9% in 2021 to 18.3% in 2022).
- The representation of women in the senior management positions with 12% of the women reporting directly to the Head of Departments (HOD's) who in turn report to the CEO.
- Supporting SBP's National Financial Literacy Program (NFLP), in 2022, MCB conducted 461 training sessions pan-Pakistan with the inclusion of 11,650 total participants including 96% female coverage.

By improving product diversification, development capability and customer acquisition and facilitation approaches towards women segments, Bank's product portfolio has been deployed to foster to the captioned goal; As at December 31, 2022, the Bank was operating more than 700,000 active women deposit accounts.

UN Global Impact

- Initiates to promote greater environmental responsibility
- Fostering environmental responsibilities

MCB Bank has installed solar power systems in a few Branches/ATMs to counter Greenhouse Gas (GHG) emissions. These solar installations augmented the clean energy in the entire energy mix and led to the avoidance of Carbon Dioxide (CO2) emissions to the environment.

Green Banking Office has initiated the own impact reduction initiative in compliance with SBP's Green Banking guidelines. A detailed baseline scenario assessment was conducted to finalize the electricity/energy mix reduction targets for branches. Initially 5% Energy Mix (KWHs)/Carbon Footprint reduction targets were assigned to 65 branches as a pilot; By virtue of this initiative, the pilot branches have significantly reduced their electricity consumption which ultimately contributed towards the Bank's achievement of avoiding 50+tons of CO2 emissions to the environment

Detailed Initiatives have been disclosed in the Green Banking section of the Annual Report.

UN Global Impact

- Upholding freedom of association
- Working against corruption

The Bank continues 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 3,708 employees.

Contributed Rs. 28,106 billion to the national exchequer on account of income taxes to the Government Treasury.

51 differently abled people working for the Bank as permanent staff.

Extended finance to all key economic segments including the SME and Agriculture sector which cumulatively contribute above 40% to the domestic GDP.

In addition to supporting employees' health and wellbeing, the Bank also actively engages in community services within the health sector under its CSR Plan.

The detailed initiatives have been disclosed in the Sustainability & Corporate Social Responsibility section of the Annual Report.

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

3 GOOD HEALTH AND WELL-BEING

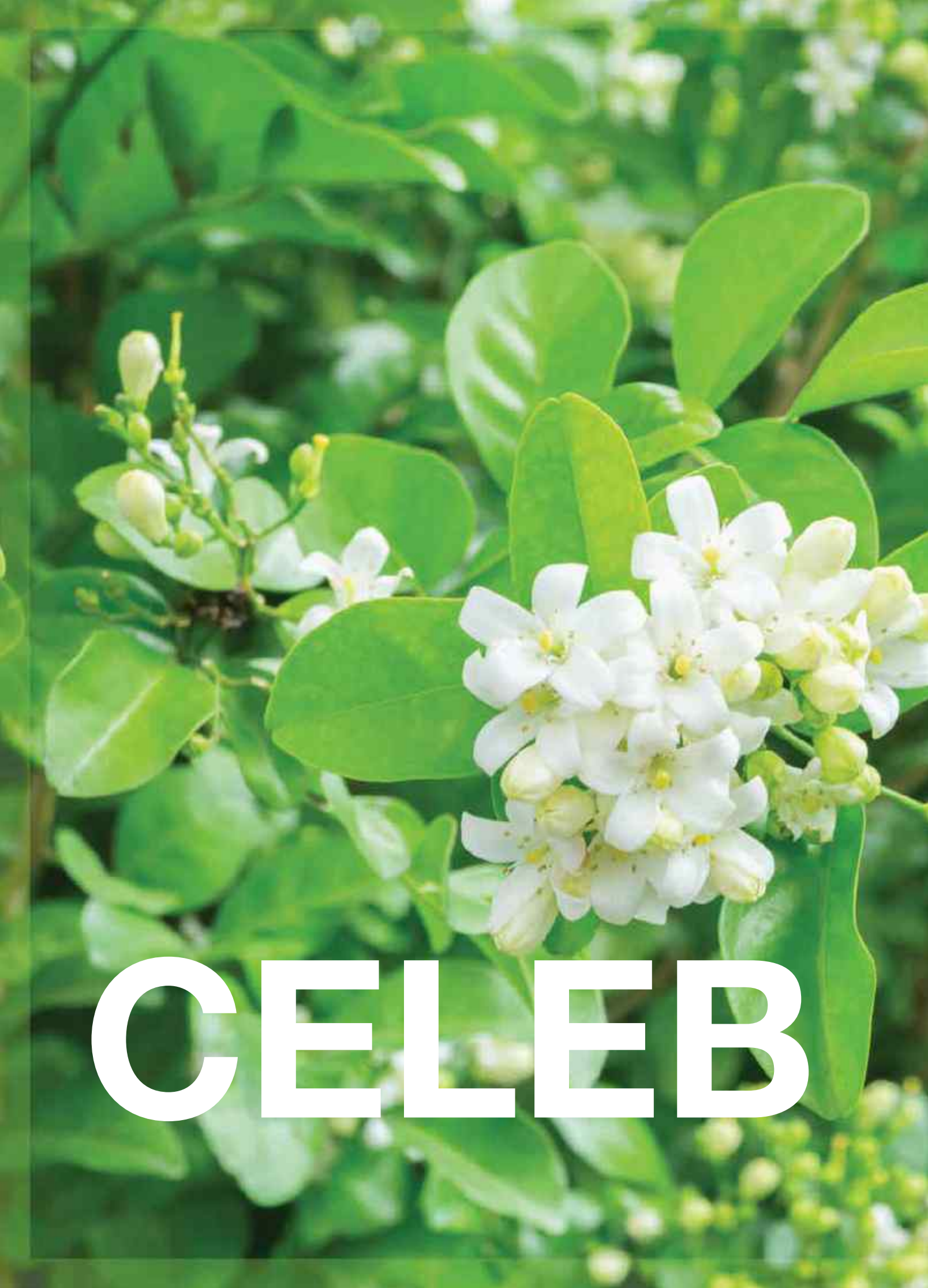
5 GENDER EQUALITY

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



CELEB



RATING WOMEN

Many women have now become bread earners for their families and both men and women contribute equally to family income and lifestyle. With increased participation in economic activities as employees and owners, more and more women are now becoming financially independent. Due to changes in social, economic and individual requirements, women and their households stand to benefit when females engage with and acquire women focused financial and insurance products.

MCB Bank is conscious of its responsibility of creating and propagating financial solutions that promote financial inclusion of women. We strongly believe in gender equality and providing equal opportunities of access to affordable financial services. The Bank also regularly undertakes different initiatives to propagate gender equity in the workplace and to foster a more conducive environment for working women. We are proud to share details of these different activities and much more in the following report.

Revamp of MCB Ladies Current Account and launch of MCB Ladies Savings Account

MCB Ladies Current Account was introduced as a tailor-made financial solution for women that provides them the means to create their own security and the freedom to manage their funds independently with free Life & Health Insurance.

Over the years MCB Ladies Current Account successfully facilitated females in catering to their financial requirements. To further facilitate women's growing financial needs, specifically for long-term investment and financial security, MCB Bank introduced the MCB Ladies Savings Account. To modernize the product proposition and make it more competitive, MCB Ladies Current Account proposition was revamped and made for relevant for the modern Pakistani woman. Key financial benefits and services that MCB Ladies Account holders can benefit from include free Online transactions, Exclusive Cheque Book & Debit Cards, Banker's Cheques, Locker Facility, SMS alerts and health insurance. Best of all, there are no minimum balance requirements!



MCB LADIES ACCOUNT

Unlock your financial freedom
with our Ladies Account

MCB Ladies Current & Savings Account

— **FREE/ DISCOUNTED FEATURES** —

Online Transactions	Banker's Cheques	SMS Alerts	Locker Facility
Health Insurance	Exclusive Cheque Book & Debit Cards		

To open a MCB Ladies Account visit any MCB Bank Branch
or <https://eaccount.mcb.com.pk>

MCB Debit Card & Cheque Book

*Terms & Conditions Apply

MCB Personal Loan for Women

When women are empowered, there is no obstacle they cannot overcome! MCB Bank took the initiative of launching a special personal loan for salaried women to facilitate their financial freedom and to help them finance important decisions in their life conveniently and affordably.



Empower, Inspire, Uplift

MCB Bank now offering a customized affordable Personal Loan for Salaried Women.

Processing Fee	Standard Personal Loan	Women Personal Loan
Markup Rate	PKR 3,600 or 1.2% of loan amount (whichever is higher) <small>Note: processing fee will be effective from 1st July, 2022 as per new RORC.</small>	50% fee waiver
	Credit History: 1 Y KIBOR + 14% Without Credit History: 1 Y KIBOR + 16%	Credit History: 1 Y KIBOR + 8.5% Without Credit History: 1 Y KIBOR + 9.5%

Personal Loan is available in the following cities:

- Karachi
- Gujranwala
- Lahore
- Peshawar
- Rawalpindi
- Stakot
- Islamabad
- Bahawalpur
- Faisalabad
- Abbottabad
- Hyderabad
- Jhelum
- Multan
- Wah Cantt

For more information, please call us at 111-000-622 or email at credit.card@mcb.com.pk



MCB Ladies Debit Card - Women's Day Discounts

MCB Bank worked with premium alliance partners to offer exciting women focused discount and promotional campaigns on the occasion of International Women's Day. Participating in such campaigns promotes financial inclusion as it encourages women to exercise their financial freedom and contribute towards economic growth.



The collage features logos for various partners and their offerings:

- READINGS**: Books
- SN SOHA NIGAM**: Textiles
- Shop Gallery.pk**: Fashion
- FLOWERS**: Floral arrangements
- GLO**: Hair care products
- TENERIFE CAFE**: Food and beverages
- GOSUSHI**: Japanese cuisine

Celebrating Women of Spirit

MCB Bank celebrated its 75th Anniversary in 2022 and to commemorate this milestone, MCB Bank took an initiative to promote our Women of Spirit, showcasing dynamic and hard working women who work at MCB Bank. A special video series was developed to showcase women working at MCB Bank, highlighting women empowerment at the organization and to propagate our efforts to further “Banking on Equality”.



Shoaib Mumtaz
President & CEO

“ Empowering women and providing them with equal opportunity to excel is a major priority here at MCB Bank. This is a direction set forth by the Board and a mandate that we take very seriously. Today over 17% of our workforce are women and we are committed to increase this percentage going forward!





Nadia Aslam
Department Head,
Disciplinary Actions,
Human Resources

“ Be ambitious but be persistent
and be patient. As they say,
Rome wasn't built in a day! ”

“ Dream, Dream Big,
There is nothing that you
can't do. Just focus! ”



Natasha Ahmed
Head Corporate Banking, North



Maziya Hussain
Division Head Marketing

“ I encourage all women to
believe in themselves, to work
hard, to stay persistent and
keep moving! ”

“ Remember that your work speaks
for you, speaks volume infact so
leave behind a mark that your
work will exemplify! ”



Tehmina S. Khan
Division Head Service Quality



Nausheen Karamally
General Manager Retail Banking

“ While it can have its own set of
challenges the fact remains that if
you are a woman who knows exactly
what she wants and committed to
achieve it, nothing can stop you.
Hard work always pays off! ”

Celebrating Pinktober 2022 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 health families which lead to health 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 impact women, with an aim to dispel common misperceptions and foster awareness.

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.





National Working Women Day

Every year, 22nd December 2022 is celebrated as “National Working Women’s Day” to recognize the struggle of working women to secure and work in a dignified and respectful working environment in Pakistan. To commemorate this important occasion, MCB Bank held a special awareness session with expert speaker Ms. Maleeha Bangash, an international corporate banking professional with over 23 years of rich and diverse experience, and female members of the Bank’s senior management team.

The thoroughly informative session featured speeches by Ms. Maleeha Bangash, Ms. Natasha Ahmed, Head Corporate North, Ms. Nausheen Karamally, General Manager Circle East, Ms. Rabia Malik, Branch Manager Privilege Center Karachi, Ms. Aqsa Omer Khan, Department Head Corporate Banking, Ms. Fareeha Ijaz, Branch Manager Ajmal House Branch and special guest speaker Mr. Shahzad Ishaq, Chief Digital Officer.

The captive audience learned from the personal stories and experiences of the articulate speakers and were regaled by motivational life lessons that were shared on the occasion. Participants thoroughly enjoyed the event and found the speakers to be engaging and a rich source of inspiration. MCB Bank thanked all the wonderful women at the Bank for their valuable contributions to the organization and looks forward to organizing many more such events in the future.



Maleeha Bangash
Corporate Banking Professional

“ Focus on work, deliver performance/ results, help other women, create community and collaborate with each other. ”



Nausheen Karamally
General Manager, Retail Banking Group

“ Women: Stop carrying pity on yourselves. Draw a line and be professional. Women are gifted by God to carry out many roles. Stay positive! ”



Natasha Ahmed
Head Corporate Banking, North

“ Women must mean business, make ourselves visible, if people talk, just mean business. Don’t be submissive simply set your standards high. ”



Fareeha Ijaz
Branch Manager

“ MCB Bank is my family, my bank for life. I get respect here, there are ups and downs.. never give up. ”



Aqsa Omar
Department Head, Corporate Banking

“ Follow your dreams, it is ok to fail, important to get up, if your destination is far, start early. ”



Rabia Malik
Branch Manager, Privilege Banking

“ Women; train & educate yourselves, cultivate open & safe communication, be flexible, focus on creating your identity. ”

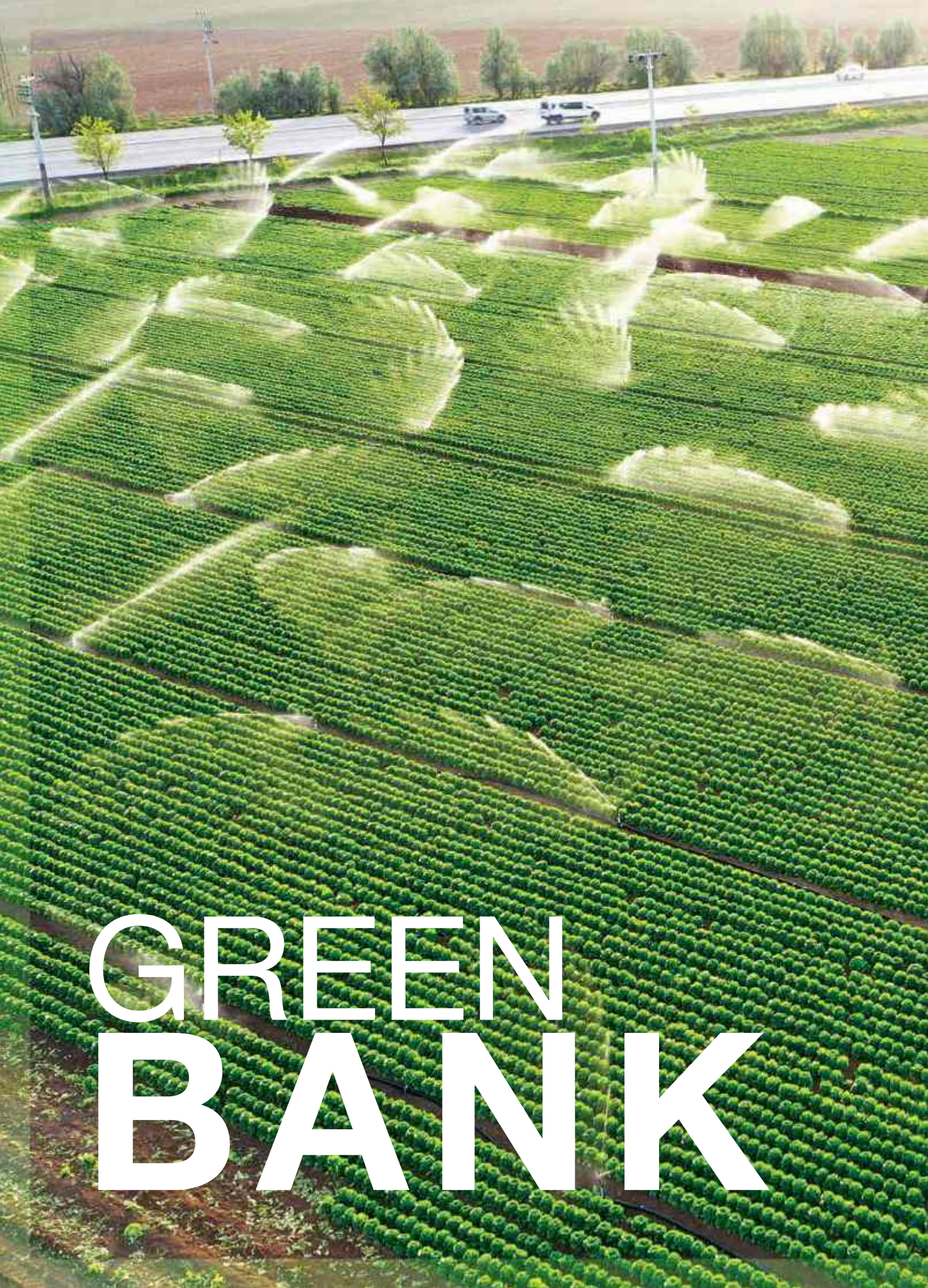




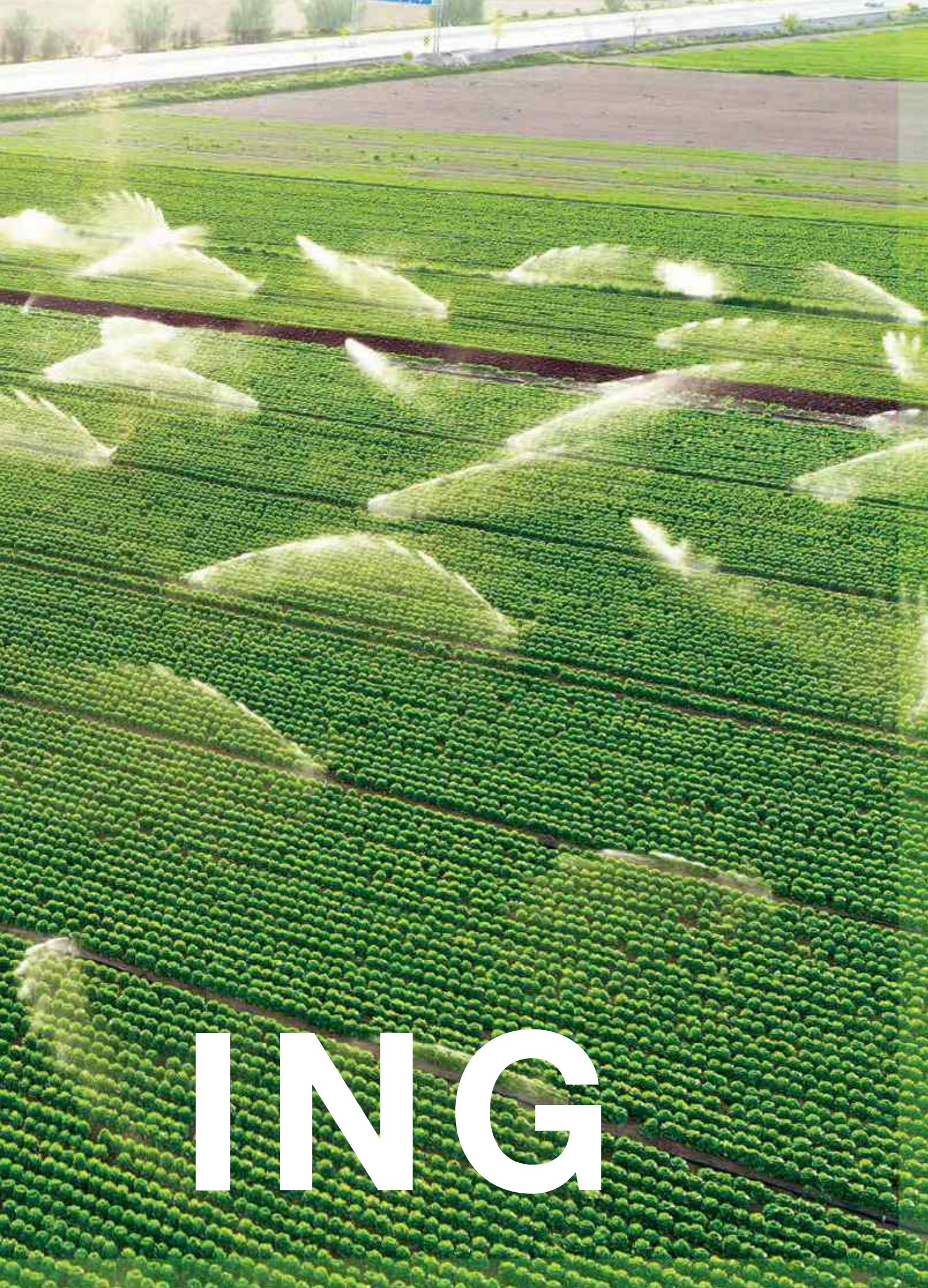
Mr. Shahzad Ishaq thanking Ms. Bangash for sharing her experience and words of wisdom on National Working Women Day

As part of the Bank's efforts to promote gender equality, diversity and inclusion, the senior management of the Bank undertook effective measures to inculcate a progressive and gender forward culture across the Bank. In Recruitment, hiring teams were given targets and directions to prefer female candidates when on-boarding new resources to the Bank, especially in senior positions and leadership roles. Business teams were directed to provide female colleagues with opportunities to work on projects and assignments, which traditionally were not assigned to them as a way to break stereotypes. Product teams took the initiative to create and propagate customized financial solutions that meet and effectively address the fiscal needs of Pakistani women. All business functions across the Bank were directed to create diversity and inclusion ambassadors from their respective teams, who would act as bank-wide role models for MCB Bank.





GREEN BANK



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Green Banking

During the past few decades, rapidly changing climate conditions have motivated all sectors of society including the financial industry to play their due role in achieving the common goal of environmental conservation. As a result, the concept of Green Banking has gained importance among financial institutions as well to play their role in de-carbonization of global economy.

In the financial industry, "Green Banking" is an emerging concept which aims to integrate the sustainability into Banking operations/businesses to combat against climate change. It intends to make financial institutions resilient against environmental vulnerabilities through adoption of sustainable banking practices and mitigation of environmental risk emanating from the business and in-house operations.

MCB Bank is intensifying its efforts to conserve the environment by contributing towards the climate change mitigation measures. The Bank is fully aligned with SBP's aim to transform the country's economy into a low carbon and climate resilient economy through implementation of Green Banking Guidelines (GBG).

Since the establishment of the MCB Green Banking Office (GBO), Green Banking Culture has gained momentum within the Bank.

MCB undertakes its responsibility to reduce its direct/indirect carbon footprints on the environment by making the Bank's processes, the use of Information Technology and physical infrastructure more sustainable and efficient to have minimal impact on the environment. Additionally, the Bank is also focused to implement robust system to inculcate a sense of environmental concern amongst its stakeholders such that operational processes are transformed to safeguard the Bank against the threat of environmental vulnerabilities.

A synopsis of Green Initiatives undertaken by the Bank are mentioned below:



Environmental Risk Management System

The Environmental Risk Assessment of customers is now part of the Credit Approval Process for credit facility, and this assessment is carried out on an ongoing basis according to the customer's credit package.



Green Finance Products/Services

MCB Bank has introduced various instruments and mediums to integrate the sustainability into its products and services. Such products involve environment-friendly features including Renewable Energy, Modern Drip/Sprinkler irrigation techniques etc. Credit Card customers of the Bank are being offered household energy-efficient products via an affordable/flexible instalment plan. In addition, the clients are also provided advisory services on availing Green Finance for Environmentally-Friendly and/or Renewable Energy Projects. Furthermore, an array of digital services also introduced by the Bank to bring a practical change in customer's behavior that includes but not limited to MCB Live Mobile Application, Digital Account Opening Solutions for both Resident and Non-Resident Pakistanis (e.g. Asaan Mobile Account, MCB e-account portal, Roshan Digital Account etc.), e-statement for both Credit & Debit Card customers.



Solarization of Branches/ATMs

MCB Bank has installed solar power systems in number of selected Branches/ATMs to counter Greenhouse Gas (GHG) Emissions. These solar installations augmented the clean energy in the entire energy mix and led to the avoidance of Carbon Dioxide (CO₂) emissions to the environment.



Paperless Operations

MCB Bank is opting for ways and mechanisms to reduce, if not entirely eliminate, the consumption of paper and other associated resources through awareness and automation of paper-based workflows and processes. A few initiatives have been undertaken for the elimination and/or reduction of paper consumption i.e. suspension of dissemination of paper-based internal circular, encouraging duplex printing, use of digital collateral, introduction of web-based dispute claim filing utility for all Alternate Delivery Channels, and the deployment of application-based workflow systems for gradual migration towards a paperless environment. Moreover, the Bank has implemented a value-added feature to its ATMs by enabling the option for making financial transactions without transaction receipt printouts.



Green Awareness Campaign

Green Awareness Campaign has been prepared to commemorate environment related annual days such as World Water Day, Mother Earth Day and World Environment Day. The commemoration includes different dissemination mediums such as artwork-based Emails and Standee Displays at different buildings of the Bank. Similarly, in order to increase awareness amongst the customers, special web-based banners were prepared and displayed on the MCB Corporate Website and ATM screens. Furthermore, customized animated artworks were also displayed on the MCB official social media pages including Facebook, LinkedIn, Instagram and Twitter.



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

MCB Bank has persistently maintained its industry wide prestigious title of having WWF - Green Office Certification for the second time in a row owing to its iconic building: MCB Centre, Lahore. Every year, a detailed certification surveillance audit is conducted by WWF to validate the continuation of resource conservation measures implemented in the building. This certification is a testimonial of MCB's commitment to reduce the carbon footprint at the workplace. This accreditation has positioned MCB Bank as one of the few top tier Banks that have successfully met the requirements of such significant Green Office certification program.

A WWF Certified Green Office is a workplace that reduces its burden on the environment, achieves savings and reduces its carbon footprint by implementing the Environmental Management Plan (EMP). MCB Centre, Lahore endeavored to implement the building-specific EMP which helps in cutting down the consumption of Energy/Electricity, Fuel, Paper and Water while enabling the recycling of dry waste generated from the building.



Tree Plantation Drive

The need for afforestation has increased nowadays owing to the adverse environmental impact of air pollution. Previously, MCB Bank undertook the tree plantation drive as an environment-based CSR initiative in collaboration with Civil Society Organization at Cavalry Ground Park, Lahore. These plants were procured using the Green Points that were earned by the Bank through the recycling of dry waste. Plants were properly maintained by the relevant authorities, as a result now they have grown up into proper trees and contributing in reducing air pollution.



Employees Capacity Building

Green Banking training has been turned into regular component of the Annual Training Calendar. The trainings are conducted through regular class room sessions/video conferencing in order to sensitize the staff regarding environmental implications and the adoption of Green Culture on a Bank wide level. 1800+ personnel have successfully received the training on Green Banking during 2022.

E-learning portal has become the major source of Green Banking and other trainings for staff members. Furthermore, e-learning has enabled resource conservation associated with Paper, Printing, Electricity, Fuel etc. Overall, compared to a Class-Room Training setting, this amounted to a smaller carbon footprint.



Generator Fuel Monitoring System

MCB Bank has entered into an alliance to install real time Internet of Things (IoT) based fuel management and monitoring system. This proactive monitoring solution will help the Bank in centralized monitoring to analyze fuel consumption through telemetry data to reduce wastage and over-consumption of fuel which ultimately reduces the carbon footprint of the Bank.



Dry Waste Recycling Initiative

Among many other initiatives, MCB Bank has also partnered an organization that provides services pertaining to dry waste collection and recycling through its green partner network. The dry waste recycling services are currently being rendered at four iconic facilities of the Bank in Lahore. The dry waste is being effectively segregated and recycled in an environment friendly manner which reduces the burden on landfill site which makes it better for the environment. The dry waste that weighs around 11 tons is being recycled during the year in an environment-friendly manner.



Reduction of Business Travel

Transportation is one of those sectors which considerably contribute to Greenhouse Gas (GHGs) emission and phenomenon of climate change. MCB Bank is committed to play its role in the reduction of Greenhouse Gases by significantly reducing business-related travel where situations can be managed effectively through the use of video conferencing/tele-presence technology. These virtual meetings not only save time, money and other associated resources but also contribute towards the reduction of the carbon footprint when compared to travel-based meetings.



Carbon Footprint Reduction Measures

Green Banking Office has initiated the Own Impact Reduction initiative in compliance with SBP's Green Banking guidelines. A detailed baseline scenario assessment was conducted to finalize the electricity/energy mix reduction targets for branches. Initially 5% Energy Mix (KWHs)/Carbon Footprint reduction targets were assigned to 65 branches as a pilot. These branches were selected across Pakistan and have representation from all business areas. Green Banking training sessions were conducted to motivate and spread awareness amongst the relevant staff members with regard to this pilot initiative. Similarly, customized artworks are also continuously reiterated on a periodic basis for staff awareness. By virtue of this initiative, the pilot branches have significantly reduced their electricity consumption which ultimately contributed towards the Bank's achievement of avoiding 50+tons of CO2 emissions to the environment as compared to the baseline year.



Green Banking Web-Page

A dedicated webpage on Green Banking under the heading of 'Social and Environmental Responsibility' has been made available on the MCB Corporate Website. This webpage has facilitated the Bank in terms of updating stakeholders regarding Green Initiatives undertaken by the Bank.