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REEF Conservation

In 2024, MCB signed a two-year partnership with REEF Conservation, dedicated to the conservation and restoration of our coastal and marine environments. Our support centres on two specific projects: Bis Lamer, a caravan equipped with interactive tools that tours schools, communities, and beaches, and the Anse La Raie Voluntary Marine Conservation Area, where extractive and destructive activities can no longer take place. Local stakeholders relying on marine resources have actively participated in protecting the site.



Ever since I have been at the Bank, I have been impressed and inspired by the dedication of our colleagues in serving our customers across every client segment."



Message from the Chief Executive Officer

Introduction

I am honoured to have been chosen to lead MCB Ltd. This is a significant responsibility that I approach with humility and deep respect, conscious of the history of the Bank and the distinguished lineage of CEOs who have led this esteemed institution for over 185 years. I want to extend my heartfelt gratitude to my predecessor, Alain Law Min, whose exceptional leadership and resolute determination have been crucial in transforming MCB and navigating the challenges of the COVID-19 pandemic. I also wish to thank the Board of Directors of MCB for their trust and support during this transition. Ever since I have been at the Bank, I have been impressed and inspired by the dedication of our colleagues in serving our customers across every client segment. Their professionalism and passion are a testament to the strength of our organisation and our commitment to deliver on our purpose.

Reflecting on the past year, we have navigated an operating landscape marked by mixed economic fortunes. While the global economy has shown resilience, heightened geopolitical tensions continued to cast shadows of uncertainty. In Africa, despite a relative pickup in economic activity, high fiscal and debt burdens have led to sovereign rating downgrades in some large economies. Conversely, Mauritius has maintained its economic momentum, with Moody's Ratings having affirmed its investment-grade rating.

Demonstrating financial strength

In spite of the unsteady landscape, we recorded a solid performance in FY 2023/24. Net profit after tax reached Rs 15,446 million, marking an increase of 19.2% compared to the previous year. This growth was driven by the sustained contribution of our international operations, with foreign-sourced income now representing 65.7% of our total net profit. Operating income grew by 17.9%, boosted by a robust 21.3% increase in net interest income. This was supported by improved foreign currency margins in the context of high global interest rates, alongside an increase in loans and advances as well as investment securities. Non-interest income also grew by 11.3%, with net fee and commission income increasing by 14.3%, aided by our trade finance and payment activities. Other income grew by 6.8%, even after accounting for a loss on disposal resulting from the sale of our stake in Société Générale Moçambique, reflecting the strong performance in our global markets and foreign exchange trading activities. This performance resulted in a cost-to-income ratio of 33.6%, even with a 20.5% rise in operating expenses that reflect our ongoing investments in people and technology. We further reinforced our financial soundness. Our non-performing loan to gross loan ratio declined to 2.8% and both our BIS and Tier 1 capital ratios were maintained well above regulatory requirements, standing at 19.8% and 17.3% respectively. We maintained a strong liquidity position, with a consolidated liquidity coverage ratio of 437% and a net stable funding ratio of 147%, backed by a sound liquidity and funding strategy.

This performance reflects the steadfast execution of our strategic plan anchored on the key objectives of MCB Group

which aim at – (i) becoming more diversified; (ii) becoming more digital; and (iii) becoming more sustainable. We have reinforced our leadership positioning as an innovative and universal bank in Mauritius. Our digital investments have driven greater digital adoption, as demonstrated by a 74% rise in volume of transactions on MCB Juice in the year to 30th June 2024. There has also been a 45% growth in contactless payments while our customers' cash-to-digital payment ratio continued to decline to reach 35%. In parallel, we are actively connecting clients, by leveraging our digital platform, punch.mu, as well as our Global Trade Portal. We also endeavoured to support the transition of Mauritius to a green economy, in line with the Government's goal of achieving 60% of the energy mix from renewable sources by 2030. We prudently expanded our reach beyond Mauritius, supporting clients in Africa and Asia. We advanced our positioning as the preferred banking partner for private equity, capital funds, multinational corporations and large businesses, leveraging the Mauritius IFC and other regional hubs. The Bank strengthened its network of oil and gas operators in Africa, while promoting energy transition efforts and backing key infrastructure projects for cleaner energy and electrification. Additionally, our Financial Institutions and Syndication team continued to reinforce its engagement with other financial institutions, alongside helping the Bank close major funding initiatives, with a key focus on driving forward our sustainability agenda. As such, the Bank secured a USD 120 million facility from Proparco and DEG to support our climate mitigation and adaptation projects, particularly in Africa. Additionally, MCB signed a USD 400 million Sustainability Linked Syndicated Term Loan, underscoring our commitment to ESG principles and our Success Beyond Numbers philosophy. Moreover, we further committed to environmental protection and socioeconomic development by advancing our Sustainable Supply Chain finance scheme, introducing a Sustainable Trade Finance facility, and launching our first triangular supply chain finance offering to promote African trade and eco-friendly practices. These initiatives form part of our focus on boosting our transactional banking solutions while we are also enhancing our financial markets offerings towards diversifying revenue base. The Bank also supported the expansion of its international wealth business backed by an enriched value offering that is adapted to evolving client needs.

Pursuing continuity in transformation

As we look to the future, I am determined to ensure continuity in the transformative journey that the Bank has embarked upon. Our transformation is not just about growth; it is about ensuring that we remain relevant, competitive and deeply connected to the communities we serve. This continuity is essential as we continue to innovate and sharpen our offerings, both in Mauritius and across the regions where we operate. While we are making significant strides beyond our borders, especially in Africa, our roots remain firmly anchored in the socio-economic fabric of Mauritius. Our identity as a Mauritian institution is not just a point of pride—it is the very essence of our success. We are committed to maintaining our leadership position in Mauritius by actively supporting the country's growth across both traditional sectors and emerging industries. In particular, we are focused on driving clean-energy investments

and enhancing our sustainable loan offerings to help Mauritius transition towards a greener economy.

Our international expansion strategy remains a key pillar of our growth strategy. As one of the few investment-grade players in Africa's financial services sector, we will continue to refine our core competencies to meet the continent's evolving needs. Our focus is on being a specialist bank in niche segments. MCB is now the leading African bank in oil and gas financing, and we believe that our expertise in this area will continue to support socio-economic progress on the continent. As Africa develops its energy mix, we are committed to being a reliable partner in its journey towards sustainable growth. We will strive to remain an active player on the infrastructure project financing front, especially in the African energy landscape while exploring opportunities in the metal and minerals sphere. Private equity is also an area of great potential for MCB in Africa, where the Bank is gaining visibility. We have started to be well recognised in that segment in Africa, taking advantage of the exit of major international banks from the continent. As we continue to support large corporations across Africa, we are committed to embedding the right building blocks and exploring opportunities that emerge from the strategic positioning of the Mauritius IFC. Our focus will be on facilitating cross-border flows across key trade and investment corridors and supporting the expansion of regional value chains, by increasingly leveraging our strategically-located regional hubs and developing our transaction value offering and financial market solutions. In parallel, we will continue to scale up investments in technology to maintain our competitive edge by fostering a culture of innovation to thrive in an increasingly digital and complex world, while also strengthening our risk and compliance frameworks.

“Our transformation is not just about growth; it is about ensuring that we remain relevant, competitive and deeply connected to the communities we serve.”

Empowering talent and driving excellence

Building on our strong foundation and the dedication of our talented employees, I believe we are well-positioned to continue delivering excellent customer service and innovation. The Bank's enhanced Employee Value Proposition sets the stage for ongoing talent development with a focus on upskilling and empowering our workforce to meet the challenges of tomorrow. In doing so, we will continue embedding our Shared Ways of Working to foster collaboration and drive collective success. We will also continue our efforts to enhance career structures and recognise both individual and collective achievements. With the creation of a dedicated Diversity, Equity and Inclusion function, we are accelerating our progress towards diversity, aiming for 40% women in senior management by 2026 while we also foster a supportive work environment that promotes staff well-being. As the first African bank to achieve Equal Salary certification, we are committed to building an even more inclusive and equitable workplace.

Shaping a sustainable future

At the heart of our strategy is a steadfast commitment to sustainability, driving us to reduce our environmental footprint while supporting our clients in their low-carbon transitions. We are dedicated to ensuring that Mauritius remains resilient and sustainable for future generations. As part of this commitment, we aim to solidify our role as a sustainable financier by prioritising lower-emission solutions like natural gas and increasing support for renewable energy projects. We are committed to integrating climate risk and environmental considerations into our operations, supporting responsible growth and delivering long-term value for our stakeholders. Building on the success of the second edition of MCB Trade Week, we remain committed to promoting sustainable trade in Africa, recognising its transformative potential to reduce poverty and create shared prosperity.

“Our identity as a Mauritian institution is not just a point of pride - it is the very essence of our success.”

Final words

As we close another successful year, I extend my deepest gratitude to our 3,500 employees whose commitment and exceptional performance have been instrumental to our achievements. I would also like to express my thanks to the Leadership Team of MCB Ltd for their invaluable support in steering the Bank forward. With a view to reinforcing our value proposition locally, a Domestic Banking function has been created to oversee both the Retail and Business Banking units, with the new Head, Anju Umrowsing-Ramtouh, also joining the Management Committee. I also warmly congratulate Bernard Jackson, Aldo Sydonie and Mathieu Delteil who have joined the Leadership Team. Additionally, I extend my sincere appreciation to the Board of MCB Ltd and our ultimate shareholder, MCB Group Ltd, for their support, sound advice and foresight. To our valued customers, your trust and loyalty are the cornerstones of our success, and we are profoundly grateful for your continued confidence in us.

Certainly, the world we operate in will continue to present us with both challenges and opportunities. Yet, we have consistently demonstrated our adaptability and resilience, whether in the face of economic difficulties, natural disasters, or the lasting effects of the pandemic. I am confident that our unwavering focus on delivering value to our customers and supporting society will remain steadfast. Together, we will build a brighter, more sustainable future - one where success goes beyond numbers.



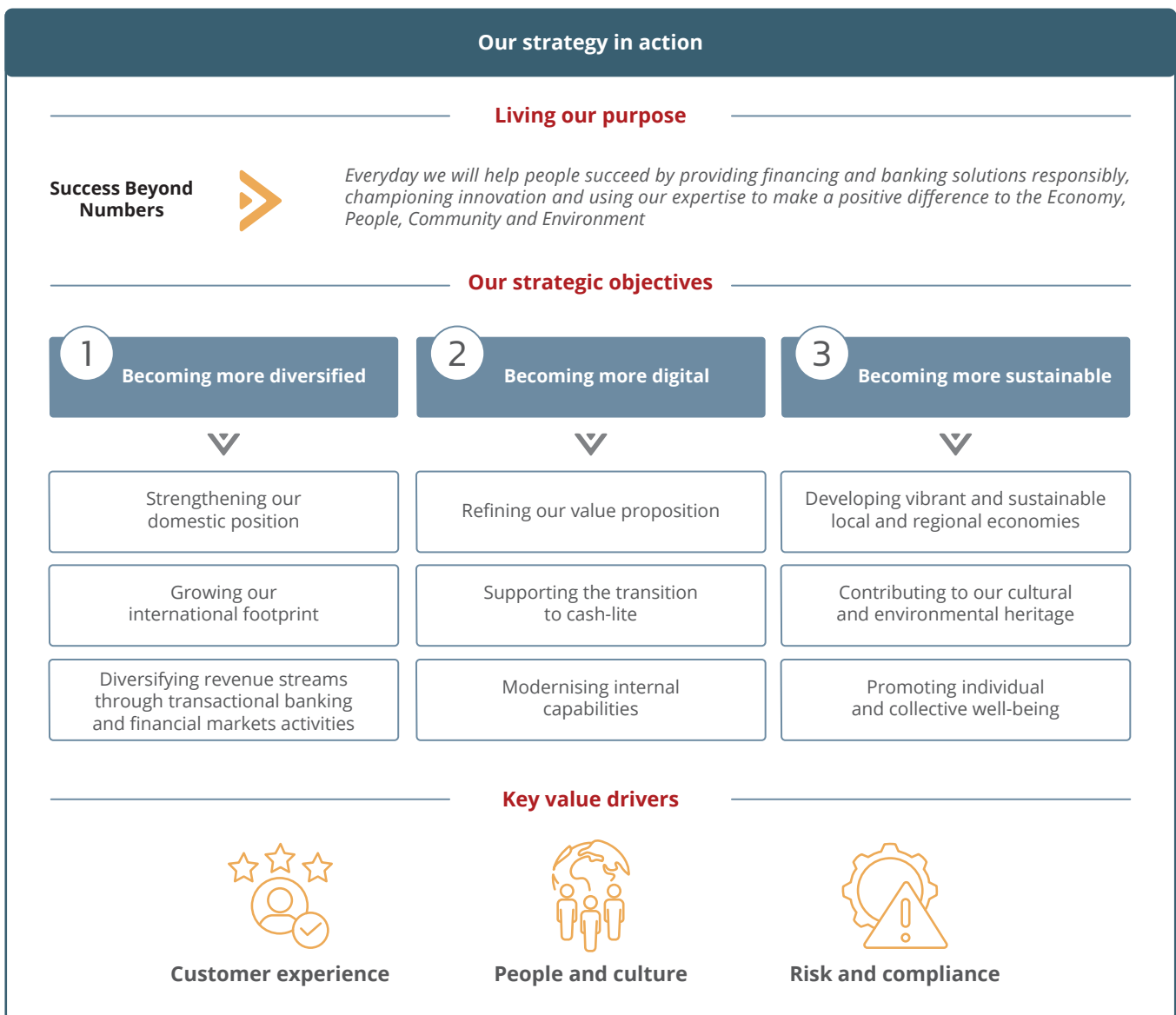
Thierry HEBRAUD
Chief Executive Officer

Our strategy

Executing our strategic objectives to fulfil our purpose

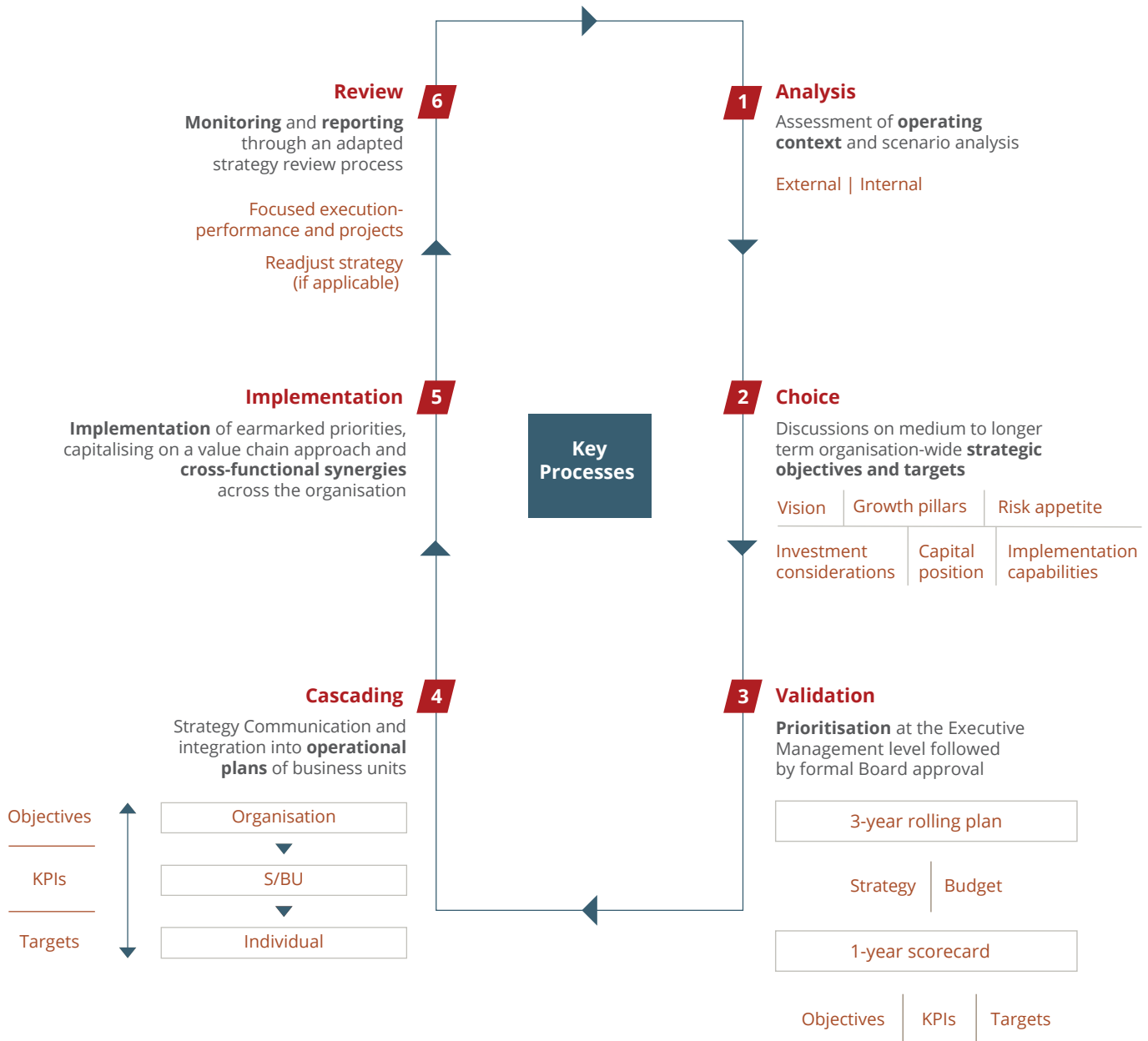
We recognise the challenges of operating in a volatile environment and remain steadfast in our commitment to making a meaningful and positive impact. To translate this conviction into tangible results, we have anchored our efforts in fulfilling our purpose, Success Beyond Numbers, which serves as the cornerstone of our strategy. This purpose drives us to go beyond financial metrics, focusing on creating lasting value for our stakeholders, fostering innovation, and building resilient communities.

Throughout the year, we continued to make headway on our 3-year rolling plan, strategically positioning ourselves to seize opportunities in an ever-evolving landscape. Guided by our proven business model and aligned with MCB Group’s strategic objectives, our strategy focuses on delivering sustained earnings by becoming more diversified, digital and sustainable. As we continue our efforts to make the Bank a simpler and more efficient organisation, we are focused on delivering excellent customer service and customised offerings, capitalising on our talented workforce while operating within the precinct of our risk appetite.



Our strategy setting and execution process

MCB has a well-defined governance framework to underpin the strategy setting and execution process. The Board of MCB Ltd sets the strategic directions of the Bank, approves strategic policies while ensuring that they are communicated throughout the organisation and regularly assessed. While ensuring congruence with the strategic directions set at MCB Group level, we formulate our own strategic objectives, guided by an adapted and pragmatic approach for strategy setting.



Becoming more diversified

Our universal banking model remains core to our strategy, providing a strong underpinning to support our customers, notably through the continuous adaptation of our offerings to meet their needs, while also contributing to the sustainable development of the Mauritian economy. We are also committed to strengthening our position as a specialist bank, especially for our cross-border activities and regional diversification agenda, with Africa being our main target. In doing so, we seek to diversify our revenue base and increase our share of non-interest income by tapping into specific segments and markets.

Main initiatives and achievements during the year under review

1 Strengthening our domestic position

- Upheld our market leadership across both individual and non-individual segments through our contribution to the development of priority and emerging sectors. Of note, we consolidated our positioning as a strategic partner for the transition and growth of Mauritian and regional corporates.
- Launched innovative end-to-end client solutions with enhanced features, while promoting digital payment solutions to support the transition to cash-lite.
- Improved our cross-selling through refined coverage-product strategies and increased collaboration within MCB Group, between (i) MCB and other banking subsidiaries, and (ii) the Bank's coverage teams, MCB Factors, and MCB Leasing.
- Strengthened our proximity with domestic clients and partners looking to expand in the region.

Market shares



49%
Share of local
currency deposits

39%
Share of domestic credit
to the economy

45%
Share of trading in
domestic foreign exchange
transactions

**Reinforced our commitment to SMEs
via the "Lokal is Beautiful" scheme and
punch.mu platform**

**Supported the transition
to renewable energy**



20%
Disbursement of our
sustainable finance
facilities of Rs10 billion
(as at June 2024)

2 Growing our international footprint

- Continued to support African economies in their energy needs through our Energy & Commodities financing. We also leveraged our Power and Infrastructure franchise and are building a Metals & Minerals business to finance activities which are crucial for a successful energy transition.
- Pursued our strategy to position MCB as a core banking partner for large corporates, multinational corporations and funds doing business across African and selected Asian, GCC, European and American corridors, while deepening relationships with fiduciaries and intermediaries both in the Mauritius International Financial Centre (MIFC) and in international financial hubs.
- Bolstered our network of correspondent banks to become more prominent in the African as well as regional financial institution landscape and better service the cross-border and investment needs of our corporate client segments.
- Further grew our International Wealth business, with a focus on External Asset Management and International Private Banking, by enriching our value proposition and boosting business development initiatives.

Closed major capital and funding initiatives



USD 400 million
Sustainability Linked
Syndicated term
Loan

USD 120 million
Loan from DEG and
Proparco

Enhanced market presence through targeted initiatives and our network of hubs in Africa, the Middle East, and Europe, as well as the MIFC

E.g. GIC Business Series and sponsorship of key African and international conferences



3 Diversifying revenue streams through transactional banking and financial markets activities

- Progressed towards becoming a prominent player in G-10 currency trading in the region.
- Strengthened the Global Markets value proposition through the development of tailored and structured offerings, including sustainability-linked products.
- Promoted the Global Trade Portal, a dedicated platform for international trade connecting buyers and suppliers across markets, across our presence countries.
- Further developed our suite of payments and cash management solutions for cross-border activities, leveraging our digital capabilities, notably IB Pro, as well as synergies across business lines.



Read more on how we are becoming more diversified in the 'Performance across our lines of business' section on pages 58 to 67

Becoming more digital

We are advancing on our journey to become more digital, with a keen focus on elevating customer experience and driving the shift towards a cash-lite economy. Building on the strong foundation laid in previous years, we are committed to refining our end-to-end customer journeys, ensuring that our solutions are user-friendly, personalised, and seamlessly integrated across all digital platforms. As a key axis of our digital journey, we are modernising our infrastructure to enhance business operations, harnessing advanced analytics to deliver innovative, customer-centric solutions, and bolstering our cybersecurity defences to protect our customers and our future.

Main initiatives and achievements during the year under review

Refining our value proposition

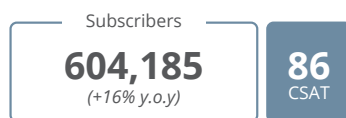
We remain committed to continuously adapting our value proposition and are ensuring that our solutions remain relevant and impactful, aligning with the dynamic expectations of our clients. During the year, our focus was on capitalising on cutting-edge technology to create personalised and lasting customer experiences. Several initiatives have been deployed to upgrade service levels and deliver a seamless customer experience, including:

- New features on our mobile banking solution, MCB Juice, in Mauritius, notably, the extension of the list of recurrent billers on our 'Bill Payment' feature and a 'Government Portal' that allows customers to make direct payments to government bodies.
- A 'Trading' feature accessible through the 'Wealth' entry point of MCB Juice for our affluent and high net worth clients, offering them a suite of convenient tools to actively manage their investments.

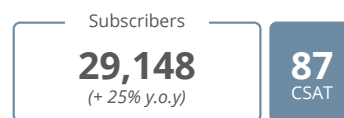
Becoming more digital - Key performance indicators

Payments and channels

MCB Juice Mauritius



MCB Juice Pro

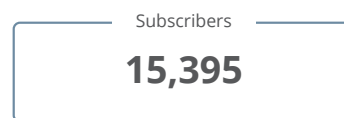


CIB transactional payments



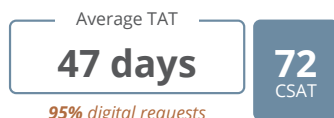
87% digital request
91% International Funds Transfer Payment STP rate

IB Pro

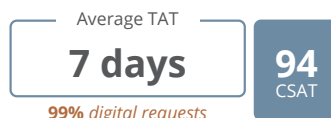


Lending

Mortgage

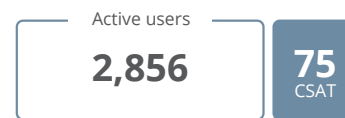


Unsecured personal loan



Investment

Juice Wealth anchored on MCB Juice



SME lending (Express overdraft)



CIB lending



Onboarding

SME account opening



Notes:

(i) All figures relate to FY 2023/24, unless otherwise stated.

(ii) The number of active users of Juice Wealth relates to June 2024.

(iii) CSAT scores, which indicate customer satisfaction, refer to June 2024. CSAT score for Juice Wealth relates to the 3rd quarter of FY 2023/24 while CSAT score for SME account opening relates to FY 2023/24.

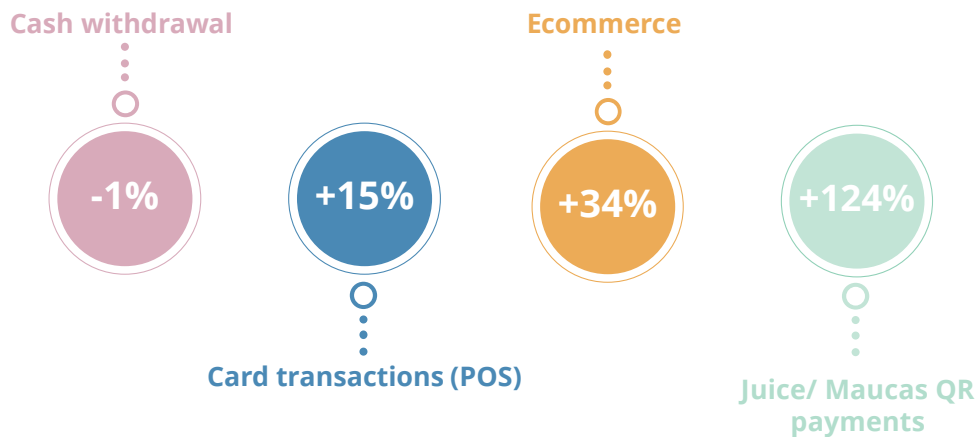
(iv) TAT (turnaround time) includes the time taken for customers to respond and excludes outliers. TAT statistics are not strictly comparable to last year's published figures.



Read more on our digital offerings in the 'Performance across our lines of business' section on pages 58 to 67

Supporting the transition to cash-lite

We actively promoted our digital payment solutions through campaigns highlighting our secure digital channels, which enable clients to perform transactions anytime and anywhere. In the same vein, the deployment of a more self-service oriented concept in our branch network continued to further the shift to digital. We pursued our efforts to increase our digital payments acceptance footprint and recruited over 3,000 merchants, with the majority being in the SME segment. Our POS network is now fully contactless-enabled, with an increasing number of merchants offering several digital payment options, namely online, in-store, card or QR enabled payments. Digital payments, encompassing MCB Juice, contactless, and online transactions, exhibited a notable increase in Mauritius, with the volume of MCB Juice transactions experiencing a 74% surge and contactless payments increasing by 45%. We are moving in the right direction in our cash-lite strategy with the proportion of cash to digital payments ratio declining from 40% to 35% when compared to the previous period.



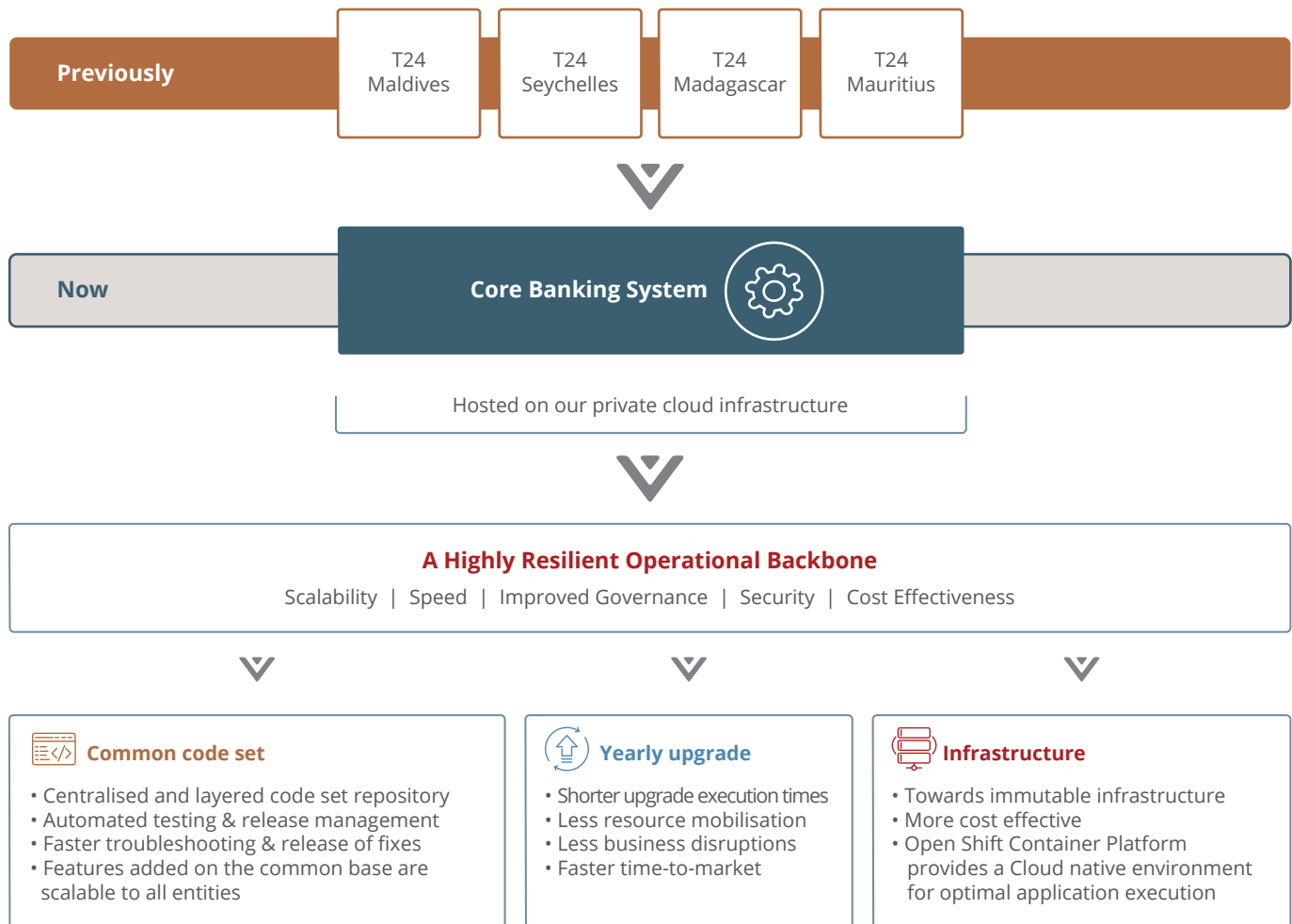
Note: Above metrics underpin the cash to digital ratio, with figures indicating the y.o.y change in the volume of transactions in FY 2023/24

Modernising internal capabilities

Building a modern banking infrastructure

Reflecting our commitment to remaining at the forefront of innovation and upholding operational efficiency, we continually strived to upgrade our IT infrastructure by investing in the latest technology. Notable achievements include the following:


- We completed the implementation of our centralised core banking system at MCB Group level. This modern platform integrates all our banking operations into a single, unified system within our private cloud infrastructure, providing a secure and adaptable environment that meets the evolving needs of our customers and the increasing demands of regulatory compliance. This platform enables us to streamline complex processes, enhance our agility, and foster innovation. As a result, the organisation is now able to schedule one core banking upgrade per year, with execution times cut by 50% and the creation of new development environments completed in a single day, reducing workloads by 70% and impacts to our business. The consolidation has also resulted in significant cost savings, notably by downsizing our hardware estate, contributing to a lower environmental impact.
- We obtained the Tier III Certification of Constructed Facility (TCCF) from the Uptime Institute of Technology. This reflects our pledge to ensuring the highest levels of availability and resilience in our data center, adhering to the stringent standards required for peak performance and reliability. By securing this certification, we are enhancing the efficiency and security of our operations and anticipating the evolving needs of our customers in an increasingly digital landscape.



Bolstering our cybersecurity defences

During FY 2023/24, we pursued several initiatives to improve our overall cybersecurity defenses:

- Established a specialised Information Security Business Unit, ensuring complete independence from the Technology SBU, which has allowed for more focused and effective security operations.
- Created a dedicated Security Incident Monitoring team to better detect and respond to potential threats in real-time.
- Launched a Counter Threat Intelligence team, tasked with proactively identifying and mitigating emerging threats.
- Strengthened our capabilities and refined our processes, positioning us to better safeguard the organisation's assets and information in an increasingly complex threat landscape.

 Read more in 'Risk and capital management report' on pages 123 to 172

Leveraging data and advanced analytics

The organisation also pursued several initiatives to capitalise on data and analytics:

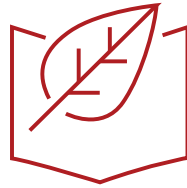
- MCB, through its Data Business Unit and its Technology SBU, implemented a data lake to host its data and analytics operations. This initiative goes hand in hand with a review of MCB's data architecture to ensure that the technology stack, data engineering processes, and data governance are well orchestrated to enable scalability and efficiency. The use of a data lake allows for the consolidation of vast amounts of structured and unstructured data, enhancing advanced analytics capabilities and supporting real-time decision-making in banking analytics use cases.
- We enhanced the Credit Scoring model for SME customers, resulting in more customers being eligible for automatic approval of credit requests. We also implemented a new Credit Scoring model for credit card applications made by individual customers, which led to reduced turnaround times on credit card applications.
- The intake of data practitioners being coached for Business Intelligence (BI) through the MCB Digital Academy increased to two cohorts yearly, compared to one cohort in previous years. To date, 58 people have become BI practitioners with the help of the in-house course.

Becoming more sustainable

Our sustainability strategy is rooted in our purpose, Success Beyond Numbers, and articulates our commitment to be a responsible organisation and a catalyst to the economic development of countries in which we operate. Guided by our adherence to strong corporate governance and ethical conduct, we strive to become more sustainable through the following three pillars:



Vibrant and sustainable local and regional economies



Our cultural and environmental heritage



Individual and collective well-being

Commitment to responsible practices

Our actions are underpinned by our adherence to the international principles, standards, and frameworks we have adopted:



Since 2012, MCB Ltd has adopted the Equator Principles, an internationally recognised voluntary framework that guides the Bank's Environmental and Social Risk Policy. This framework ensures effective risk management in lending activities, especially for projects involving loans of USD 5 million or more.



MCB Ltd is a founding signatory of the UN Environment Programme's Principles for Responsible Banking. These Principles provide a unified framework for integrating sustainability into banking strategies, portfolios, and transactions, enabling banks to contribute to society's goals.



MCB Ltd is committed to embedding relevant principles in its strategy and operations and adheres to the United Nations Global Compact at the participant level. As the world's largest voluntary corporate responsibility initiative, it guides businesses to align with universally accepted principles in human rights, labour, environment, and anti-corruption.



The SDGs reflect an ambitious international agreement to eradicate poverty and inequality, protect health and prevent climate change by Agenda 2030 through 17 specific outcomes that are universally recognised. The organisation has identified 16 of the 17 SDGs of the United Nations where it believes it can generate meaningful value through its operations.



Read more in the Sustainability Report on our website

Main initiatives and achievements during the year under review

- We have further progressed on our sustainability journey, remaining steadfast in our commitment to reducing environmental impact while aiding clients in their transition to a low-carbon economy. Through our Sustainable Loan offering, we have played a key role in supporting local companies and African players in their transition to a greener future. In response to the growing risks posed by climate change, our efforts have concentrated on assessing its impact on our operations and integrating environmental and social risk management into our credit value chain.
- To strengthen the foundation for scaling up sustainability initiatives across the organisation, we established the Sustainability, Reputation, & Engagement SBU, with the Central Sustainability Office at its core. This office is integral to our sustainability ambitions and drives the Bank's agenda under three core pillars: (i) developing vibrant and sustainable local and regional economies; (ii) contributing to our cultural and environmental heritage; and (iii) promoting individual and collective well-being.

Developing vibrant and sustainable local and regional economies

We strive to positively impact our local and regional economies by boosting domestic production and contributing to the socio-economic development of the countries in which we are involved. We are increasing our efforts to foster entrepreneurship and innovation while ensuring our products and services support positive development. Some key initiatives during FY 2023/24 include:

- MCB organised several '**PUNCH Meets' events**, themed (i) Unifying Innovators for a smarter island, (ii) Responsible Tourism, and (iii) Inspiring Women Entrepreneurship, to foster collaboration among entrepreneurs towards boosting local economic growth.
- We held **Coffee circle events** with members from PUNCH, AMFCE (Association Mauricienne des Femmes Chefs d'Entreprises) and 'Made in Moris' to help address key topics to power business growth.
- In collaboration with '**La Turbine**', we supported Mauritian entrepreneurship, by rewarding viable and impactful business ideas. The 10th edition of Test Drive focused on the circular economy and green innovation, in line with Sustainable Development Goals.
- With **MCB Juice, JuicePro and PUNCH being awarded the 'Made in Moris' label**, we have asserted our commitment to supporting local entrepreneurship and fostering inclusiveness.

Financial inclusion

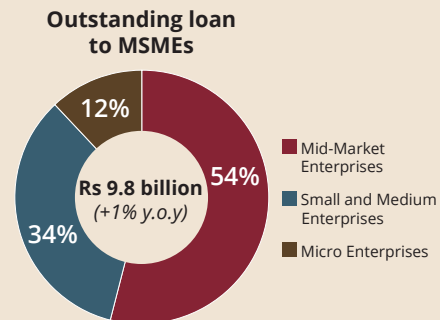
The Bank offers **accessible accounts with low minimum balances** and zero-cost savings bundles, **encourages youth savings through junior accounts**, and provides unsecured personal loans, which is often sought for education and housing, to both MCB customers and non-customers.

MCB Ltd delivers an **inclusive banking experience** through a range of physical touchpoints (namely 39 branches and kiosks as well as 181 ATMs, with more than 50% located in rural areas), self-service solutions (604,185 subscribers on MCB Juice and 325,465 Internet Banking subscribers) and remote assistance (Contact Centre). Though our efforts towards a cash-lite society is prominent, we continue to support in-cash transaction for more vulnerable/less digitally versed parties through cash deposit solutions in our branches. Our digital channels have **expanded financial access** beyond branch hours, as evidenced by increase in pay to mobile transactions.

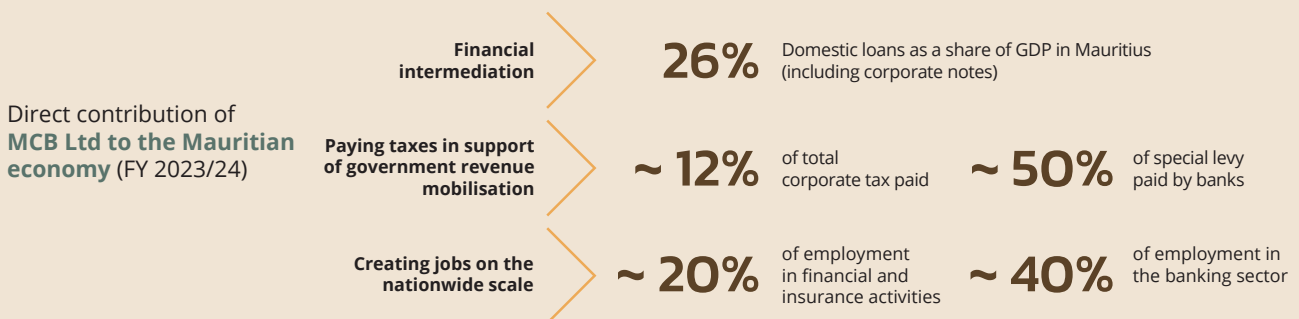
We also have a financial well-being programme for women with the goal of fostering an investment culture and involving them as ambassadors to raise awareness on this important issue within the broader community.

We offer innovative, customised solutions to SMEs, micro-enterprises, and self-employed individuals to meet their needs. Of note, our online platform, **punch.mu**, enables the community of entrepreneurs (from micro businesses to mid-market enterprises) to access new markets, opportunities and alternative sources of finance, acts as a knowledge centre for entrepreneurs and supports them in their development.

Additionally, our payment solution, **Pay+**, is a small payment acceptance device, designed primarily for merchants, which is wireless and easy to carry. It is a more convenient alternative to traditional point of sale terminals used in various businesses such as stores and supermarkets.



Contribution to socio-economic development



Notes:
 (i) Total corporate tax paid includes levies charged on income
 (ii) The estimates do not cater for the indirect implications of the Bank's operations and banking activities
 (iii) Figures displayed above are indicative, based on officially-reported data and MCB Staff estimates

Contributing to our cultural and environmental heritage

We are committed to being a responsible corporate citizen and actively contribute to mitigating the negative impacts of climate change. Some key initiatives during FY 2023/24 include:

- Proparco and DEG announced a **new partnership with MCB** to support the Bank in expanding its climate finance offering in Mauritius and Sub-Saharan Africa. A loan of up to USD 120 million was provided to accompany the Bank in its ambition to unlock further opportunities to finance climate mitigation and adaptation measures.
- The organisation sponsored several NGOs in Mauritius that pursue impactful environmental initiatives, including a new partnership with **Reef Conservation** for restoring marine ecosystems.
- We organised the second edition of the inter-college debate competition '**Deba Klima**' in collaboration with Rajiv Gandhi Science Centre and Dr. François Gemenne.
- We sponsored the reintroduction of an **extinct plant species, Cyllindrocline lorencei**, enabled by the National Park and Conservation Service.
- We supported arts, culture, and the protection of Mauritius' heritage through the Blue Penny Museum. This included the '**Les Brèdes: Un trésor caché**' exhibition, showcasing the importance of these local plants in culinary heritage and health.
- The organisation conducted a **staff campaign for digital clean-up**, focusing on the disposal of unused personal equipment to ensure proper handling of electronic waste, resulting in the collection of 280kg of electronic waste.
- MCB launched a **Direct Environmental Impact cross-functional working group** tasked with identifying, implementing, and overseeing initiatives to reduce our environmental footprint and enhance our overall sustainability practices.

Promoting individual and collective well-being

In addition to promoting the development and welfare of our people, we regularly engage with the communities in which the Bank is involved, facilitated mainly by the MCB Forward Foundation (MCBFF), which is responsible for our corporate social responsibility efforts. For FY 2023/24, an aggregate amount of around Rs 65 million was entrusted to MCBFF by MCB.

Some key initiatives from the organisation:

- MCBFF supported **Collectif Arc en Ciel** in providing parent counselling sessions to families in need of mental health support.
- MCBFF continued its support of socioeconomic development through its MCB Football Academy project, which welcomed **600 beneficiaries** during the year.
- In collaboration with the foundation Mc2H, MCBFF provided support to the **education sector in Nigeria** through the Radio School Programme, which was developed as a literacy and numeracy intervention for out-of-school children.
- Since 1988, **35 scholarships** have been awarded to Mauritian students ranked next in line after those eligible for the State of Mauritius scholarships on the Economics side at the Higher School Certificate examinations. Additionally, **45 scholarships** have been awarded since 2000 to students from Rodrigues under the MCB Rodrigues Scholarship, enabling them to pursue tertiary studies at the University of Mauritius.
- Approximately 170 of our employees participated in our **Social Leave Programme**, which gives each employee the opportunity to take a one-day paid leave to carry out social work by helping NGOs in their day-to-day activities.



~ **Rs 2.1 billion student loans approved by MCB Ltd as at June 2024** (under normal banking terms and the Government Guarantee Scheme), accounting for a market share of around 65% (over the period April 2013 - June 2024)

Our key value drivers

We continue to build our capabilities, with an emphasis on our key value drivers: (i) customer experience, (ii) people and culture, and (iii) risk and compliance. Our progress in these areas provides us with a strong foundation to execute our strategic objectives.

Customer experience

We are continuously investing to build more meaningful relationships with our customers alongside providing customised financial products and excellent customer service across all touchpoints based on their feedback. Main initiatives and achievements in FY 2023/24 include:

- Following the review of the Marketing and Communication SBU, a Customer Experience and Marketing SBU has been established at MCB to focus on our quest for continuous customer experience enhancements and improved integration within our activities, channels, processes and client engagement.
- Our Customer Lab, which serves as an essential platform for the centralisation and analysis of all customer feedback, has made further headway towards embedding the voice of the customer as a key value driver. New surveys and methodologies were developed to reinforce our capacity to measure our clients' experience on different channels. Customer Lab reinforced their pool of customers, which has grown to over 2,200, willing to participate in the development and enhancement of our products and services, notably through user testing and discovery exercises. To gauge customer satisfaction, a CX (Customer Experience) framework was implemented for CLB.
- We leveraged customer complaints received to identify areas for improvement, enabling us to enhance our products and services. Regarding complaints during FY 2023/24, the share of complaints resolved within 5 days stood at around 70%, slightly down compared to the previous year due to an increase in complex complaints (e.g fraud cases, card issues, and payment recalls), where investigations typically take longer.
- To help us deliver superior value to our customers, we are also laying emphasis on enhancing our process efficiency by streamlining our operations and adopting best practices.
- The entire web architecture of MCB Group was migrated to a new Content Management System, facilitating unified content management across all digital platforms. This upgrade enables prompt and accessible content distribution on any device, making the user experience even more fluid and pleasant.
- The organisation actively participated in promotional and commercial initiatives, including international seminars, conferences, and roadshows. These activities aim to strengthen client relationships, expand networks, and showcase our capabilities and value proposition.

Embedding the voice of the customer at the heart of our strategy



~ 20,000

Customer participation in surveys/research projects



>120

Number of research projects/initiatives undertaken



37

Recurrent surveys (monthly/quarterly)



30

Real Time Dashboards

Customer satisfaction scores

82

Retail
(FY 2022/23: 84)

84

Private Wealth Management
(FY 2022/23: 81)

75

Business Banking
(FY 2022/23: 76)

77

Corporate and Institutional Banking
(FY 2022/23: 75)



Read more on our initiatives to deliver excellent customer experiences in the 'Performance across our lines of business' section on page 58 to 67

People and culture

Our people are a key priority for us, and we recognise that fostering their engagement and development is essential for our success. We have, in FY 2023/24, reinforced our capabilities in key areas, notably to uphold customer service, support our international expansion, and reinforce risk and control management. We also focused on enhancing our Employee Value Proposition which defines the value and experience an employee can expect from working at MCB. This is reflected in four pillars, namely: Joining with Purpose, Work Rewarded, Work and Thrive, and Growing beyond Titles which guide our efforts to create a supportive and fulfilling work environment that adapts to the evolving operating context and supports our employees' growth and success.

Joining with Purpose

We ensure that employees are part of an inspiring culture that delivers a positive experience, values authenticity, embraces diversity, and nurtures long-lasting relationships

- Further embed the five Shared Ways of Working as part of our culture. This included upholding the Gold Management Routines which encompass management activities such as one-on-one sessions, team meetings, communication through SBU town hall and regular walk around.
- Reviewed the recruitment and onboarding journey to enhance the employee experience.
- Tailored the Corporate Induction Programme to the needs of new employees, ensuring they are equipped with the necessary skills and knowledge to perform in their roles.
- Regularly interacted with employees to understand and respond to their needs, and to gauge their level of motivation and engagement, notably through collaboration with Great Place to Work® for our annual employee engagement survey.
- Actively promoted diversity and inclusive practices:
 - Established a Diversity, Equity and Inclusion (DEI) function within the Human Resources SBU to define and implement DEI initiatives, fostering an inclusive and equitable work environment that supports the Bank's sustainability strategy and commitment.
 - Increased the share of women in middle and senior management to 34%, on track to reach our goal of 35% by the end of 2024 and 40% by 2026.
 - Enrolled some 50 women in the 'Women in Leadership' Programme during the FY 2023/24, reflecting the organisation's ongoing commitment to gender diversity and inclusion. A Gender Working Group Roadshow was also conducted across the Bank during SBU Townhall meetings to showcase all initiatives and projects undertaken.
 - Enrolled 110 people managers on the 'Allies for Change' Programme, which focuses on promoting gender inclusivity within the organisation.
 - Updated our recruitment process to attract a broader and more diverse range of internal and external candidates. Job advertisements requiring educational certifications now also include "or equivalent experience" to diversify the talent pool, value experience, and align with industry trends.

Our Shared Ways of Working



**Trust Index Survey 2024
(Great place to work)**

78%

Participation rate

57%

*Trust Index score
(+7 p.p compared to
previous survey)*

Work Rewarded

We strive to provide a combination of meaningful incentives, recognition, and reward programmes that align with employee and company interests.

- Launched MCB's new Remuneration Framework in October 2023, aligning the Bank's compensation strategy with the new career architecture introduced in July 2023. The objective is to ensure that every role within the career architecture is appropriately benchmarked against industry standards to offer competitive and equitable remuneration to all employees.

This includes:

- Competitive remuneration packages to attract and retain our people
- Performance-based rewards to acknowledge individual and team performance
- Group Employee Share Option Scheme to value our employees for their long-term commitment
- Other incentives such as pensions, medical plans, subsidised interest rates, amongst others, that promote the well-being of our employees
- Recognised the potential and contributions of our employees through dedicated events, including: (i) the IMPACT Programmes Graduation Ceremony, and (ii) the Loyalty Recognition Programme, which honours employees for their years of service.
- Recognised as the first African bank/financial services group to receive the Equal Salary certification, confirming our commitment to equal pay and gender equality. This accomplishment aligns with UN Women's Empowerment Principles and the UN Global Compact.

Work and Thrive

We are committed to providing and fostering an enriching and supportive work environment that promotes staff well-being while maintaining high performance standards to ensure our success.

- Fostered an enriching and supportive work environment that promotes staff well-being, including through: (i) the MCB Wellness Tour, which offers a range of services and activities to highlight the importance of health care, (ii) events promoting employee well-being, such as corporate massages and health talks, and (iii) special offers and discounts for staff. Additionally, we organised a fun version of the Olympic Games in Mauritius, Zozolympik, to bring together our employees and foster team spirit.
- Launched the monthly Childcare Allowance, starting from 1st August 2024, with an amount of Rs 6,500 granted to employees with children aged 14 weeks to three years. This initiative aligns with our Success Beyond Numbers purpose and underscores our commitment to supporting employee well-being.

Growing beyond Titles

We are creating an environment where employees are empowered to take ownership of their professional and personal growth.

- Established a robust and integrated talent management framework in place that aligns with our strategic objectives. This framework is designed to attract, develop, and retain high-potential employees by fostering a collaborative environment. Additionally, it helps us maintain a competitive edge, drive innovation, and ensure long-term success.



**Growing at MCB
through our Talent
Management
Framework**

Learning and development

- Soft and technical competencies
- Leadership Development

Assessment and measurement

- Assess desired behaviours and competencies for developmental purposes
- Monitor performance on a recurring basis

Talent management - succession plan

- Identification of critical roles and assessment of high potentials
- Build up internal bench strength

Strategic talent acquisition

- Build and nurture a pipeline of external talents
- Acquire talents to reinforce our talent workforce capabilities

- Advanced leadership development through the launch of the IMPACT Excellence Program and the IMPACT Accelerate Program. Both programs, accredited by Stellenbosch University, aim to equip participants with the knowledge, tools, and techniques for strategic thinking, team management and negotiation. In total, some 90 participants graduated in May 2024. Similarly, the 'Lead with Impact Academy' Programme empowers people managers to create a conducive environment for employee development and promote desired leadership behaviours. The second cohort of some 430 participants concluded in March 2024.
- Launched the Beyond Graduate Programme in August 2023, which aims to strengthen our talent pipeline at a junior level by recruiting graduates who show potential for growth and flexibility in various roles within the Bank. For the FY 2023/24, 9 graduates have been recruited and enrolled in the programme.
- ESG training with Moody's to reinforce MCB's commitment to understanding and applying ESG principles. Key topics included sustainability and ESG, an introduction to ESG and climate risk, and sustainable finance's role in decarbonisation. The training concluded with an ESG knowledge test to assess collective understanding of these concepts.
- Provided a range of training courses, both in-class and digital, to equip employees to better respond to evolving customer needs. A number of specialised/technical courses were also provided to strengthen our capabilities across the value chain to support the organisation's strategic objectives.

Field of expertise	Specialised courses	No of employees
Relationship Management (RM)	Relationship Managers Development Programme with Moody's	7
Credit Analysis (CA)	Banking and Credit Analyst Programme with Corporate Finance Institute	16
Trade Finance	MCB Trade Finance Program accredited with LIBF	34
Product Ownership (PO)	PO learning journey accredited with LIBF	12
Digital Academy	Software Engineering / Data Scientist / Product Designer/ QA Engineer	12
Wealth Management	CWMA (Certified Wealth Management Advisor)	10

Percipio (our online learning platform) statistics for FY 2023/24

3,168
Employees, representing 90% of our workforce, engaged on 'Percipio'

34,143
Number of learning units completed

15,360
Number of hours

- Sponsored around 50 employees in their academic studies through the 'Study Assistance Scheme' (SAS), a financial support programme available to all staff. With the organisation becoming increasingly present in international and specialised markets, we also sponsored a number of employees for international certifications and accreditations with global institutions in their respective fields of expertise.

 [Read more in the Sustainability Report on our website](#)

Risk and compliance

We pursue our activities by leveraging our sound business model and adopting a prudent business development strategy. This approach enables us to navigate the complexities of a volatile risk landscape effectively, supported by a solid risk and compliance framework. Importantly, our risk profile has remained within the established limits of our risk appetite during the year, thanks to our stringent policies, processes, and proactive risk management across the Bank, as evidenced by the following actions:

- We continued to actively identify and assess risks from both external and internal sources, allowing us to tackle potential threats and seize opportunities.
- We leveraged our Enterprise Risk Heat Map to cater for the dynamic environment and focus on the risks that could have a significant impact on the Bank's operations, financial performance, solvency, or strategic direction.
- We embedded a strong risk culture across the organisation through the implementation of the Risk Culture Programme, which defines the proper behaviours necessary to guide our operations and ensure that our daily business activities are consistently within our risk appetite.
- We have maintained proactive engagement with regulators and strengthened the Bank's risk management and compliance capabilities to ensure strict adherence to mandatory rules and established norms.

 [Read more in 'Risk and capital management report' on pages 123 to 172](#)

Performance across our lines of business

Despite the challenges posed by a volatile operating environment, business lines have made headway on the execution of their strategic objectives during FY 2023/24. They have pursued efforts to enrich their value proposition to meet the evolving needs of customers alongside consolidating growth enablers. The Bank also continued to conduct business realignment initiatives to support its strategic endeavours. In particular, to enrich our Mauritian business proposition, the Retail and Business Banking units were regrouped under the newly created Domestic Banking function while the Securities Services BU has been repositioned within the Financial Markets SBU to enhance the approach to business development by reinforcing synergies with the Global Markets coverage team.

Retail

Key clients

- Mass and mass affluent individual customers
- Junior and youth segments

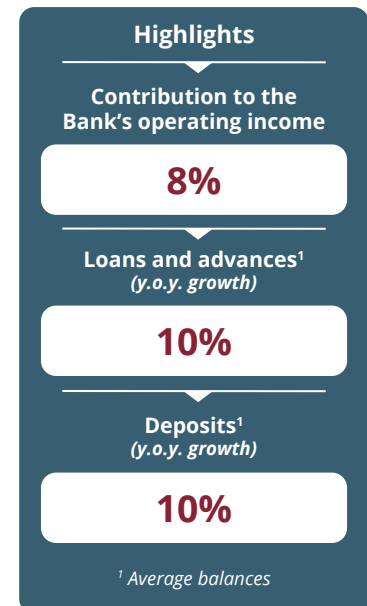
Strategic priorities

- Expand our portfolio underpinned by reinforced commercial capabilities and enhanced offerings
- Diversify our revenue streams and leverage data analytics to boost cross-selling
- Deliver a more seamless customer experience by capitalising on digitally-enabled solutions and our omni-channel strategy
- Reduce cost to serve through process optimisation

Main initiatives and achievements during the year under review

Consolidating our market positioning

- We maintained our positioning as a prominent player in this segment despite a highly competitive environment. Our campaigns and commercial efforts helped us achieve a steady increase with regard to our housing loan portfolio. In the same vein, we witnessed significant growth in our unsecured loan portfolio, backed by our same-day disbursement capabilities.
- To enhance the in-branch journey and improve customer experience, we are progressively deploying Instabank, in replacement of traditional kiosk platforms. The new platform integrates the MCB Juice user interface for a more intuitive navigation, thereby facilitating self-service banking. The Appointment Booking System has also been extended to five more branches, bringing the total to 14 branches.
- We continued to modernise our network of ATMs while also reviewing their geographical location to enhance accessibility to our facilities. During the year under review, we have added new ATMs in affluent places notably malls, thereby increasing the total to 181, representing a market share of around 40%.



Enriching our value proposition

- We brought further enhancements to MCB Juice to offer increased value and convenience to customers, thus strengthening its position as the leading mobile banking application on the market. Recent upgrades resulted in faster login, while latest features and functionalities included the integration of a 'Government Portal' and the extension of the list of recurrent billers to new partners such as the Central Water Authority. The new 'Juice Mwa' feature enables users to request payments and split bills. Furthermore, e-commerce transactions can now be authorised directly via Juice notifications, offering greater flexibility for customers on local e-commerce platforms, which encompass over 100 merchants. The introduction of the Prepaid Card functionality offers added convenience to clients.
- As part of our efforts to become more sustainable, we further promoted our Green Loan offer and are exploring new avenues for mortgage financing such as Container House, which are more affordable than traditional concrete houses.

Our flagship mobile application, MCB Juice has gained significant traction with more than 600,000 subscribers as at June 2024, including some 83,000 over the past year representing a year-on-year increase of 16%.

- Biometric login**
 - faster login
 - improved functionality

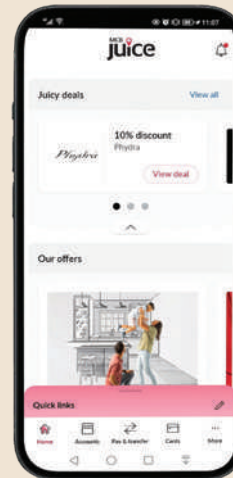
- PayPal**
 - secure international transactions

- Investing functionality**
 - on-the-go portfolio access
 - overview of asset allocation and portfolio holdings

- Push notifications**

- Cardless withdrawal**

- Scan to Pay**



- Everyday banking**
 - open additional savings/ current accounts
 - access bank accounts held with other local banks

- Bills payment**

- Account re-activation**

- Loan initiation, status and overview**
 - swift approval and disbursement

- Bills presentment**

- Government Portal**

- Standing order**

Diversifying our revenue base through synergies and cross-selling

- Leveraging market penetration and diversification opportunities, we promoted our adjacent products such as insurance and investment, capitalising on intra-Bank as well as intra-Group synergies. Our cross-selling efforts were underpinned by reinforced commercial capabilities, enhanced offerings and integration of analytical tools to drive better customer insights, which, *inter alia*, led to targeted solutions including bundling options for new or revamped segments such as MCB Junior.
- Our dedicated Outbound Team successfully contacted 22,000 customers during the year, achieving a conversion rate of 6%. Additionally, we pursued our efforts in promoting our NEO bundle through two tailored packages for the Mass Affluent segment, resulting in a penetration rate of 56% in that segment.

Building capabilities and upskilling

- We have further progressed with the automation of our customer journeys from front to back, particularly in our unsecured and secured lending processes, by capitalising on our technological infrastructure and our credit scoring model.
- We are also in the process of reviewing our operational structures by setting up a Middle Office to streamline operations, thereby enabling a greater focus on customer service. We have also implemented several initiatives to reduce turnaround time.
- Sales training has been extended to the branch network to boost our product retention rate, while customer service training was delivered across the Contact Centre and branches, aimed at enhancing customer service and improving onboarding. Furthermore, our contact centre management system has been migrated on the Cloud platform, thereby opening possibilities for the rollout of other enhancements and functionalities.

Private Wealth Management (PWM)

Key clients

- Affluent individuals
- High Net Worth and Ultra High Net Worth individuals
- Domestic and international External Asset Managers & Financial Intermediaries such as fiduciaries, family offices and financial advisors

Strategic priorities

- Reinforce our domestic foothold and boost our international business development, with key focus on aligning our value proposition to client needs and market dynamics while strengthening our growth foundations
- Accelerate deployment of digital solutions towards enhancing customer experience and improving operational efficiency
- Foster quality relationships and uphold our brand image and visibility

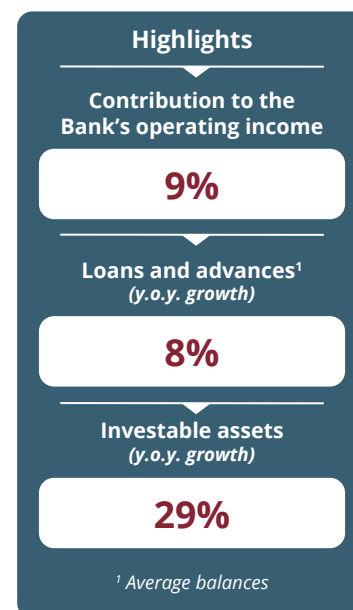
Main initiatives and achievements during the year under review

Enriching our client offerings and experience

- The Private Wealth Management SBU has further consolidated its domestic positioning by launching innovative investment solutions tailored to the evolving needs of its clientele as well as adapted to the evolving market dynamics and upcoming trends.
 - With a view to enhancing the appeal of Lombard credit facilities amidst a high-interest rate environment, the PWM SBU undertook a comprehensive refinement of these facilities, which involved the inclusion of more complex asset classes and investment products like structured products, specifically targeting international clients. We have also enhanced the competitiveness of our FCY loans as part of the review of our product offerings.
 - In line with global trends and reflecting the unit's commitment to entrenching sustainability principles as a key value driver alongside meeting the increasing demand for sustainability-linked investment options, ESG structured products were launched in collaboration with the Financial Markets unit. An ESG offering in high-end residential financing was also conceptualised to promote sustainable design, biodiversity conservation and job creation. Additionally, a 3-year MCB structured deposit linked to the MSCI Global Climate Change Multi-Asset Select Index was also introduced.
- The PWM SBU also focused on enhancing customer experience and expanding its wealth management services. The lounge at the Port Louis branch underwent a complete revamp to offer clients an elevated experience. Building on the recent access to client portfolios via the MCB Juice application, which allows for an aggregated view and detailed portfolio insights, the Bank launched Juice Trading. This new feature, being rolled out in phases, currently supports foreign market trading, offering a user-friendly interface, straight-through execution, near real-time market data, and features like a watchlist to enable the tracking of favourite securities and market order tracking, empowering clients to make informed investment decisions with ease.

Consolidating our growth enablers

- With the objective of promoting sound business growth, the unit has maintained continuous risk monitoring processes, underpinned by improved compliance mechanisms, ongoing review of internal guidelines and staff training.
- The Customer Relationship Management (CRM) platform was also enhanced to enable a global view of all asset holdings (including adjacent holdings with other MCB entities). This holistic overview of the client would enable us to better gauge preferences and devise adapted solutions to assist them.



Upholding our brand image and fostering relationships

- The PWM SBU reinforced the competitive positioning of MCB as a reference player in the region for premium banking and wealth management expertise, by pursuing expansion endeavours through its network of Representative/ Advisory Offices in Kenya, Dubai and South Africa and leveraging our business introducers and referrals in sub-Saharan Africa, Europe and MENA region. Concomitantly, we broadened interactions with External Asset Managers and Financial Intermediaries in these regions.
- Towards enhancing brand visibility and image, we hosted a series of events including golf tournaments, art exhibitions, and private wine tasting, amongst others. In particular, we hosted our flagship MCB Tour Championship which is a tournament of the European Senior Tour, ranking highly on the Staysure Tour calendar and is the most prestigious golf contest held in Mauritius. We also sponsored the 10th Annual Wealth Briefing MENA Awards for Excellence 2023 event, held in Dubai, which recognises innovative products and services across the global wealth management industry in the MENA region.
- The PWM SBU collaborated with the Corporate and Institutional Banking SBU on a series of 'Ateliers d'échanges', which is a dynamic platform for increasing knowledge sharing of teams' value proposition, perspectives, and fostering long-term partnership and synergies for international business development.

Platinum sponsor at the Juristconsult Investment Summit 2024

- PWM SBU was the Platinum Sponsor at Juristconsult Investment Summit 2024 which featured six panel discussions, a keynote speech and networking opportunities and serves as a knowledge sharing platform with industry leaders.
- The event helped the team to engage with industry peers, experts, and visionaries to explore the latest trends and insights in ESG, Impact Investing, Artificial Intelligence, Fintech, Data protection, Dispute Resolution, the Mauritius International Financial, Administrative and Corporate Centre.



Business Banking

Key clients

- Micro enterprises (Less than Rs 10 million turnover)
- Small enterprises (Between Rs 10 million and Rs 30 million turnover)
- Medium enterprises (Between Rs 30 million and Rs 100 million turnover)
- Mid-market enterprises (Between Rs 100 million and Rs 250 million turnover)

Strategic priorities

- Promote the growth of the local economy by connecting Mauritian entrepreneurs and facilitating their access to finance
- Improve customer experience through enhanced value offering and operational efficiency while promoting cross-selling and digital sales
- Encourage the migration to digital by promoting the adoption of digital payment solutions by merchants

Main initiatives and achievements during the year under review

Consolidating our domestic market foothold

- Our 'Lokal is Beautiful' scheme has been revamped to provide accessible financing to enterprises, which are 'Made in Moris' certified or promote a SMART or CIRCULAR economy.
- We made further inroads with respect to merchant acquisition, successfully onboarding over 3,000 new merchants during the year while concomitantly promoting digital payments solutions, with a view to catalysing the shift to cashless alternatives. We are also boosting the use of our Business Banking debit cards through a loyalty and rewards program, with discounts on Amazon Cloud services, amongst others.
- We pursued our efforts to maintain a strong brand presence in the local community leveraging our SME Partners for incubator and accelerator programmes. For example, we sponsored the Turbine's Test Drive 10 with the Green Champion Award. We reinforced our connections with the Micro, Small and Medium Enterprises (MSME) community on the back of our actions to boost the visibility of entrepreneurs and prominence of their businesses through a series of tailored events for our MSME community, namely PUNCH Meets and PUNCH Talks.

'PUNCH Meets' event – Responsible tourism

- Featuring insights from three panelists from the hospitality industry, the event concluded with a networking cocktail, allowing our customers to forge new connections, exchange ideas and explore collaboration avenues.



Enhancing our digital value proposition

- We leveraged our collaborative community digital platform, punch.mu, to generate synergies among local entrepreneurs, to increase financial literacy, enhance ecosystem value and strengthen community presence. It is gaining traction with more than 4,000 entrepreneurs (+30% compared to the previous year) and 175 growth partners registered as at June 2024.
- We continued to promote our dedicated mobile application MCB JuicePro, through commercial campaigns and feature enhancements including direct debit, standing order management and consolidated Account Position view.
- The back-end platform MONETA that hosts our end-to-end credit application, paved the way for the first end-to-end digital non-individual journey in the Indian Ocean. During the year, Express Overdraft registered a twofold increase in disbursement, while the new Express Loan offering gained prominence since its launch in October 2023. Total disbursement under these products amounted to Rs 340 million.

Highlights

Contribution to the Bank's operating income

6%

Loans and advances¹ (y.o.y. growth)

1%

Deposits¹ (y.o.y. growth)

17%¹ Average balances

Reinforcing foundations for growth

- To upgrade service levels, several initiatives have been deployed to further improve the efficiency of internal processes. As a result, customer experience is being enhanced through simplified and less time-consuming processes as part of a roadmap to improve the customer journey.
- With a view to bolstering risk and compliance management, we undertook a comprehensive review of our end-to-end credit workflow, alongside efforts to enhance the review of the revolving facility process and develop an improved credit model tailored for Business Banking clients across micro, small and medium enterprises.

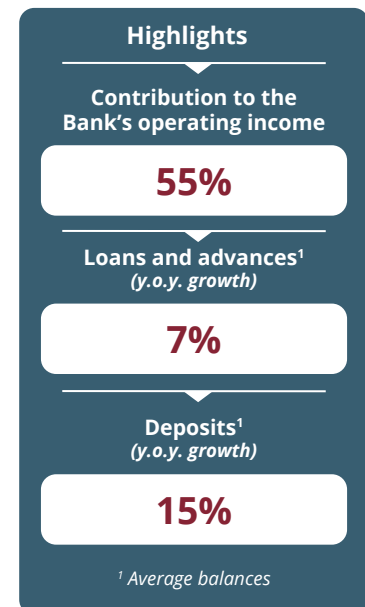
Corporate and Institutional Banking (CIB)

Key clients

- Large Mauritian and regional corporate clients
- International corporates with specialised finance needs; entities within the energy and commodities (e.g. majors, traders and refineries) and power and infrastructure fields
- Global business companies, funds, trusts and foundations as well as other entities using the Mauritius International Financial Centre as a gateway for doing business or investing abroad, notably in Africa; private equity firms; investment and asset management companies; Government bodies and other multinational and pan-African corporates
- Financial institutions

Strategic priorities

- Uphold our market leadership on the domestic front as the pro-choice financier accompanying local corporates in their sustainability transition and growth ambitions
- Deploy targeted commercial strategies towards accompanying clients doing business in MCB Group's presence countries in collaboration with our overseas banking subsidiaries and associates
- Bolster our expansion strategy by enhancing proximity with clients and their ecosystem and expand our network of intermediaries and partners in the Mauritius IFC and other key international financial hubs
- Position MCB as a prominent provider of financing solutions geared towards helping clients achieve their sustainability and transition ambitions
- Support African economies in their energy requirements and transition through oil and gas financing as well as project financing with deep commitment towards making a difference in the African energy landscape
- Leverage our strong Power and Infrastructure franchise and explore opportunities to build our Metals and Minerals franchise to finance activities which are core to a successful energy transition
- Reinforce our coverage efforts with financial institutions across Africa to consolidate our syndication capabilities and strengthen our network with correspondent banks
- Boost transactional banking through adapted solutions
- Bolster customer service experience by ensuring a client-centric approach in our service delivery and providing high-end solutions, including innovative digital offerings



Main initiatives and achievements during the year under review

The CIB SBU has been actively working on the development of its domestic and international client segments through new products and business strategies, with client centricity and people centricity at the core of its approach. The team has been supporting clients in their economic development, as well as in managing financial risks, including foreign exchange, credit, and interest rate risks, while also assisting them in their ecological transition. The SBU is also reinforcing internal capabilities, notably on the people front with the recruitment of key personnel including in our regional hubs to support business undertakings. Key initiatives taken across CIB SBU's four coverage teams and its product team are outlined below.

Mauritian & Regional Corporates (MRC)

- Deeply engaged with our local corporate community, the MRC team worked closely with its corporate clients to gain a better understanding of their unique business needs and how the prevailing market dynamics impact their operations. This approach has allowed the team to offer bespoke solutions, enabling clients to seize opportunities, meet their strategic objectives and address some of their challenges and market uncertainties. In line with our sustainability objectives, the unit actively introduced and deployed tailored solutions with preferential conditions to its clients committed to making a positive impact in the ESG landscape of Mauritius. These initiatives not only support clients in their transition towards more sustainable practices but also contribute to broader national efforts in promoting environmental stewardship, social responsibility, and strong governance frameworks. By offering attractive conditions, we incentivise businesses to adopt green technologies, improve energy efficiency, and implement socially responsible practices, reinforcing our shared vision of building a more sustainable future.
- The unit leveraged its long-standing and proven track record to foster and deepen relationships with clients conducting or seeking to conduct business in Madagascar, Maldives and Seychelles where MCB Group has a physical presence. Through the strategic support of our Overseas Banking Subsidiaries located in these regions, we not only strengthened our foothold in these markets but also reinforced our ability to facilitate cross-border transactions, support regional growth, and enhance our clients' access to key opportunities in these dynamic economies.

Acted as the Lead arranger for a local syndicated loan to UBP

- The transaction represents the first syndication in the domestic market, with six local banking institutions, including MCB, granting the loan.
- By facilitating this deal, MCB has not only demonstrated its capability in executing large-scale financial transactions but also reinforced its commitment to supporting the growth ambitions of its Mauritian corporate clients.



Financial Institutions and Syndication (FI&S)

- The unit reinforced its engagement and collaboration with Development Finance Institutions (DFIs), as part of its effort to accompany the Bank's sustainability agenda. The FI&S team further collaborated with Proparco on extending financing guarantees and credit lines to banks in developing regions, particularly in Africa, in a bid to boost intra-African trade and reinforce the Bank's commitment and contribution to sustainable development.
- The unit also expanded on MCB's Bank of Banks coverage through increased cross-selling efforts with African banks while at the same time strengthening our business relationship with correspondent banks.
- The FI&S team also actively participated in local and international events to enhance brand visibility, including the 2024 Bonds, Loans & Sukuk Middle East conferences in Dubai and Cape Town, and the "Women in Green Technologies" forum organised by the US Embassy in Mauritius.

USD 120 million unlocked for climate finance

- Proparco and DEG provided MCB with a loan of up to USD 120 million to support the Bank in its ambition to unlock further opportunities to finance climate mitigation, adaptation and climate resilient measures.
- This new investment continues the success of the AFD Group's SUNREF lending programme, which has been active in Mauritius since 2009. This transaction also marks the fourth joint operation between Proparco, DEG and MCB, which is testimony to the long-standing relationship between these institutions.



First USD 400 million sustainability-linked syndicated term loan

- The FI&S team also contributed to the Bank successfully signing its first sustainability-linked syndicated loan (SLSL), in the order of USD 400 million. The Bank's successful closing of this facility underscored its commitment to fostering sustainability, addressing climate change, and promoting gender equality. The facility attracted 24 banks and investors in Europe, Middle East and Asia.



Specialised Finance

- Building on our established track record, our team of experts within the Energy and Commodities segment further consolidated our Oil and Gas franchise while gradually shifting focus towards the growing gas market. We continued to develop and nurture a strong network of world-class oil and gas operators and traders present in Africa while promoting our unique value proposition and brand as a reliable and trusted solutions provider. The Energy and Commodities segment also remains committed to diversifying its portfolio with cleaner fossil fuels while strategically exploring opportunities in the metals and minerals industry, with a particular focus on base metals which are key for the global energy transition.
- With regard to the Power & Infrastructure segment, we continued to provide support to the best-in-class players for their infrastructure investments within key geographical markets and contributing to the transition towards cleaner energy and improving electrification rate on the continent. In addition, MCB participated in the 2024 Africa Energy Forum (AEF), held in Barcelona, which centered on the theme "Energy Systems of the Future – Balancing Africa's Needs with Global Goals" a critical discussion in the evolving energy landscape. The panel explored the significant impacts of high inflation and interest rates on power projects across Africa and the innovative structures stakeholders are adopting to mitigate these challenges.

Participated in Aéroport International Blaise Diagne (AIBD) senior secured syndicated facility

- MCB was one of the main lenders in the EUR 300 million Senior Secured Syndicated Facility raised by AIBD. The facility was structured into 2 tranches – A Euro Tranche (EUR 100 million) and a local currency tranche (EUR 200 million).
- These facilities will be used to continue developing the Blaise Diagne International Airport, which includes enhancing the annual passenger capacity by 40% to over 5 million by 2035, the construction of a cargo terminal, and to the renovation of various domestic airports.



Global and International Corporates (GIC)

- Notable inroads were made towards establishing MCB as the core banking partner for private equity and capital funds, strategically positioned multinational corporations, and large enterprises seeking to expand into African and Asian markets, while capitalising on business opportunities through the Mauritius IFC but also increasingly through other international financial hubs.
- The unit actively deepened and broadened its partnerships with fiduciaries and other intermediaries both in Mauritius and across different key African, European and Asian markets.
- The unit has also enhanced its ability to deliver a bespoke value proposition tailored to the complex needs of its diverse corporate client base, with robust support from the product houses of the organisation, including the Financial Markets SBU, as well as the Cash & Business Solutions and Trade Finance units within the CIB SBU.
- The GIC team actively advanced on its branding and visibility efforts by sponsoring pivotal events for its target clients such as the Africa Venture Capitalist Association (AVCA) Forum in Lagos, while also pursuing its own thought leadership efforts. Indeed, the MCB Business Series was introduced by the team, which aimed at rallying industry leaders and clients around critical business themes. The inaugural edition was held in Mauritius, in collaboration with the Financial Markets team, and was followed by a second edition in the 4th quarter of the financial year in the Dubai International Financial Centre (DIFC) where representatives from over 100 major corporations, legal firms, and fiduciaries collectively reflected on how to address challenges in doing business across African corridors.

Served as the sole financing provider for Adenia – one of the biggest private equity investors in Africa

- As part of our tailored financing solutions provided to Funds clients, MCB has extended a Subscription Finance Facility to Adenia Partners' fifth fund.
- The transaction was structured by leveraging the longstanding business relationship with the Bank, the Fund's impressive momentum and the quality of its responsible investors, while providing Adenia with the required bilateral support for the fund's forthcoming investments.



One of the Mandated Lead Arrangers on a listed UK-based telecom company

- MCB acted as one of the Mandated Lead Arrangers on a listed UK based tower telecommunications company, committing a ticket size of USD 110 million, with the purpose of re-financing existing indebtedness of the company and for general corporate facilities.
- The total syndication closed at USD 600 million. This was the first of a kind for MCB in this space on the international market.



Global Transaction Banking

- The unit actively promoted its Global Trade Portal by extending access to users across our presence countries Madagascar, Seychelles and Maldives. The Portal goes beyond information-sharing by providing a one-stop-shop platform for identifying best international trade opportunities and connecting more than 9,300 clients to over 1 million potential business partners worldwide, while better navigating the complexities of international trade regulations.
- Further reinforcing our proven commitment towards contributing to environmental protection and socioeconomic development, we actively promoted our Sustainable Supply Chain finance scheme, which allowed our customers to incorporate new eco-friendly practices in their way of doing trade. We have also more recently developed a Sustainable Trade Finance facility dedicated to the trade of sustainable equipment and successfully launched our first triangular supply chain finance offering. More specifically, leveraging synergy between MCB Ltd and MCB Madagascar and the core offerings of the MIFC to influence intra-Africa trade, MCB Ltd financed this deal which involved three parties, an end-buyer in Madagascar, a well-reputed firm in the Mauritian Global Business sector and a well-known company in the food and agribusiness from Indonesia as the end-supplier.
- The unit also hosted the second edition of our Trade Week series, entitled "Enabling African Trade Growth with a Sustainable Lens," which offered a deep dive into the complexities and potentials of the African trade landscape. The event featured a series of conferences, training sessions, and masterclasses dedicated to the subject of Global Trade, with the collaboration of Dr. Rebecca Harding, an expert in the field, sharing her valuable insights to the audience.
- Reaffirming our pledge to provide our corporate customers with the most innovative and customer-centric solutions to remain at the forefront of digital finance, we completed the successful migration to our new IBPro and increased our flexibility through new cut-off times for transfers in USD, EUR and GBP on Internet Banking. Furthermore, our digital platforms have been ring-fenced to create greater digital resilience but most of all to protect our customers' transactions.

Product houses

- In the conduct of their business development initiatives, business lines have reinforced capabilities and continued to leverage synergies between their coverage teams and product houses, such as the Financial Markets and Payments SBUs, as well as other units across the organisation to maximise their share of wallet across business segments whilst co-creating customer solutions and business value proposition.
- Following on some of the strategic initiatives undertaken in the previous year, the Financial Markets SBU further ramped up its value proposition with the deployment of structured and be-spoke solutions aimed at helping clients hedge their positions across asset classes, namely interest rates, foreign exchange and commodities. Additionally, the SBU also helped clients achieve their ESG ambitions through the development of sustainability-linked financial instruments in line with the Bank's over-arching "Success Beyond Numbers" purpose. On the Trading front, the team has made great strides towards becoming a prominent player in G-10 currency trading in the region, leveraging technical, fundamental expertise and specialisation in currency trading. The team has also extended its trading capabilities to other asset classes prudently, whilst adhering to sound risk management principles. On the Coverage front, the team has optimised its structure and has significantly increased its presence on the ground through active recruitment, enabling more fruitful client engagement both locally and in foreign markets in collaboration with the different business lines across the organisation. The Securities Services segment of the Financial Markets SBU successfully collaborated with the coverage teams to explore new horizons and prospective new clients. The team further cemented its leadership position in Mauritius with over 55% of local custody assets and more than 85% of local custody trades. The SBU also made inroads in increasing its digitalisation means and reducing manual interventions.
- In line with the Bank's goal to transform Mauritius into a cash-lite society, the Payments SBU further encouraged the use of its secure and convenient digital channels, enabling clients to conduct transactions anytime, anywhere. The diverse enhancements brought to MCB Juice have contributed to boost the number of Juice subscribers and transactions. The unit has also actively supported the growth of SMEs by providing them with tailored digital payment solutions, fostering financial inclusion and business expansion. In FY 2023/24, more than 2,000 mPOS devices were deployed, and over 13,000 debit cards were issued to SME customers.



Thierry HEBRAUD
Chief Executive Officer