

CEO'S MESSAGE

Despite the many challenges our economy is going through, performance of individual service centres was generally pleasing.



It gives me pleasure to send you this greeting for the Christmas Season and New Year 2012 and to announce that the performance of the Bank in 2011 continued to be impressive.

As we go for the festive season, I would like to reflect on your dedication and commitment to the Bank. Some of you have been first in and last out at your offices most days of the year. I am also aware that most of you come to work over the weekend just to make sure that you can deliver on time and on target. While some of you do more than is required, you go much further than is expected. Your dedication at times is at the expense of your own time, with your family and loved ones.

Despite the many challenges our economy is going through, performance of individual service centres was generally pleasing. During the year we continued our pursuit of excellence, we won new markets, improved on our operations, introduced new innovations and continued with the refurbishment of our service centres as well as completing the building of our magnificent Business Centre and Office Complex.

On behalf of the Board, Management, and my own behalf, I would like to sincerely thank you all for your dedication, commitment and hard work which, has resulted in a commendable performance during the year.

Looking ahead to 2012, I am confident that we will deliver on our targets we set for ourselves and stand once again in the light of achievement.

As you set for the festive season, please accept my best wishes to you and your families for a safe and enjoyable Christmas and a very Happy New Year.

George Partridge
Chief Executive Officer



STRATEGIC PLAN UPDATE

By The Chief Executive Officer

This is to give you an update with progress so far, on where we are with the 2012-2016 Strategic Plan.

As you recall, we started by collecting suggestions from all staff, this was followed by a brainstorming conference at Liwonde by a cross-section of staff at all levels. The brainstorming conference also incorporated suggestions from other stakeholders including input from customers and potential customers.

Using data from the Liwonde conference, the

next step was that each division or business unit sat down with their members of staff to a workshop on specific issues relating to their own operations and how they would handle them. The results of the business units were then presented to a senior management workshop followed by review and discussion at Management Committee Meeting (MANCOM).

An External Consultant is currently working on consolidating of all the ideas including prioritization, alignment, editing and fine tuning of the document to get it ready for

presentation to Executive Management. After the Executive Management review, the document will then be presented to the Board for their final input and approval.

When we went to the Extended Management Conference last month, The Executive, Heads of Division and Managers shared these strategies so that everybody fully understands what is contained in this document. It is my hope that there is a continuous feedback process, back and forth between managers and subordinates, of these developments and process.

EXTENDED MANAGEMENT CONFERENCE



At this year's EMC, NBM Management spouses made a donation to Alleluia Orphanage in Mangochi as per above pictures.

Extended Management Conference (EMC) is an annual conference of National Bank of Malawi where delegates reflect upon the realities of the Bank's operations, the environment it operates in and reenergize themselves to better operate within that environment as they pursue the objective within the Bank's mission and vision.

CONFERENCE MEETINGS

Conference is held once a year during the third quarter at a suitable venue to be selected from time to time.

CONFERENCE MEMBERSHIP

Participants to the conference are:

- The Executive, with the Chief Executive as the Chairman of the Conference
- All Heads of Divisions
- Officers of the Bank of Grade B rank
- All service centre managers
- Heads of the subsidiaries of the Bank, currently Stockbrokers Malawi Limited and National Bank Capital Market Limited
- The Company Secretary, Chief Marketing Officer and Corporate Affairs Manager are the secretariat team of the conference

- On invitational basis any other manager deemed necessary due to the nature of his/her job is invited to the conference.

RESPONSIBILITIES OF THE CONFERENCE

- To energize and align the bank between itself and the environment
- To review current state (where we are)
- To share high-level ideas for networking
- To specify the bank's mission, vision and objectives, developing policies and plans
- To evaluate and control the corporate balanced score-card
- To assess competitors and set goals and strategies to meet all existing and potential competitors
- To assess each strategy (as summarized in the corporate score card) annually to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technology/competitor/economic /social/financial or political environment.
- To refresh through team building exercises and networking

CAPITAL MARKETS

NBM Capital Markets Limited is a wholly owned subsidiary of NBM. It was initially registered in 2001. Its main business purpose is to take over the investment management function from FMS Dept. WHY? The Securities Act, 2010 requires the separation of investment management and fund administration functions between Portfolio Manager and Fund Administrator respectively.

Management foresaw this requirement in 2001 when the Securities Act, 2010 was only in a draft form. The company has been dormant for these past years till now. Since its registration was uplifted, Benson W. Jere has been appointed as Investment Manager of NBM Capital Markets Limited. His initial task is to apply for Portfolio / Investment Manager's License from the Reserve Bank of Malawi. He will then operationalize the company, by amongst other issues; splitting the business and operations of FMS Dept into two, namely Investment Management and Fund Administration Services, then recruit staff for NBM Capital Markets Limited as a separate and independent entity with its own board of Directors and manage investments of pension funds, individuals, corporate, execute corporate finance transactions such as IPO, offer financial advisory services and other client services.

LONG SERVICE AWARDS

2011 Awardees

- | | |
|---------------------|---------------------|
| 1. Nyakwawa Janet | 7. Tembo Asuweni |
| 2. Kandaya Jason | 8. Mzungu Leonard |
| 3. Mpesi Patrick | 9. Mmangeni William |
| 4. Kalumbu Rose | 10. Mojoo Catherine |
| 5. Chasima Loveness | 11. Msosa Dickson |
| 6. Mhone Constance | 12. Chiputula Mercy |



One of the Awardees, Jason Kandaya receiving his award from the CEO (L)

The 2011 Long Service Awards were presented on Tuesday, 13th December at Learning and Growth Centre. This year the Chief Executive Officer (CEO), George Partridge presented the 25 years Long Service Awards to 12 deserving employees.

In his address when he presented the CEO, said,

“...Together, you have put in 300 years of service. It has indeed been a long and fruitful association with the Bank. You have witnessed the growth of the Bank as well as the many changes that have taken place over the two and half decades. The Bank has been your second family and second home, knowing that for the past 25 years, you spent most of your waking up time with the Bank than with your families.

I am pleased to note that during the past 25 years, you did not shy away from challenges facing the Bank. You were able to seize opportunities and sought new and better ways of doing things. During your 25 years of service, you ensured that your work was completed on time through self sacrifice, initiative, good service, and generation of good ideas. You made sure that the Bank operated smoothly. In the process, you took responsibility. More importantly, you went that extra mile for the sake of the Bank and its customers.

All these actions have proved that you have what it takes to deliver services of the highest standard. You have indeed set a fine example to those around you so that they too can give their best”.

In response, William Mmangeni, one of the Awardees thanked management for the countless benefits accrued over the past 25 years, rewarding loyalty, encouraging motivation, and recognising their experience.

On behalf of the other Awardees, William Mmangeni promised to continue working hard for the remainder of their years in National Bank as the bank strives to remain in the competition.



The CEO (C), Management and Awardees pose for a group photo



Event organisers: (L) Elizabeth Fernandez, Gloria Mwenelupembe and Mutisunge Chibwana

“Thank you for your contributions, your commitment and excellent service. We are proud of you - *takunyandirani.*” -- CEO

OOPS!

Staff Sports Festival failed to take place this year. It's going to be back next year. Start exercising now!!!

