

بنك القاهرة
Banque du Caire



GRI REPORT 2021

INNOVATION

FOR A BETTER FUTURE

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GRI REPORT 2021 INNOVATION FOR A GREEN FUTURE

ABOUT THIS REPORT

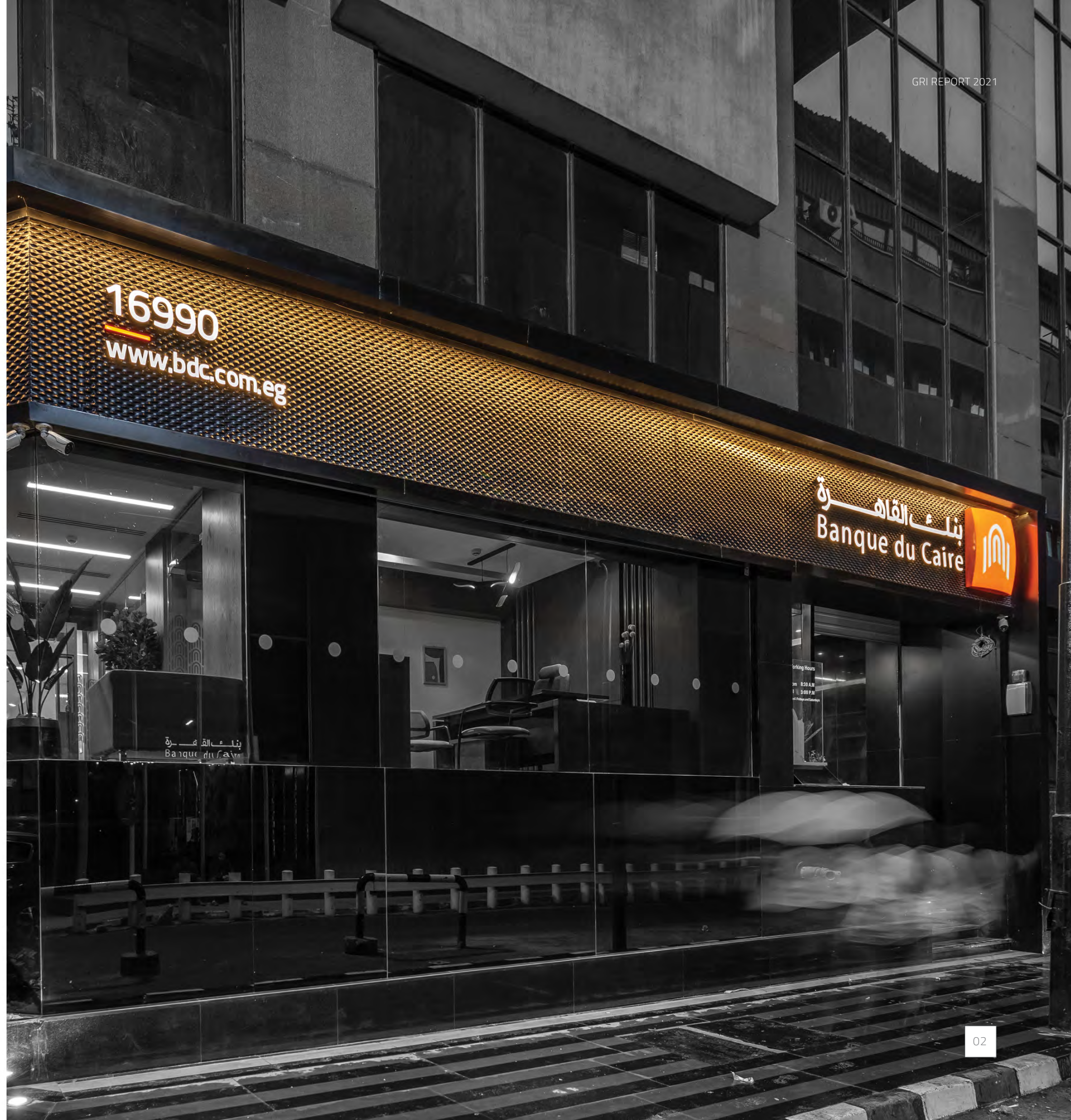
The 2021 Sustainability Report is the third report to be published revealing BdC's sustainability approach through 4 key pillars and will present our value creation to stakeholders for the year ending December 2021.

Some Information before and after 2021 may be included to emphasize relevant context to the reporting period.

The report is prepared according to the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core Option. It is aligned with UN SDGs and the national sustainable development strategy Egypt Vision 2030. It is also aligned with the Egyptian Exchange (EGX) ESG Index. Banque du Caire has also been a participant of the UN Global Compact since 2016 and reports annually on the 10 principles.

This Sustainability Report contains forward-looking statements that are expected in the landscape of the Banking industry both nationally and regionally. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections or results expressed or implied by such forward-looking statements.

Any errors discovered following publication of the report will be corrected and displayed on our website.



ESG AT BDC

Chairman & CEO Message

It is clear that both environmental and social challenges are tightly intertwined in a knot that can only be untied by developing both environmental and social domains instead of focusing on one to the exclusion of the other. Banque du Caire is committed to improving its Environmental, Social, and Governance (ESG) performance and delivering a positive impact for all stakeholders.

In 2021 Central Bank of Egypt (CBE) circulated that banks should shift towards sustainable finance. Banque du Caire, along with other leading financial institutions, became a signatory of Principles for Responsible Banking (PRB) of the United Nations Environment Programme Finance Initiative (UNEP FI). BdC has achieved an important milestone by publishing its first UNEP-FI PRB report for the year 2021.

Environment

Our sustainable action module focuses on strengthening our resilience toward a prosperous environment. Due to the urgency of climate change and its relationship with other environmental and social issues, we have prioritized action on climate change. We are proud to say that we have published our first carbon footprint report for 2021, where we integrated the starting point of our decarbonization journey.

We are committed to reducing our impact by implementing an environmental management system covering paper and energy saving, water management, material selection, and waste management. In 2021, we continued developing and implementing our "bgreen" initiative in conjunction with the initiative of President Abdel Fattah El-Sisi, "Prepare for the Green," which focuses on raising awareness levels throughout the Bank's stakeholders including our customers, suppliers, and employees regarding the importance of achieving environmental sustainability through several axes related to climate change and recycling projects.

Social

Aware of our responsibility to society, BdC also gives back to the community in various ways. We dedicated 21% of our total portfolio to MSMEs to create social impact, as well as support the community by providing economic, medical, food, and awareness in support of health, sustainable cities, quality education, and economic empowerment, to multiply our impact by empowering others to create positive change. We have invested over 300 Mn in our community.

Responsible Stewardship

Strengthening our commitments to improve ESG performance, we have designed our ESG approach around three pillars – responsible banking, responsible business practices, and impact beyond banking. We believe that implementing the Bank's commitment to sustainable finance requires the support of various stakeholders, so cooperation and collaboration from various parties are needed to drive the Bank toward becoming a sustainable bank.

On behalf of the Bank, I would like to thank our employees for their commitment to a sustainable future, and I hope you continue to show us your dedicated support in our sustainability journey.



Tarek Fayed
Chairman & CEO

SUSTAINABILITY AT A GLANCE

Shareholders	Number of Shares	Percentage of Ownership (%)
Banque Misr	1,500,000,016	57.1428577%
Misr Capital S.A.E	1,124,999,970	42.8571417%
Misr Abu Dhabi Real Estate Investment	14	0.0000006%
Total	2,625,000,000	100%



Environment

GHG Emission: 6,325 mtCO₂e
 40% Water Consumption Reduction
 13% Paper Consumption Reduction
 Recycling bins in more than 150 schools in Alexandria, Cairo, and Giza



Economic

Total assets: EGP 255.4Bn
 Operating profit: EGP 12.8Bn
 22% Increase in total deposits



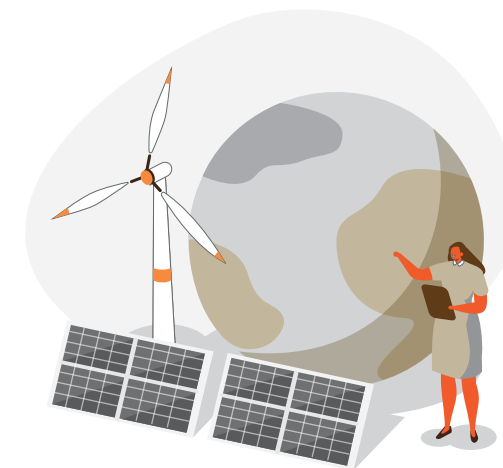
Social

Training Hours: 26133
 % of Female Employees: 19%
 Employees: 8,794
 MSME: 21%
 Community Investment : +330.78 Mn

OUR ESG APPROACH

With 70 years of operation in Egypt and over 8000 employees in a network covering all of Egypt, Banque du Caire runs its business effectively and efficiently to support its stakeholders and establish its commitment to sustainable performance.

BdC generates value by investing in the betterment of local communities and the country and soon, by incorporating sustainable financial products and services into its portfolio. Its Corporate Social Value (CSV) expenditures align with its ESG



approach, and its activities cover a broad range of stakeholders and actions to ensure maximum impact and enrichment.

BdC perpetually reexamines and builds its commitments to all stakeholders while integrating its Corporate Social Value concept into the Bank's day-to-day business. It assisted with the "Code of Ethics" 'to complete the guide to managing relations between the Bank and its stakeholders.

- Banque du Caire believes that socially and environmentally correct decisions are the cornerstone of economic success. Accordingly, Banque

du Caire has effectively adopted a wide range of prominent Corporate Social Value Initiatives and contributions outside its core banking realm for the past decades. It provides a dedicated approach and significant impact towards sustainable community development in various fields such as social development, environmental challenges, healthcare, education, poverty, heritage and culture, vocational training, and projects supporting the economy, infrastructure, youth, women, and special needs.

Corporate Social Value is our obligation to consider the interests of our customers, employees, shareholders, communities, and, most importantly, the ecosystem. Our approach considers the social and environmental consequences of business activities across the country and aligns with global standards.

By integrating Sustainability into our activities and initiatives, we guarantee the implementation of effective governance.

Furthermore, our ESG approach aids the Bank in assessing risks and opportunities, enabling practical solutions and resulting in superior outcomes. Accordingly, Banque du Caire follows its path to achieving the ultimate goals of creating corporate, social, and environmental value.

Encouraged to operate more sustainably and be more transparent about its economic, social, and environmental governance performance, BdC integrates ESG factors into its operations and actions.

BdC's approaches and decisions aim to reduce ESG risks and increase opportunities. The constant flow of new regulations around the world brings compliance challenges for banks. Due to the increase of voluntary guidelines such as the Equator Principles, UN Principles for Responsible Banking, and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. It is on our agenda to accredit the ESG strategic approach and roadmap, monitor and report in accordance with the Global Reporting Initiative standards (GRI), and continue to report to the United Nations Global Compact.

Banque du Caire's Sustainability strategy allocates its primary focus to environmental changes, analyzes the community's needs, and acts to serve its interests. The Bank adheres to the United Nations' Global Compact principles and the United Nations Environment Program – Finance Initiative's Principles for Responsible Banking.



Stakeholder engagement

Stakeholders	How we engage	What we discuss
CBE	<ul style="list-style-type: none"> Public Disclosures Corporate Governance Report Group Compliance & Audit Teams Financial Inclusion Team Annual meetings Daily and Periodic emails and direct communication between CBE and several departments 	<ul style="list-style-type: none"> Financial Performance Governance and Compliance Anti-corruption and Bribery Measures Strong Risk Management Socio-Economic Impact Sharing Marketing actions towards Initiatives and Activities Financial Inclusion Performance Financial Literacy Innovation and Digital Banking Digital Services approval Ownership Structure

Stakeholders	How we engage	What we discuss
Board of Directors	<ul style="list-style-type: none"> Board Meetings Board Committee Meetings Board Strategy Meeting Annual Report Annual General Meeting 	<ul style="list-style-type: none"> Reputation Management BdC Corporate Strategy Digital Leadership Financial Literacy Access to Finance Environmental Practices Community Commitments
Employees	<ul style="list-style-type: none"> Annual Meetings Performance Reviews Human Resources Training and Workshops Award Ceremonies Internal Newsletters Internal Committees Volunteering Programs 	<ul style="list-style-type: none"> Career Development Non-discrimination Safe Working Environment Health & Wellbeing Benefits packages Code of Conduct Conflict of Interests Core Values
Shareholders	<ul style="list-style-type: none"> Annual Meetings Annual, Semi-annual, and Quarterly reports Investor Relations Department Board of Directors Meetings Press Conferences and Press Releases 	<ul style="list-style-type: none"> Business Continuity ROI Risk Management Clear strategy, Mission, and Vision Strong Corporate Governance Digital Transformation Strategy Implementation Financial Inclusion
Customers	<ul style="list-style-type: none"> Website & Social Media Conferences & Events Customer Service Surveys Annual Reports Banking Channels Branches and Service Centers Complaint Systems 	<ul style="list-style-type: none"> Seamless Banking Experience Digitalization Services Cyber Security and Data Privacy New Products and Services

Stakeholders	How we engage	What we discuss
Suppliers, Business and Sustainability Partners	<ul style="list-style-type: none"> Contracts Meetings Supplier Audits Monthly direct communication with Suppliers, Businesses, and Sustainability Partners Daily/Weekly engagement with Digital Service Providers 	<ul style="list-style-type: none"> On-time Payments Fair selection Process Providing Top Services to Clients Adequate Pricing Investment in Local Suppliers Based on Ethical Practices Digital Solutions PRB Reports Sustainability Reports
Regulators	<ul style="list-style-type: none"> Regulations Monthly Reporting to Regulatory Authorities Annual and Quarterly Reporting to Auditors Audit and Compliance Report Regulatory Reviews Quarterly Reporting to the Egyptian Stock Exchange Direct Communication with General Authority for Investments (GAFI) 	<ul style="list-style-type: none"> Compliance and Ethical Conduct Initial Public Offering projects GAFI's approval to increase BdC's capital Financial Statements Auditing
The Community	<ul style="list-style-type: none"> Volunteering Campaigns Social Media BdC Website Sustainability and Annual Reports Sponsorships, Donations, Events, and Initiatives (CSR activities) 	<ul style="list-style-type: none"> Support for the Social Needs of the Community

Stakeholders	How we engage	What we discuss
The Environment	<ul style="list-style-type: none"> Green Finance Alignment with the SDGs and Climate Change Restoration Initiatives Supporting Environmental Agencies Establishing Green Buildings Operational Improvements 	<ul style="list-style-type: none"> Reducing the Environmental Footprint of Operations Energy Management Waste Management Water Management Paper Recycling Monitoring of Resource Consumption

Materiality Impacts

Material Topic	Priority
GOVERNANCE	
Business Ethics	H-H
Compliance	H-H
ESG Risk Management	H-H
AML	H-H
INCLUSION	
Accessibility, Affordability, & Proximity	H-H
Microfinance	H-H
Financial literacy	H-H
Promoting a Cashless Society	H-H
EXCELLENCE	
Financial Performance	H-H
Business Continuity	H-H
Market Presence	H-M
SMEs	H-H
Customer Satisfaction and Protection	H-H
Digitalization and Automation	H-H

Material Topic	Priority
Supply Chain Management	M-M
Remittances	M-M
RESPONSIBILITY	
Community investment and engagement	M-H
Managing Environmental Footprint	M-H
Partnerships for sustainable development	M-H
EMPOWERMENT	
Employee Wellbeing	H-H
Diversity and inclusion	M-H
Learning and Development	H-H
Employee Engagement	M-M

BUSINESS PERFORMANCE

Our Clients, Our Focus / or Customer Centricity

Our Retail Services

Enhancing our Retail services

Banque du Caire Retail Division offers traditional banking services such as Payroll services cards, loans, deposits, and bancassurance. In addition, we provide greater client value through our branches, call center, and retail sales sector by developing specialized goods and services for all consumer segments.

Retail banking is a crucial driver of the Bank's growth since it is at the center of our efforts to create a more inclusive society. We adopt various techniques to achieve competitive advantage while supporting the SDGs, implementing cutting-edge technology to achieve innovation and highly skilled and motivated staff. In addition, we promote equality of opportunities through our dedication to microfinance, assistance for small businesses, and the embrace of a digital revolution.

The Bank is committed to a wide range of responsibilities due to its diversification. We achieve inclusion in our retail banking by creating and launching segmented goods and services that best fit all customers' demands. We keep improving current products to ensure competitiveness and maximize efficiency. To guarantee ambitious rates to our customers, we also examine market rates. We continuously maintain and expand current procedures to achieve peak production, generate results, and strengthen our position in the market, further extinguishing ourselves. We emphasize the value of stakeholder satisfaction and regularly engage in development assessments to acknowledge the significance of all our stakeholders, which aids us in developing the best strategies and products.

We offer various services at BdC

Loans from Banque du Caire come in two forms: cash and non-cash loans. Cash loans for individuals might be secured, unsecured, or financing governmental employees. It is given based on important factors like income level, ability to repay, credit score, and employment history. It includes, but is not limited to, loans for doctors, self-employed people, petroleum, the private sector, pensions, and financing club memberships. Non-cash loans include mortgages, auto



loans, and durable goods to buy domestic electronics, units, and vehicles.

Throughout 2021, a significant effort was made to change the lending criteria and factors that determine loan products and introduce new initiatives. This has resulted in the growth and diversification of BdC client segments and the retail loan portfolio.



1. Personal Finance for Salaried and Pension Customers

Employees of the private or public sectors are eligible for the product with a competitive interest rate and flexible installment schedule. Cash finance for salaried customers that satisfies their needs.



2. Personal Finance for Governmental Sector Employees

Cash financing is based on salary transfers for government workers, with an affordable interest rate and a loan amount that covers daily expenses. Moreover, finance is provided with the quickest loan execution in the industry and a very flexible monthly payment schedule.



3. Cash Finance for Self Employed or Self Professions for Personal Usage

Cash financing allows entrepreneurs to meet their demands with a convenient payment schedule.



4. Auto Finance

Support consumers in purchasing a new or used car for personal use with down payments ranging from 0% to 70% of the price of the vehicle, a flexible payment schedule, and a market-competitive interest rate.



5. Mortgage Loan

Mortgage financing for homes and businesses with an extremely accommodative payment schedule. In addition to the CBE mortgage effort for borrowers with low and intermediate incomes.

Types of accounts at BdC:

1. Current Accounts:

Manages a client's finances using a Current Account from Banque du Caire, which offers on-demand access and several features tailored to the client's banking needs.

2. Savings Accounts:

The Savings Account from Banque du Caire provides a competitive periodic return based on a tiered-rate system

(monthly, quarterly, semi-annual, or annually). Allowing account withdrawal and deposit flexibility at any time.

3. Certificate of Deposits

is a type of savings account that receives interest and holds a fixed amount of money for a fixed period, such as 3, 5 or 7 years with monthly, quarterly, or at maturity payment frequencies. Customers who redeem their CDs receive the original investment amount plus any accrued interest.

4. Time Deposits:

A deposit's "term" is the time it will take to reach its specified maturity date or a period to maturity. Time deposits are distinct from call deposits, like savings or checking accounts, which can be withdrawn whenever you want without warning or incurring fees.

5. Time Deposits in Advance:

unlike the periodic Time Deposits which pay the interest at the end of each period, the TD in Advance from BdC offers an upfront payment of all the interest on the second day of depositing the amount.

6. Bokra Accounts:

A savings account in Egyptian pounds designed exclusively for women to meet their future needs through regular monthly payments with various tenors, to gain the principal and cumulative interest at the end of the period, as well as the advantage of life insurance.

7. Current Plus Account:

Easily meet your daily interest calculation and monthly interest earning and banking goals with BdC Checking Account Current Plus. It was created to meet clients who want to invest their money in a profitable checking account.

8. Tharwa Account:

BdC offers a checking account for wealth clients with daily interest calculation and monthly interest earning starting at EGP 1 Mn to easily meet their banking goals.

9. Waffar Account:

An aligned saving account with CBE rules for Financial Inclusion products and with simplified KYC. The account is designed to be available for all customers with less documentation and affordable cost which shall be launched by end of Dec 2021. Currently, we are in the process of launching 2 other accounts serving economic activity and small entities with incomplete documents.

New Programs and Products

To better serve clients' needs and ease the application process, new goods have been added to BdC's product lineup. Auto, mortgage, and personal loan portfolios all saw a 31% increase in 2021. Moreover, new income computation procedures



were developed to presume customers' income and simplify the documentation.

Recently BdC provided a new Payroll service model for employees through innovative/ advanced solutions, our mission is to ensure the highest quality of service presented to our payroll companies by presenting very competitive packages that aim to fully satisfy all the corporate segments. Adopting a new acquisition strategy to reinforce the financial inclusion and Digitization efforts.

Forward-Looking Direction

In 2022, we intend to improve the card's value proposition by introducing additional products and services to meet the demands of our clients. We'll work to expand the credit card portfolio in terms of spending and the number of cards in addition to introducing new offerings.

We constantly introduce new products and services to maintain our solid reputation, boost productivity, and enhance client satisfaction.

Launch of Qahera Rewards Program, a loyalty program that aims to increase credit card spending and new acquisition. In addition to the launch of 3D Secure Service to Increase credit, debit, and prepaid card spending and avoid fraud losses.

Launching the "Titanium" debit card introduced a new high-category card for BdC customers to increase spending and collect "issuance fees." Moreover, the launch of the O-PLUS Meeza Prepaid card increased the base of BdC prepaid cards, the outstanding balance, and the prepaid spending.



Adding Merchant Discounts

Agreed to 50 Merchants of various types, each with a unique offer, and Seasonal Campaigns discounts (Cashback + 0% Interest), all of which contributed to the provision of new BdC card offers through various merchants, an increase in credit card ENR, and an expansion of the customer base for BdC cards.

Retail Partnerships

To address the lack of inclusive goods and services, we have formed numerous collaborations to accomplish our larger vision. We understand that building solid partnerships to build a future that values and embraces diversity is crucial to success. Therefore, we will continue to expand current collaborations and forge new ones in the future to ensure fair opportunities for all.

Bancassurance

BdC offers an integrated set of insurance and investment programs. Such as education, wedding, retirement, and life protection by providing coverage to promote financial independence to families and securing business operation in cooperation with Allianz Life



Assurance Company - Egypt, a member of the Allianz International Group and one of the world's major providers of financial services. They are customized programs with a lot of flexibility in selecting the premiums and insurance levels to match the capacities and requirements of various customer segments with a range of payment frequencies. Additionally, it offers consumers the necessary protection in the event of a death, incapacity, or severe sickness during the duration of the insurance.

The Bancassurance Portfolio of Banque du Caire		
	2020	2021
Value in EGP	560 Mn	687 Mn

The Bancassurance portfolio of Banque du Caire increased by 23% Y-o-Y in 2021 from EGP 560Mn to EGP 687Mn. Additionally, we kept up our strategic partnership with Allianz International to meet our clients' expanding insurance requirements by offering various insurance plans and programs.

Forward-Looking Direction

In the future, we intend to work with the major player in global insurance Allianz, to develop business success while adhering to the customer-centric approach of Banque du Caire. We'll keep offering a variety of insurance packages and programs to the Bank's clients and maintain branch expansion in 2022 to deliver the services necessary to meet customers' needs and win their loyalty.



Tharwa Segment

In 2019, Banque du Caire unveiled its Tharwa service, a specialized offering aimed at Egypt's wealthy citizens who keep balances between EGP 1 Mn and EGP 5 Mn and Very High Net Worth (VHNW) citizens whose balances are greater than EGP 5 Mn. Through the specialist team of relationship managers at Banque du Caire, Tharwa offers clients many exclusive services as well as a bespoke advisory service offering. These benefits

include a specialized call center, access to Tharwa Lounges throughout the Bank's branch networks, and a special collection of non-banking concierge services.

Tharwa consumers increased from 16,500 in 2020 to 19,524 in Oct'2022, contributing to a portfolio of EGP 57.9 Bn during the same period. In 2022, the Bank saw the benefits of its customer segmentation initiatives. At year-end 2021, Tharwa client deposits made up 49.2% of Banque du Caire's overall retail portfolio.

Tharwa ثروة

Forward-Looking Direction

By the end of 2022, we aim to have 30 Tharwa Lounges and 51 Insert to increase the size of the segment team. The affluent team also intends to hire 80 relationship managers by Q1 2023 because of the growth of the lounges and hiring process and 5 VHNW RM to reach 18 VHNW RM by Q1 2023.



Portfolio	Growth Y-o-Y
Liability portfolio (CDs and TDs)	37.3%
Current Account Savings Account	71.2%
Assets (Loans and Overdrafts)	24.2%
Credit Card	12.6%

Tharwa consumers increased from 16,500 in 2020 to 19,524 in Oct 2022, contributing to a portfolio of EGP 57.9 Bn in Oct 2022. In 2022, the Bank witnessed the benefits of its customer segmentation initiatives. As a result, client deposits made by Tharwa made up 49.2% of the whole retail portfolio of Banque du Caire in Oct provides2022.

2021 Significant Partnerships

Our first commercial register office was established in 2021 at the Al Obour Branch, thanks to our collaboration with the Ministry of Supply and Internal Trade. Therefore, BdC is the first bank in Egypt's banking industry to offer commercial registry services through its branches.

Banque du Caire Cards

Through our extensive selection of reliable and distinctive credit and debit cards, Banque du Caire enhances its customers' experience and helps increase their satisfaction. To increase client acquisition and the shopping experience, we collaborate with

D-squares to offer new offers for BdC Cards through various retailers. Additionally, we collaborated with Cashless Company to offer prepaid cards on traffic units to increase inclusion.



In 2021, Banque du Caire improved and expanded its card selection to give top-notch services. The Bank introduced an electronic statement for credit cards that protects the privacy of credit card information. The Zero Installment program offers deals with retailers, allowing credit cards to make purchases from those retailers and spread out their payments. Additionally, we started various marketing and spending activities based on the season, boosting card usage and enhancing customer experience.

Prepaid cards were reconstructed into anonymous cards as part of the Bank's yearlong efforts to improve the card portfolio so that they would be more accessible to customers and practical for shops to sell. As a result, in 2021, the Bank's credit card portfolio had a value of EGP 672.6 Mn, up 19% year-on-year from EGP 599 Mn. Additionally, the Bank issued 65,315 new credit cards in 2021, up 19% year-on-year. This favorable effect on the total card portfolio increased 17% year-on-year to 158,344 credit cards issued to the Bank's customers. Additionally, the portfolio of prepaid and debit cards increased by 10% year-on-year to reach 2.7 Mn cards in 2021.

Considering Cybersecurity

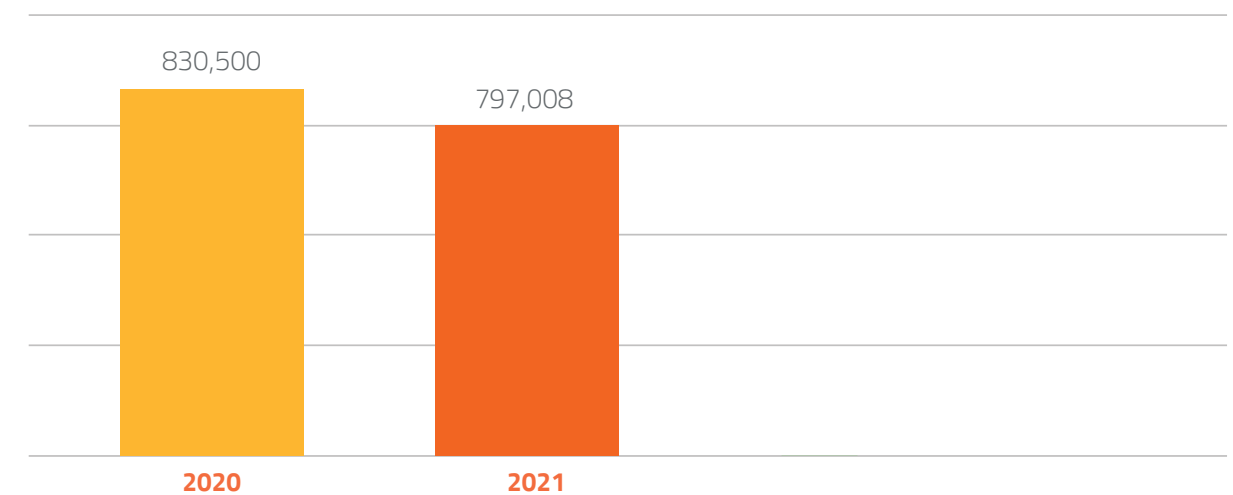
Regarding cybersecurity, the Bank implemented a 3D Secure Code system for every type of card offered by Banque du Caire. Furthermore, to dramatically reduce the likelihood of credit card theft and safeguard consumers' sensitive information when making online purchases, the 3D Secure Code security system was upgraded to V2.

Lending Portfolio

Our substantial retail loan portfolio stands out for its strength and diversity. Constantly expanding to cover a variety of age groups, genders, and geographic areas

Retail Loans by Number of Clients

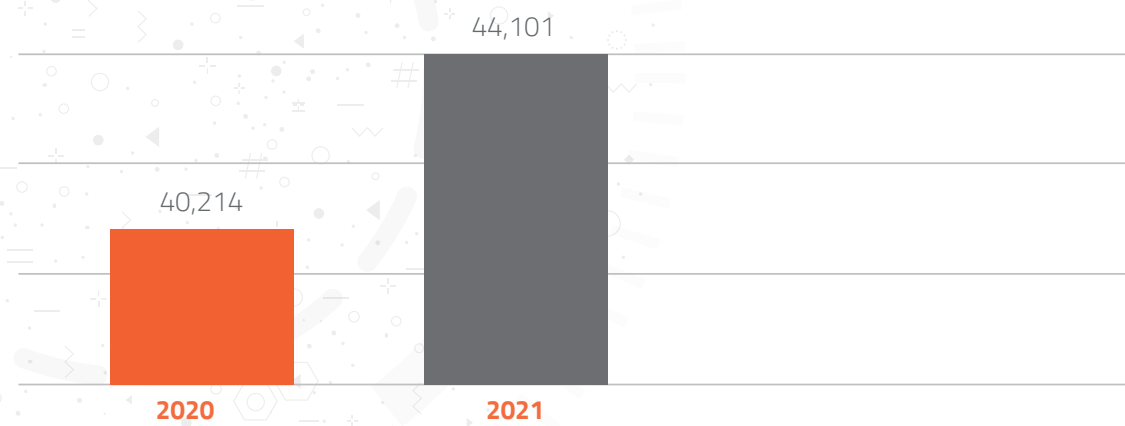
2020 2021



Volume of Lending (including Micro Finance and Credit Cards)

■ 2020 ■ 2021

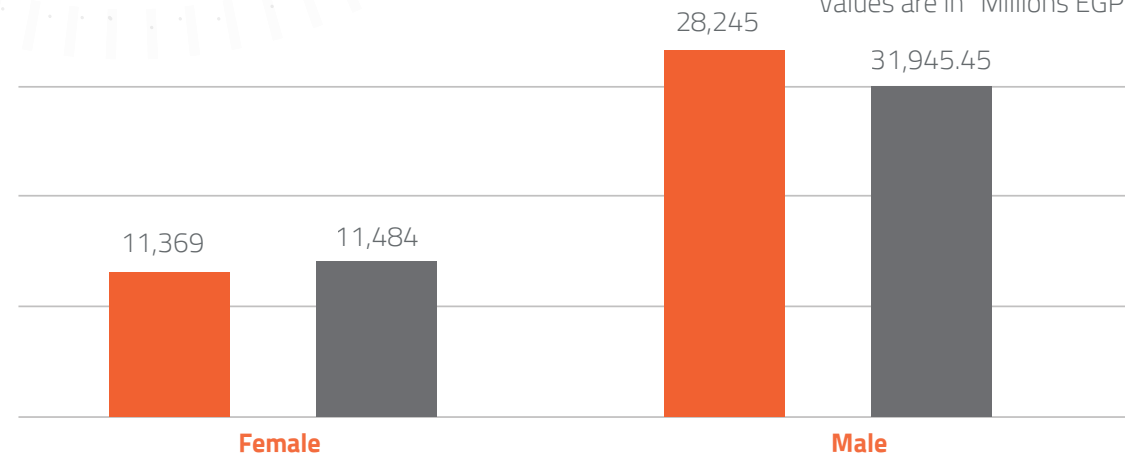
Values are in "Millions EGP"



Retail Loans by Gender

■ 2020 ■ 2021

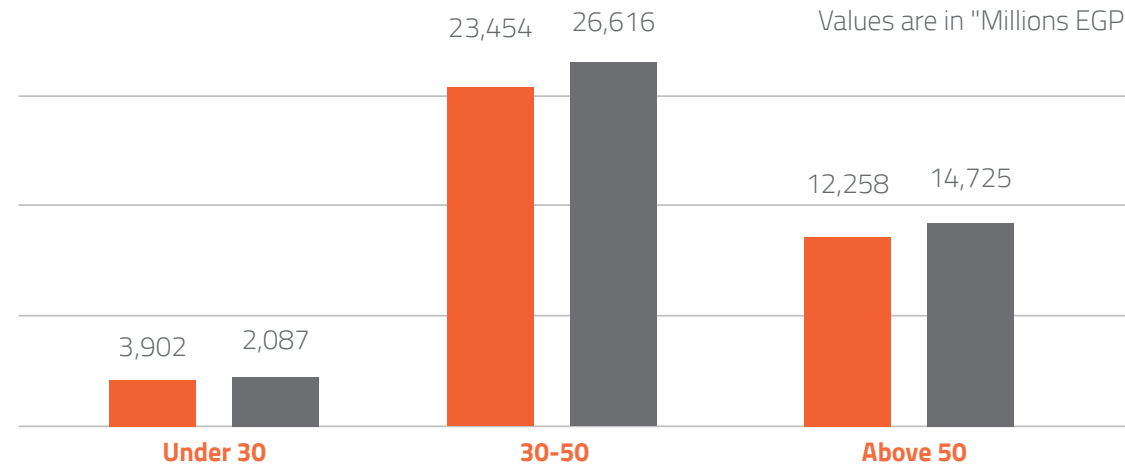
Values are in "Millions EGP"



Retail Loans by Age Group

■ 2020 ■ 2021

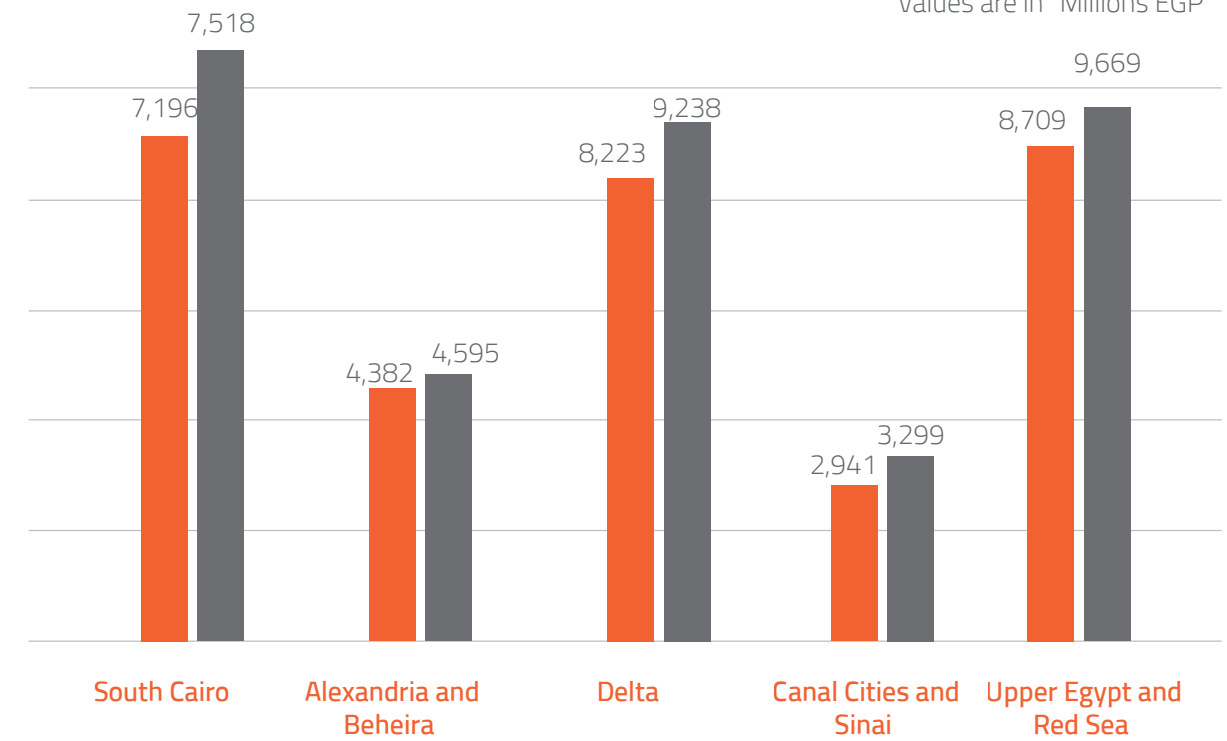
Values are in "Millions EGP"



Retail Loans by Geographical Region

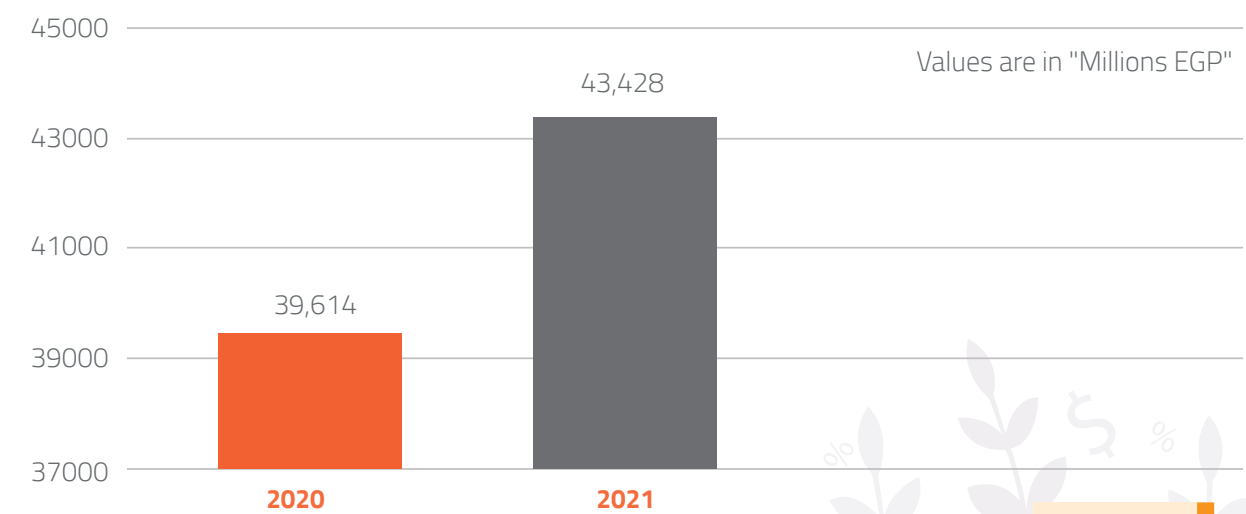
■ 2020 ■ 2021

Values are in "Millions EGP"



Total Retail Loans

Values are in "Millions EGP"

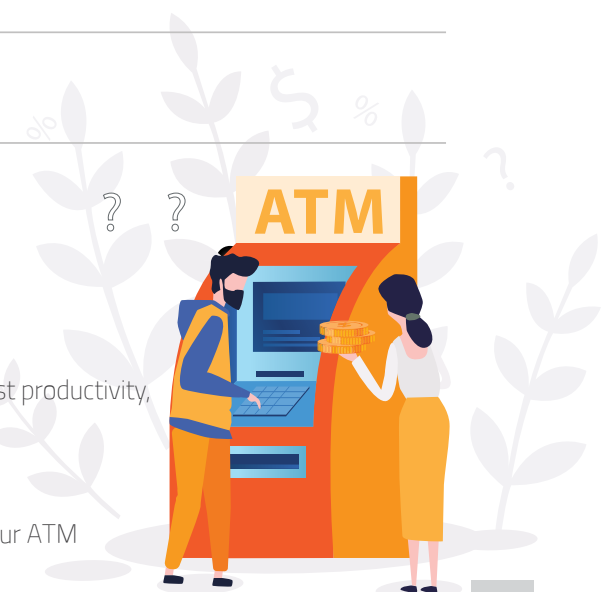


ATM

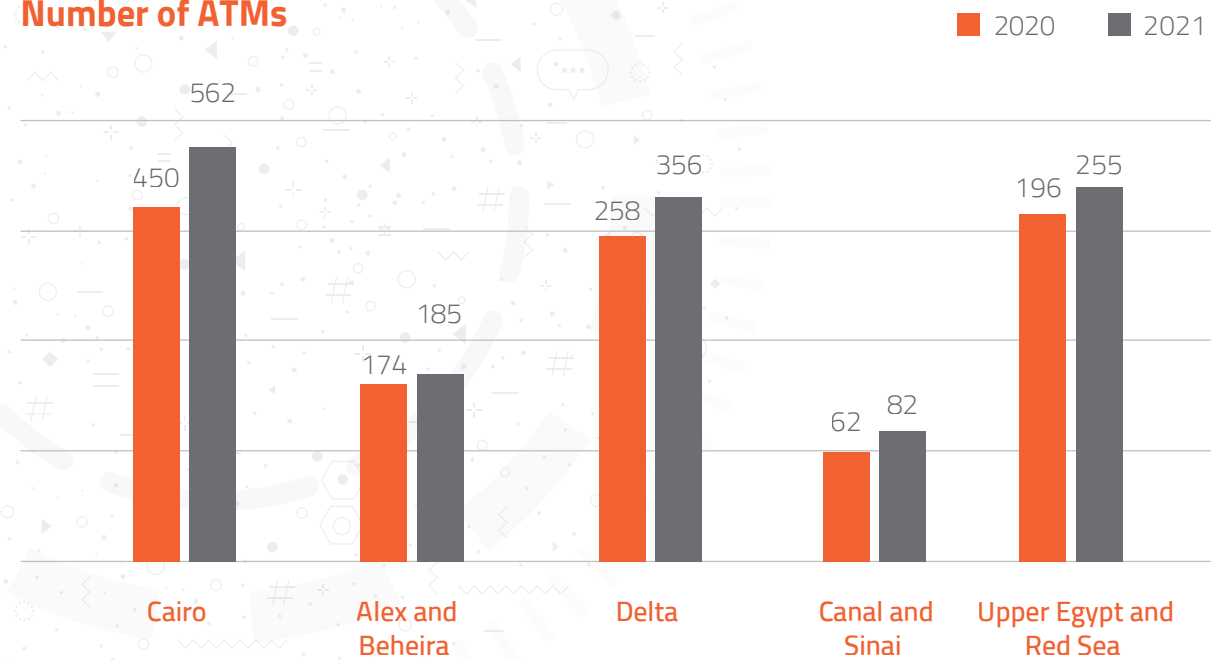
New features added to BdC's ATMs in 2021:

Services are continually offered to maintain our strong reputation, boost productivity, and increase customer satisfaction.

- Cardless deposit launched in Jun 2022
- Enable depositing to non-customers holding Meeza cards through our ATM network, a target set by the end of 2022.



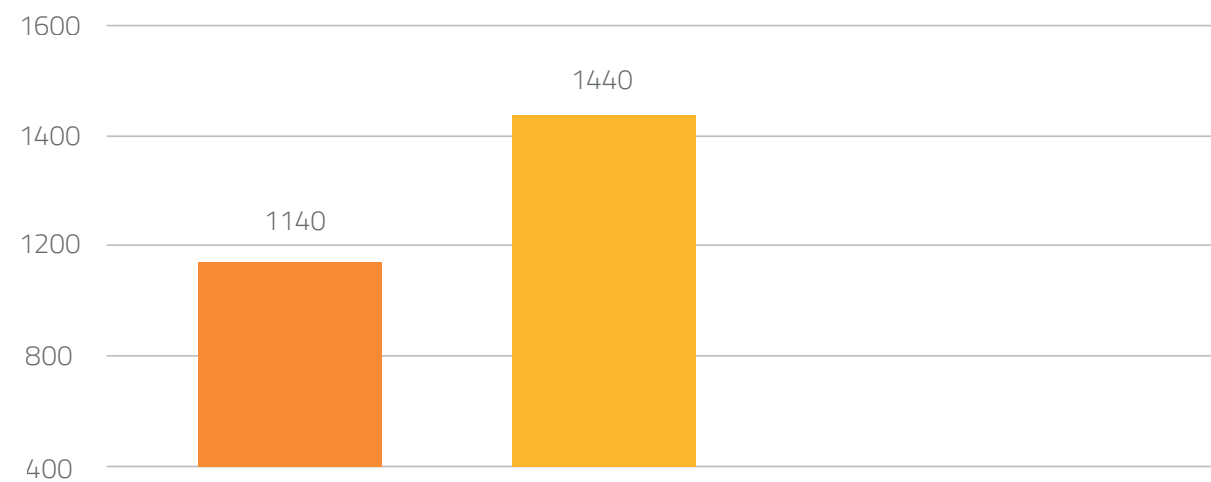
Number of ATMs



Our ATM Network Expansion

The growth of the geographical distribution of BdC's ATMs is due to several reasons. Aligning with the Bank's strategy to spread its network across all of Egypt. Along with CBE initiatives "Hayah Kareema" provides services to the villages with high traffic and population. BdC is now pursuing a new criterion to facilitate the accessibility of ATMs to people with disability and is targeting 10% of the ATM network to provide access to special needs by 2022.

Total Number of ATMs



Branches

Considering the growth of BdC's branch network, BdC has achieved a lot. In 2021, Banque du Caire inaugurated 43% of its new branches outside its core geography of Cairo. The Bank opened new branches in Damietta, Al-Souq in the Canal region, and Faqous in the Delta region. As a result, we expanded the network of branches by 2.1% year-on-year, reaching 246 branches in 2021.

We are working on achieving our Key Performance Indicators, and they are represented below:

BdC is considering branch expansion to compete in the market and increase its market share; it has already succeeded in opening 12 new branches in 2020 and 5 new branches in 2021. In addition, we are planning to expand 2 more branches in 2022. Another significant KPI is branch optimization to reallocate branches to prime locations, which was already implemented to 2 branches in 2020 and another 2 in 2021; BdC set a target to reach 3 branches by 2022.

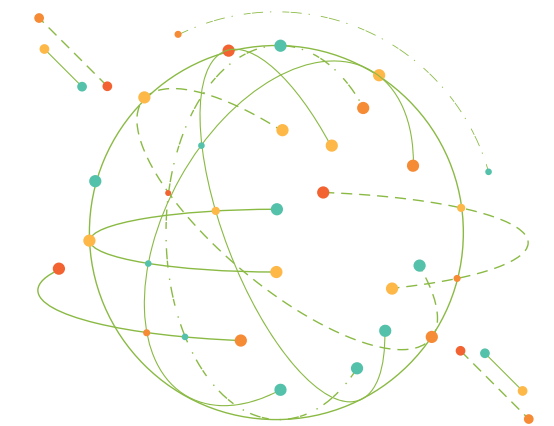
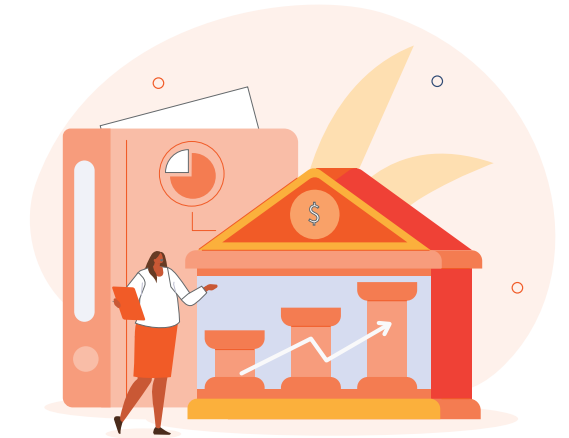
Branch renovation is also another major KPI, and this is to achieve state-of-the-art branches with an enhanced look and feel rebranding. BdC already renovated 5 branches in 2021 compared to only 2 branches in 2020 and set a target of 4 branches to be renovated by 2022. BdC's total network in 2021 reached 246 compared to 241 in 2020, and BdC aims to reach 248 by 2022 as a total network. In addition to process enhancement, eliminating redundant activities through centralization with a clear set of all functions, such as account opening centralization.

Upgrading our staff capability through hunting suitable calibers to close the staff performance gaps. This will be through hiring fresh, experienced, and productive employees that will achieve our strategic objectives—subsequently enhancing our customer satisfaction level.

Spreading Our Network

We have worked hard to expand the network of our branch as part of our long-term strategy. To grow our network by delivering a better experience to our entire customer base. We rely on various key elements to ensure that we expand into the best geographical areas.

We perform market research to detect geographical gaps (ADHOC)



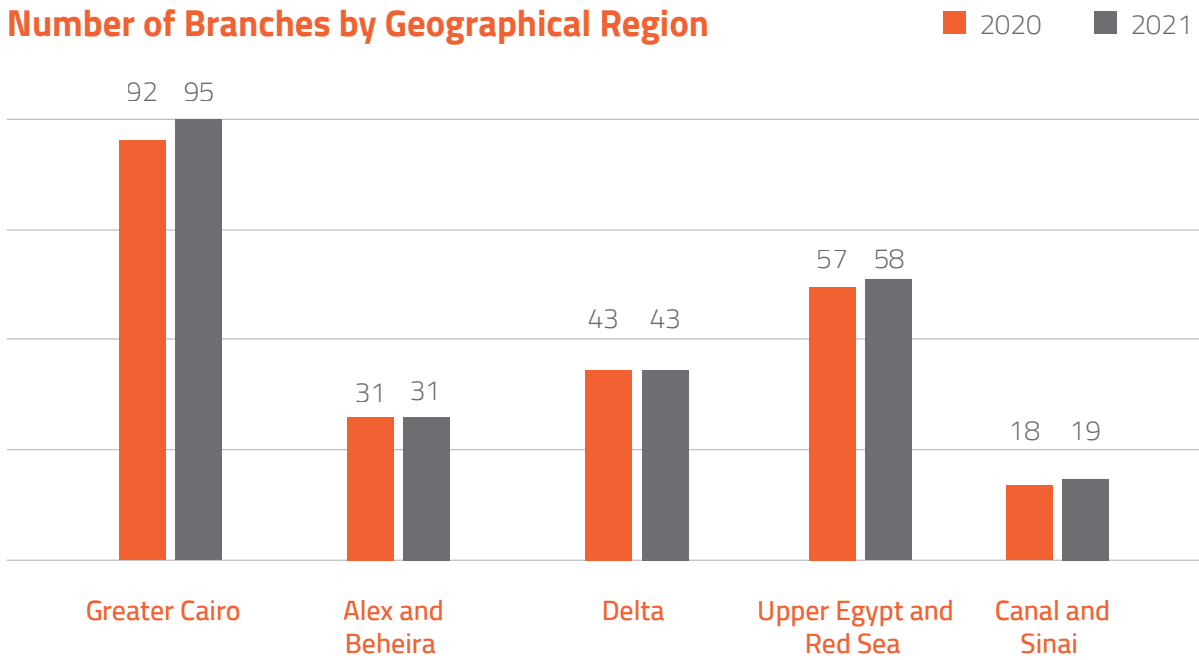


and conduct feasibility studies to measure the expected branch performance and break-even per location.

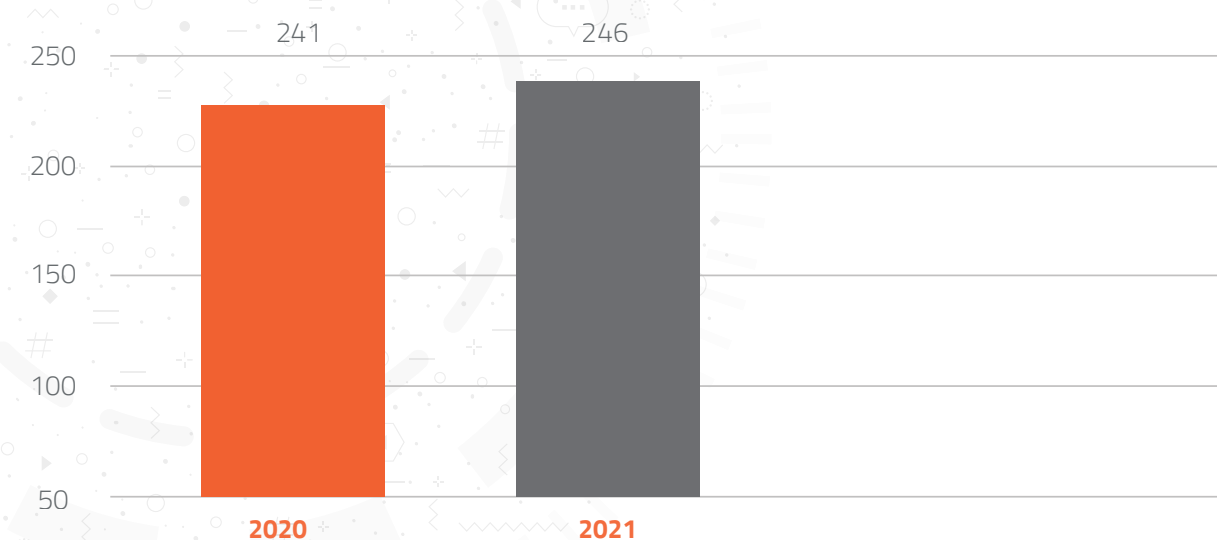
Additionally, regarding the proposed location, Cluster Managers' and Regional Managers' feedback is considered. These determining elements let us target various market segments and client types, attract non-banking customers, and construct branches in different locations as part of BdC's expanding strategy, The following branches opened across the country in 2021.

Location	Region	Opening Date
Damietta Port	Canal and Sinai	Sep-21-07
Al Mokattam	North Cairo	Mar-21-22
Bavaria Town	North Cairo	Nov-21-28
Aljala	South Cairo	Feb-21-22
Sohag Airport Fx office	Upper Egypt	Dec-21-30

Number of Branches by Geographical Region



Total Number of Branches



In 2021, BdC's main strategy was to focus on opening new branches in Greater Cairo, Canal and Upper Egypt and select prime locations to close distribution gaps. In addition, BdC opened its first commercial register office inside our Al Obour Branch and started the implementation of digital lending for microfinance loans as a part of our sustainability initiatives expanding in our branches. Our purpose is to provide excellent customer service, inform consumers about digital options and techniques to manage their accounts, and provide them with a positive banking experience.

Additionally, because we have centralized the account opening processes, branches can now serve more consumers, submit customer data consistently, and guarantee it will be submitted. This helps to promote financial inclusion and helps to streamline processes and reduce the amount of time needed to serve consumers, stamp duties on documents signed by clients should also be collected centrally.

Egyptian Abroad – Remittances

BdC considers remittances as an essential tool for financial inclusion by offering many channels for all customers categories with less restrictions such as: (Cash on counter – credit to BdC accounts – credit to other bank accounts – credit to BdC wallets – credit to any other wallets – cash on counter from Fawry plus branches – cash on counter from Egypt post branches)

BdC is currently implementing automated systems instead of manual process in remittance sector in the



light of easing the process of transfers in addition to applying remittance services through internet banking and wallets. BdC is also working on opening new digital branches all over the country and selecting the qualified Manpower for Remittance sector.

BdC was also able to go green by reducing the cost of printing all payment orders from the branches and related departments as well as providing more control and monitoring in the whole outgoing transfers. In addition to minimizing the risk and time in executing all outgoing transfers.

	2020	2021
Total number of transfers	5,496,914	6,270,845
Total incoming correspondent transfers volume	3,050,942	3,260,179
Total incoming transfers from exchange companies	1,671,905	1,903,750
Total e-finance payments in (EGP)	170,806	149,595
Total e-finance cps in (EGP)	10	31
Total e-finance payments in (USD)	1,486	1,976
Percentage of transfers that sent a domestic remittance Total outgoing domestic) (remittance EGP	604,351	935,353
Percentage of transfers that sent a domestic remittance, mittance, using a digital channel	21,513	48,612
Percentage of transfers that sent a cross-border remittance Total outgoing Cross-border) (remittance Currencies	14,013	19,255

BdC offers various digital channels and services for remittances

- Corporate Internet Banking which is represented through an electronic channel serving corporate clients by executing their requests for all products in a specific timeline and helps with saving customer time, saving BdC's time and effort as well as decreasing number of clients in branch queue.
- Mobile Wallet which is an electronic convenient channel that receives transfers from money exchange companies outside Egypt to credit BdC wallets and any other wallets in Egypt (Banks and telecoms) and enable customers to disburse fund from any ATM's.
- ACH CORPAY is one of the electronic payments services for receiving and sending domestic remittance with bulk uploading files feature with co-operation of EBC.
- E-remittance is an advanced electronic system for receiving and sending all remittance types from exchange companies all over the world. It's a fully automated process which provides remittance service for Exchange companies 24/7 and allows the client to know the current status of each transaction.
- Workflow is a great application in managing documents flow between Head Office & BdC branches and helps with executing all outgoing transfers by debiting customer's account directly by centralized Payment sector as well as executing all requests at the minimum timeline with quality standards and used as archive for documents. It also achieves OFSAA application advantages and reduces printing costs to reach green area concept.
- CORZAP is also an application used for keeping all data which belongs to SWIFT payments after passing for AML sector. It sends automatic e-mails including Swift messages with all data required in the transfer directly to the VIP customers and a copy for their branches and creates separated file matching to core bank requirements concerning deducting all commissions and charges from the clients automatically. It sends MT191 messages automatically to all correspondents to claim BdC commissions for all our incoming Swift messages. In addition to executing all incoming commissions from the correspondents automatically.
- GEFU plus which uploads ACH files automatically and deduct all loans installments directly from customers account after salary credit in addition to deducting all commissions from incoming transfers.
- E-finance which is an E-payment system for collecting all governmental payments including: (taxes, customs, Bills, unified invoices, insurance, universities expenses, Suez Canal payments). It supports implementing the financial inclusion and financial technology (FINTECH).
- CPS is "Corporate Payment Service" applied for the corporate clients to execute all their governmental payments

from their main office. It's easier in use for VIP customers to pay their governmental payments at any time which decreases rush hours for BdC branches.

- POS (with Fawry company) for Collecting loans installment, it's a great tool for collecting the installments from customers through alternative channel (Fawry POS). This decreases rush hours for BdC branches and offers 24/7 service for collecting loans installments.



Our Customer Segment Approach

As a Bank committed to serving all clients, we accommodate people with disabilities by providing them priority in line at all our locations. We also designate a customer service representative or branch manager committed to offering clients all essential transactions at our branches.

To better serve individuals with disabilities and special abilities, we have trained all branch personnel to handle them. BdC has set a targeted plan to complete training for our branch staff by the end of 2022 to better serve people with disabilities.

Digital Banking

Digital transformation is a key pillar of BdC's philosophy and unique business model. We look to amplify our firm commitment to digitization as it fuels the Bank's growth and profitability. Our firm commitment to digitization allows our teams to focus on offering customers a wide range of digital products to help them stay at the forefront of digital evolution.

Rolling out our digital products and solutions has been expedited to enable our clients to do more with less effort. Such products included but were not limited to supply chains, QR codes, governmental payments, and online banking for corporate clients.



The innovation and development of new digital products and platforms will continue to be our major objectives. They will be used to align with governmental development strategies such as financial inclusion, transformation to a cashless society, and others. Additionally, the focus will be given to digitization. We will continue to digitize our offerings to allow for greater access and ease of processing, acquiring, and executing banking transactions.

During 2021, several strategic digital projects were delivered to enhance the customer experience, avail new digital channels, and facilitate the internal bank processes:

Project 1: Digitalization of the Microfinance customer onboarding and lending process targeted to reduce the processing turnaround time and generate more profit

Project 2: The launch of the Digital Factory in-house, which will be the arm of the Bank that is responsible for delivering new digital solutions through an agile methodology for product delivery.

Project 3: Chatbot implementation to facilitate the communication and accessibility between the Bank and its customers

BdC is setting targets to deliver multiple new digital solutions and channels to different business lines (Retail, Corporate, and SMEs) by the end of 2023, which include:

- Implementation of a new Omni-channel that will support new internet and mobile banking apps and a new card tokenization application
- Implementation of the InstaPay, which is a hub to manage all intra and inter-bank transactions instantly
- Implementation of the new channel dedicated to the Very Small Segment in the SMEs to fasten the onboarding and lending process
- Implementation of saving and lending capabilities on BdC mobile wallet



Digital Banking Services

QR Code Acquiring and Development department:

- Acquire new merchants for QaheraCash Merchant Wallet.
- Managing the existing and new portfolio of merchants in terms of GAV and Support
- Provide on-ground services and customer support to the merchant's portfolio
- uplift the product in terms of Volume and Value by introducing new initiatives and value propositions
- Implement the CBE and Bank strategy and different initiatives (Like COVID support and Hayah Kareema)

Qaheracash

Our efforts to increase inclusion and support those lacking the skills to use traditional banking services align with our digital transformation. Due to its capacity to increase access to low-cost financial services like receiving remittance transfers, loan repayments, money transfers, airtime, donations, utility bill payments, school fee payments, and many other services without the need to visit bank branches. QaheraCash is an effective tool for integrating unbanked and underbanked people into the formal financial sector. This makes this service a key enabler of financial inclusion.

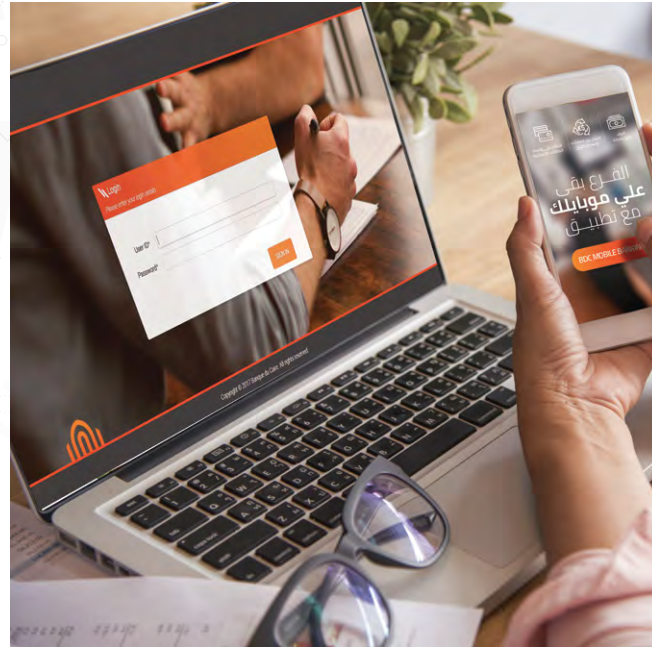
It combines all necessary daily financial transactions into one smartphone application, making it one of our most well-liked digital services. It is a very efficient and cost-effective instrument for facilitating and streamlining secure financial transactions in just a few easy steps. 16Mn Egyptians who use mobile wallets now have access to money transfers thanks to QaheraCash. Without visiting bank offices, customers can pay for financial services and withdraw and deposit cash from any ATM or Aman location.

We substantially engaged in Above the Line (ATL) marketing campaigns. Alongside we offer a welcome gift to encourage and boost consumer usage to promote the service, increase knowledge, and attract customers. For the following services: cash withdrawal from ATMs, money transfers, and issuing virtual cards (VCNs) from the wallet, QaheraCash applied cancellation of fees and commissions. Additionally, a few exceptions were made to the rules to make the service easier to use, like allowing consumers to self-register via the BdC website and mobile app.



Mobile Wallet

Since the beginning of its online service in April 2019, BdC has made progress in its digital transformation offerings and client awareness. We concluded in 2021 with a total customer portfolio of 780k and a 10% active ratio as we seek to improve and expand our offerings yearly. This resulted from the official stores' availability of the mobile banking service, which was introduced in May 2020. Ongoing development of additional digital services to our platforms, such as a redesigned cards module with more capabilities and online payments, IBAN transfer possibilities, transfers to any mobile wallet, the ability to enquire about a customer's IBAN for their accounts, and many offline requests.



E-channels

The digital service channels of the bank:

Name of Digital Channels	Total volume of transaction		Growth rate y-o-y	Total number of customers		Growth rate y-o-y
	2020	2021		2020	2021	
ATM	72 Mn	80 Mn	11 %	-	-	-
Online banking	92.2k	267.42 k	190 %	74k	259k	250 %
QR code	76.8k	892.3 k	1062%	35k	186k	431 %
Wallet	830k	1.63 Mn	96 %	527k	780k	48 %

Number of Customers per segment per Year

Number of Customers per segment per Year Women		
	Number of Customers 2021	Growth Rate y-o-y
Mobile Wallet	73,029	28%
Internet banking	91,608	26%

Number of Customers per segment per Year Youths (16 to 35 years)		
	Number of Customers 2021	Growth Rate y-o-y
Mobile Wallet	73,659	39.08%
Internet banking	97,072	29%

In the digital arena, our digital strategy is geared and aimed at achieving sustainable business growth and fostering our sustainability commitment through the creation of value. In addition, we developed our digital capabilities to tap into financial inclusion opportunities, lower the cost to serve, and decrease turnaround time. BdC's digital business plan aims to improve the customer's experience, affecting our customer base and active ratio. We are targeting digital onboarding by Q4 2023 on the infinity platform, which will allow the youth segment to get the Bank's products. We are working on launching phase 3 for internet banking and mobile banking with new enhanced features. It offers an enhanced self-registration process, donation, debit and prepaid card activation, prepaid card inquiries, transfers to prepaid cards, and mutual funds inquiries. In addition, a new IVR service, Chatbot, and What's app for business are provided. Moreover, participating in the IPN solution by EBC, and preparing for the new internet and mobile banking platform.

Department's KPIs results and progress:

	KPI	2020	2021	KPI Performance (Growth Ratio)	2022
QR- Code	New Acquired Merchants	34,657	151,875	361%	400%
	Count of Transactions	59,152	787,643	1232%	300%
	Number of Transactions	60,780,375	2,703,535,730	4348%	300%
	Active Ratio	10.89%	38.34%	252%	150%
E-channels	Increase of Internet Banking and Mobile Banking customer base	66,912	276,068	313%	465,107
	Increase the percentage of active customers	29,858	88,578	197%	143,000
	Increase the percentage of transactions on Internet Banking and Mobile Banking	92,228	267,424	190%	350,500
	Increase offline requests through e-channels	45	709	1575%	393

BdC has a new set of KPIs for E-channels, including an increase in customer base to reach the target of the number of customers, which affects our service portfolio. The increasing active ratio is another significant KPI; BdC aims to achieve its active customer ratio target. BdC also prioritizes maintaining service quality and always ensures that the service is up and running in a high-performance mood.

E-channels:

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Mobile wallet:**KPIs' Results and Progress**

KPI	2020	2021	KPI Performance (Growth Ratio)	2022
Registered Base	527k	780k	48%	1 Mn
No. Of Transactions	830k	1.626 Mn	95%	30%
Value of Transactions	176 Mn	732 Mn	315%	30%

New KPIs

New KPIs	Description of the reason
Active Users	The number of active users who use the app daily and monthly for future growth purposes.

Department Achievements:

BdC was certified in 2021 as the Merchant Acquisition department was able to overachieve the acquisition target set with CBE by acquiring 187,000 Merchants by the end of 2021. CBE incentivized the department to implement financial inclusion and COVID support initiatives successfully.

- QaheraCash is one of the fast-growing wallets to boost financial inclusion with a 48% increase in customer base (vs. 2020).
- Active customers experienced the most growth, increasing 178% (vs. 2020) over the last year, highlighting our focus on delivering value to customers
- Both transaction volume and value are seeing double-digit growth.
- Waiving the fees of P2P and adjusting the wallet limits in compliance with CBE to create a competitive advantage.
- A memorandum of understanding (MoU) with Tamweely Microfinance to provide digital payment and collection services.
- Sustaining Vital Partnerships with Influencing Entities such as (Noon – Jumia)
- Participating in Meeza Social Media Campaign to boost digital payments.
- Delivering more customer experience by adding new features to the App such as (Service info, Transaction history for 6 months, Service Rating and Service Locator).
- Participation in Cairo ICT 2021.

CORPORATE PARTNER- SHIP

In Corporate Banking, we focus on cementing a lifelong partnership with our customers. We aim always to be the corporate clients' first choice as we

collaborate with various prominent market players, positioning BdC as a partner of choice not solely in Egypt but also in regional economies.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



17 PARTNERSHIPS
FOR THE GOALS



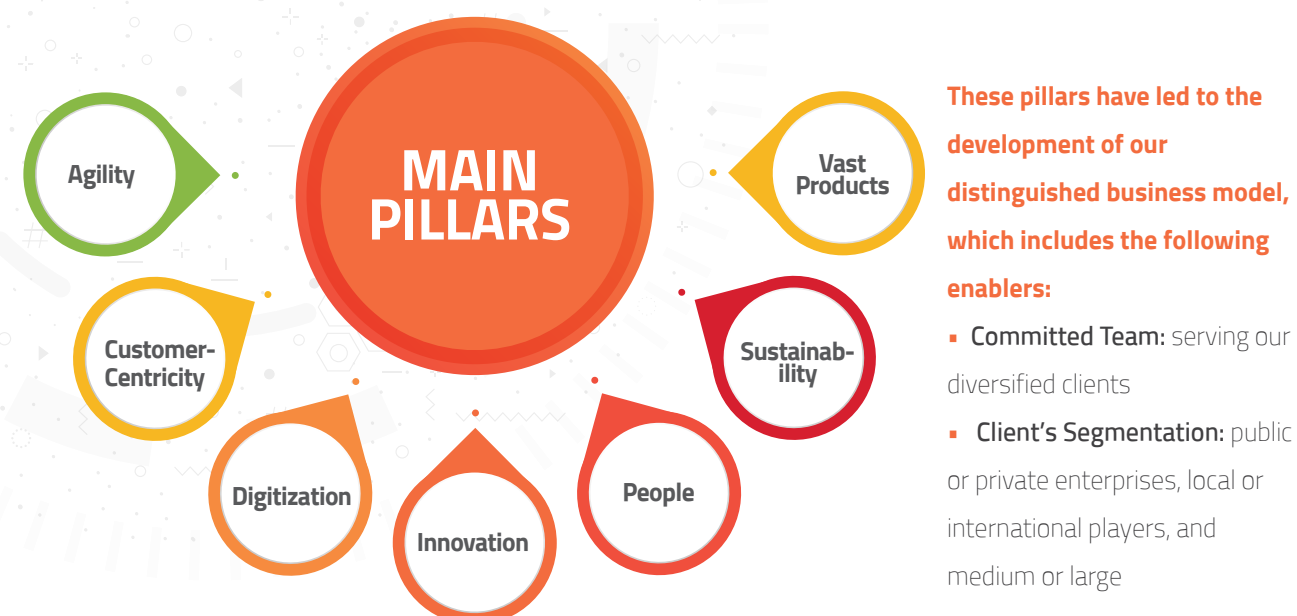
Despite operating during a year of high uncertainty caused by the COVID-19 pandemic, BdC maintained its effort on providing its corporate clients with comprehensive banking and financing solutions in Commercial and Investment Banking, International Trade, and Structured Finance. Our business agility amid the intensified impact of the pandemic helped us thrive, overcoming the fiscal and operational challenges during such a torrid time.

Banque du Caire's highly skilled and well-versed Corporate Banking team offers a heap of innovative products and services. Our vast array of products ranges from basic and short-term credit facilities to complex and long-term funding, trade and supply finance (Letter of Credit), and innovative cash management. Collectively, our products and services are well-tailored to fulfill our bespoke customers' banking and financial needs.



This builds a rapport relationship with our clients, where we are there for the customer at every stage of their business, assisting them to eclipse their potential growth.

The Corporate Banking Group's multidimensional philosophy is anchored on several pillars:



Corporate Service Division:

establish an effective channel of communication with clients to meet their requests and more importantly drive further our customer-centricity

- Digitization:** offering clients a wide range of digital products and services to be in the vanguard of digital evolution.
- Organizational Structure:** delivering world-class and cutting-edge products, services, and activities
- Debt & Structured Finance (D&SF):** a pivotal tool in enriching the Bank's asset portfolio through our bespoke banking and finance solutions which helps us strengthen our partnerships with existing and new clients.

Measuring Performance

Several KPIs have been implemented and measured to assess the success of BdC's strategy and provide a thorough review of its yearly fiscal and non-fiscal performance. This includes advisory services, trade business, corporate clients' liabilities, and credit facilities. In addition, we focus on improving relationship management, expanding our client base, and enhancing our balance sheet. These assessments are developed to ensure we provide high-quality products and world-class services to our clients with whom we continuously strive to maintain a harmonious relationship. In 2021, we achieved a 13% increase in clientele, a 36% rise in trade finance and fees-based income, as well as a 21% jump in the balance sheet compared to 2020.

Delivering Results

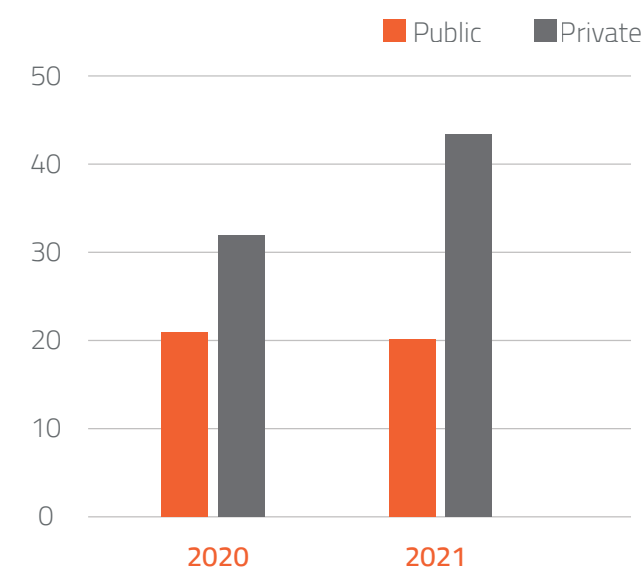
Despite the challenging environment, BdC delivered yet another year of stellar results. The corporate asset book in terms of funded facilities increased by EGP 9.6 Bn vs 2020 reaching EGP 55.9 Bn, constituting a year-on-year growth of

approximately 21%. Non-funded assets experienced a substantial increase of over EGP 8.74 Bn, translating to a 36% growth rate year-on-year. Our investment in client experience is directly linked to customer growth and the resultant increase in our customer base at an unprecedented rate. The Corporate Banking Group clientele base demonstrated a growth of 13%. Client growth has been relatively even between our segments, with 48% of the newly acquired clients classified as large corporate clients and 52% as mid-cap clients.

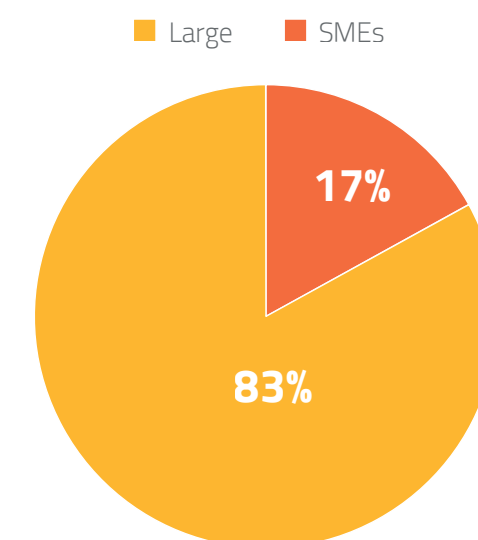
This reflects the Bank's strategy of driving expansion in the mid-cap segment in line with the national priorities to promote financial inclusion and support small entity growth. This reinforces our position as the profitability and growth powerhouse of Banque du Caire while confirming that it is increasingly becoming the banking partner of choice for an ever-growing number of institutions within the market. While achieving commendable results, the quality of our asset book remains robust and shows continuous improvement, despite the precarious market conditions locally and globally. BdC maintained a healthy consolidated portfolio, as shown below:

Corporate Finance

Public vs Private Sector Financing



Total Financing Value in 2021



In 2021, our total value financing reached EGP 62.6 Bn, up from EGP 46.1 Bn in 2020 (36% increase), comprising EGP 51.7 Bn and EGP 10.9 Bn for Large and SMEs respectively. Further, our number of clients reached 2755 in 2021; of which 2456 are SMEs and 299 are large corporate clients.

Corporate Finance by Sector

The COVID-19 pandemic remains a prevalent issue in 2021, as it has an unprecedented impact on the global economy, policymaking, customers, and employees. Although the global economy is currently trying to recover from the 2020 repercussions, the spread of the new virus variant is dispelling hope that the pandemic is likely to end soon. As a result, this spurred a historic collapse in demand across various sectors, notably the Oil and Gas sector where finance towards it fell by 40% compared to the previous year.

Despite the Global Oil demand still reeling from the effects of COVID-19, other sectors such as Construction, Real Estate, and Food, Beverage, and Tobacco have been prospering, as our finance for them increased by 62%, 23%, and 43% respectively compared to 2020.

Department's KPIs results and progress:

Sector	Total value of finance by Sector (EGP)		(% of Sector's Total Loans from the Total Corporate Loans		Growth rate (y-o-y) 2020/2021
	2020	2021	2019	2020	
Construction	4.4 Bn	7.2 Bn	9.65%	11.49%	62%
Food, Beverage & Tobacco	4.9 Bn	7.0 Bn	10.65%	11.24%	43%
Chemicals & petrochemicals	5.7 Bn	5.4 Bn	12.43%	8.63%	-6%
Real Estate	4.2 Bn	5.1 Bn	9.01%	8.18%	23%
Oil & Gas	3.7 Bn	2.2 Bn	7.93%	3.51%	-40%
Other Industries	28.8 Bn	35.7 Bn	62.54%	56.96%	24%
Total funded Exposure	46.1 Bn	62.6 Bn	100.00%	100.00%	-

Global Transaction Banking

Since its inception in 2018, Banque du Caire's Global Transaction Banking (GTB) has been a strategic division for extending the Bank's reach, as it hosts a comprehensive and assorted array of value-adding solutions and products to make banking simpler for clients. It follows a customer-centric strategy for all corporate clients – local businesses, SMEs, large corporate, and non-bank financial institutions (NBFi), offering bespoke solutions to fulfill their



evolving needs. We always strive to strengthen and prolong our partnership with clients in a constantly changing world. This necessitates us to focus even stronger to ensure we serve our clients at every stage of their lives. Additionally, we focus on launching new services and product lines to achieve the vision of offering a one-stop shop to the clients and thus being the go-to bank on the GTB front in Egypt.

Award

Our holistic business-client approach has successfully positioned our bank very strong in the institutional business market.

2021 Best Global Transaction Banking – Egypt
(3rd consecutive year)



Products Streams

GTB comprises three product streams:

1- Cash and Liquidity Management

The Cash and Liquidity Management effectively manages the fund in/outflows, providing various cash products and solutions that serve and cater to the business needs to recommend a cash management strategy to maximize their liquidity returns.

As part of elevating our Cash and Liquidity Management, we have a dedicated team responsible for managing and leading the product team. Its role is to improve the current management process and/or propose new processes and tools that would optimize the client's returns. In addition, to better serve our corporate clients and help them reach their business targets, our team ensures that the front-liners and newcomer bankers are well-trained and guided on the BdC's products and solutions.

Digitization

As business models and client behavior continue to revolve rapidly through advanced technology, BdC takes it into consideration and hence focuses on empowering innovation and accelerating digital transformation to facilitate customers' cash flow management. Firstly, self-generated reports are a boon to our bank, as automation minimizes human error and increases efficiency, leading to an increase in day-to-day calculations to support stakeholder reporting and decision-making. Additionally, in line with the Central Bank of Egypt's direction of moving toward a cashless society, BdC launched several new products, 'Prepaid Cards' for Corporates (Fuel prepaid cards serving the fleets and generic cards serving domestic expenses and online payment).

2021 Highlights

Compared to 2020:

- 19% jump in Transaction Business Value
- Transaction Business Volume increased by 13%
- 48% surge in Institutional Balance Sheet

2) Trade and Supply Chain Finance

Banque du Caire's Trade and Supply Chain Finance Division offers a broad array of trade finance services whether conventional or unconventional trade finance solutions or payable and receivable finance supply chain products. These convenient solutions and services are provided at the most reasonable pricing schemes upon understanding the client's specific needs, allowing us to unlock potential trade and supply chain finance opportunities.

Trade Finance is one of the cornerstones of the GTB business and a key contributor to Banque du Caire's top-line earnings. The Trade Finance Product Management Team succeeded in capitalizing on BdC's large client base and unleashing value chain business opportunities across all lines of business. Large corporates, SMEs and non-borrower clients are provided with an array of solutions to improve the client's trade activities and support the Bank's unfunded facilities with minimum burden on the balance sheet.

53% increase in Transaction Business Values for Trade and Supply Finance compared to the prior year

3) Security and Custody Services

Security and Custody Services have always been a strategic business segment for all banks – local or international. This includes products and services such as domestic and international custody, clearing and settlement, and asset servicing. At BdC, we are predominantly focused on developing new products and services where we target to provide customers with a one-stop shop, enabling them to unlock new insights and opportunities. And be deemed as their go-to bank in the Egyptian Security Service space.

Securities Services Product (SSP) specializes in intermediating investment flows through local or international markets. To expand our client base, we have introduced Receiving Bank Services for non-bank clients as well as the biggest Fintech companies in Egypt where we manage their capital increase subscription. We have been proudly selected by the CBE to act as its custodian for the Margin Trading Initiative.

2021 Highlights

SSP fees and commissions have exceeded our expectations – approximately 20% have surpassed the targets.

- EGP 6.6Mn (actual) vs EGP 5.5 (budget)
- Increased our AUC by more than 50% and income by 40% compared to 2020

Product Streams

All product streams are supported by dedicated Sales, Innovation, and Digital teams to achieve the desired outcomes, after which comes the role of the Management Information system (MIS) team that assesses and reports the results of the product and solution to track and monitor progress.

Business Development

As a key function in the Global Transaction Banking Group, the Business Development Division is mainly responsible for strategy implementation for all products' functions as well as innovation and growth. Our focus areas for monetary and technological products and solutions include supply chain finance, digitization, and advanced treasury optimization. The Business Development objective is to continuously grow BdC's wallet share by retaining existing clients and attracting new corporate clients, offering customized solutions for the Payables and Receivables management tools. Equally important, Trade Finance, where Business Development provides value-added Supply Chain schemes personalized to meet the buyer/seller's requirements for the domestic and global market.

2021 Highlights

In 2021, we followed a proactive approach, rather than a conventional one, by leading initiatives focused on market segmentation, such as healthcare, education, and logistics. Moreover, we worked on promoting seamless solutions: QR codes implemented deals and supply chain techniques implemented deals, which increased the cross-selling ratio for the corporate portfolio, such as a 100% conversion increase for GTB products.

Regarding initiatives, we have introduced several unconventional product solutions and industries:

1. Liabilities Task Force
2. Consumer Finance Industry
3. Microfinance Industry
4. Supply/Value Chain Prepositions
5. Export Indicatives
6. Segmented Propositions to Utility Providers, such as (Electricity, Water, Gas and other)
7. Value Chain for SME clients, through a TPA

Innovation and Digital Banking

Innovation and Digital Banking have always been a priority for BdC, as we have accelerated our digital agenda over the last few years. The rise of the pandemic has more underpinned this, the demand for digital and innovative channels increased significantly, and to follow the ever-changing clients' needs, digitalization has become a plunging demand, to maintain existing and future commitments.

BdC has always been strongly committed to revitalizing its banking, as through digitization comes affordability and a risk-free environment compared to the traditional way of doing banking. We have and will prepare our customers for their digital journey by offering them customized products for their business needs.

Our clients – SMEs, FI, GTB, and Corporate Business – have benefited directly from our Bank's leading digital platform, as through partnering with Fintech's and firms such as Citi, we have developed several digital solutions to provide them with seamless and efficient access to their banking accounts, enabling them to unlock new opportunities and insights.



2021 Highlights

2021 has been a remarkable year as it has seen a lot of enhancements and launches in institutional banking digital products and enhancements. Many enhancements have been executed on BdC business, such as but not limited to wallet feeding, the soft token launch for authentication, and feeding corporate prepaid cards. As well as automation enhancements, Digital Factory's first squad, and bulk deposit ATM's commercial launch, amongst others.

In Financial terms:

- 744% increase in BdC Business Subscribers
- 399% rise in BdC Business Active Customers
- 1304 (2021) vs 84 (2020) BdC Transactions
- 3374 Digital Accounts in 2021 compared to 16 in 2020

List of Products/Achievements

- Bulk payments to feed the wallets through BdC business
- Single payment to feed the wallets through BdC business
- Soft Token for BdC business
- Bulk Payments for Prepaid Cards through BdC business
- Single payment for Prepaid Cards through BdC business
- Full security matrix review and the move of some features to the BdC business team, which helped improve the overall customer experience and increased security
- BdC business accepts both personal and domain emails
- Educational videos (activation steps to BdC business)
- BdC business users Status Report
- Enabling STP for the ACH incoming files
- BdC business Transactions Status Report
- Corporate Prepaid Cards launch
- Automating the Corporate Prepaid Cards validation
- Automating the process of crediting all funds credited to the Corporate Prepaid Cards to the Corporate GL account
- Introducing the market leading Trade Portal 'Buy Masry'
- Educational videos (upselling Qahera cash wallets)
- The Digital Factory's Institutional Business 1st Squad
- Bulk deposit ATMs to Corporate Clients
- Partnership with Citi
- MT101 "Request for Payment" 'launch
- Started a transformation project together with Custody Operations to decrease manual intervention and turn to an automated digitalized system



Management Information System:

Management Information System (MIS) is the Bank's information analytics brain. The team engages with all business units to collect relevant data and uses data analytics to process it into fruitful information. As a key information contributor, the MIS team provides nuggets of insights and reports to different departments including reports on the Bank's performance to the top management. The MIS Team conducts a thorough customer profile analysis to fully understand and fulfill the requirements of BdC's clients so business units can provide them with suitable products and services.

Debt and Structured Finance

Since its launch in 2018, Debt and Structure Finance (D&SF) has developed into a catalyst for the Bank's advancement toward its strategic goal of enhancing and broadening its portfolio of products and services. Becoming a full-fledged provider of financial services geared toward business clientele. BdC has been seamlessly expanding its conventional and unconventional financial products. This includes project financing, debt capital, and other structured financing packages and related services, such as financial advisory services and debt underwriting arrangements. This growing spectrum of skills has significantly privileged our competitive position in the financial services market while making a substantial contribution to Banque du Caire's growth asset.

Diversified Lending Portfolio

- In 2021, BdC has been the mantle of leadership in the Egyptian syndication space, as initial mandated lead arranger and mandated lead arranger among different sectors. These loans were valued at EGP 26 Bn, and USD 420 Mn with BdC's shared values being EGP 4.6 Bn and USD 30 Mn.

Sector	Number of transactions	BdC title and role	BdC Share	Total Syndication
Food & Beverages	1	Initial Mandated Lead Arranger and DSAA bank	EGP 1,500 Mn	EGP 6,200 Mn USD 100 Mn EUR 156 Mn
Transportation and Logistics	1	Mandated Lead Arranger	USD 30 Mn	EGP 5,000 Mn USD 320 Mn
Construction	1	Initial Mandated Lead Arranger	EGP 800 Mn	EGP 3,300 Mn
Real Estate	2	Initial Mandated Lead Arranger in one transaction and Participant in the other.	EGP 2,300 Mn	EGP 12,200 Mn
Total EGP			4,600 Mn	26,700 Mn
Total USD			30 Mn	420 Mn
Total EUR			-	156 Mn

Financial Institutions

Four main departments constitute the pillars of the Financial Institutions Sector:

1. Correspondent Banking sets BdC's global positioning amongst other banks, by retaining its partnerships with the over 600 banks it cooperates with, across six continents, and by creating new partnerships.

2. Non-Banking Financial Institutions handle BdC's business dealings with 200+ insurance

companies, microfinance providers, security brokerages, persons requesting mortgages, leasing firms, e-payment companies, and auto-lenders.

3. Financial Institutions Structured Products which, in partnership with DFI's and Multilateral Funds, provides clients with direct and indirect lending syndicated/bilateral loan schemes that are tailored to address their business needs, and manages BdC's relationship with international rating agencies.

4. Remittances work towards maximizing BdC market share from the flow of remittances received from Egyptian expats by introducing several types of payments to customers in addition to having Tie ups with leading money transfer companies (80+) covering all over the world Through these four departments, the Financial Institutions develop a rich network for BdC that allows the bank to expand its client outreach and diversify its financial services continuously.



Treasury and Capital Markets

"BdC's Treasury and Capital Markets Group (TCMG) holds various investment activities in the fixed income and foreign exchange markets. The TCMG manages the Banks' surplus liquidity in various currencies with a main goal of maximizing its net interest income and generating capital gains to enhance the Bank's profitability. On the foreign exchange side, TCMG foresees the prevailing and expected exchange rate environments in order to efficiently hedge the balance sheet and assist clients with their hedging needs. With a customer centric approach, the TCMG sales team caters to a wide customer base focusing mainly on fulfilling their investment/currency needs in a timely manner. The Asset and Liability Management team is responsible for pricing the Banks' assets and liabilities in line with global market practices, with its competitive pricing mechanism, the main goal is to increase BdC's market share. Our TCM services and solutions are designed to address and fulfill our client's needs through 8 strategic divisions:

- Money Markets:** Manage liquidity in Local and Foreign Currency by investing surplus liquidity, covering shortages in liquidity, and enhancing Net Investment Income (NII).
- Foreign Exchange:** Manage the Bank's currency position for a wide range of G10 currencies and GCC, either against EGP or another foreign currency. It increases our market share where foreign clients resort to us as the "Go-To" bank as

well as the local FX bureau. Equally important, Foreign exchange higher our remittance volumes which in return boosts our profit.

- **Fixed Income:** BdC's Fixed Income team manages the Bank's T-Bills and T-Bonds portfolios in local as well as foreign currencies. The Fixed Income team does so by participating in the MOF weekly auctions, as well as through transacting in the secondary market where BdC is considered one of the main market players. The Fixed Income team also offers BdC's clients the opportunity to buy or sell in the debt securities' market in various currencies, by having a view on upcoming market conditions the team enters into profitable transactions having an effect on BdC's bottom line
- **Wholesale Banknotes:** Responsible for importing /exporting banknotes in different foreign currencies, by assisting local banks to export their surplus foreign banknotes or meet their banknote needs through imports. The Wholesale Banknotes Division enhances fees and maintains leadership in the cash export/import business.
- **Treasury Sales:** Serve retail and corporate clients through branches, and other business segments as well as Treasury direct clients by:
 - Competitive Foreign exchange rates either against EGP or other foreign currency to meet their needs, offering different Treasury products such as FX Forward contracts through Foreign Exchange Division.
 - Competitive secondary market rates for Treasury Bills, Treasury Bonds, Eurobonds, and Foreign Currency Bills, by aligning with the Foreign Exchange Division.
 - Competitive Time Deposits pricing is in line with Asset and Liability Management (ALM) Division.
 - Offers real-time quotations, pricing, advice, and solutions.
- **Assets & Liability Management:** Responsible for managing BdC's interest rates and liquidity by identifying risks associated with margins and composition of the balance sheet in addition to the Fund Transfer pricing curve. The Division aims to manage the balance sheet by assisting in the pricing of assets and liabilities while enhancing the bank's volumes through competitive pricing.
- **Research & Analysis:** Provide continuous analysis and market research for the local and global economy to support the bank's macro view and help in decision-making.
- **Treasury Support:** Prepare, arrange and provide follow-up support on all treasury-required communications internally or externally for agreements, contracts, reports, and system set-up.

2021 Highlights

TCM have developed valuable long-term relationships with a diverse global group of clients ranging from the USA to Asia including Europe and GCC. Our goal is to deliver to our investors all of our resources seamlessly, with TCM serving as the main initial point of contact. In 2021, TCM successfully developed a fully-fledged in-house economic research desk to provide continuous analysis and market research for the local and global economy to

support the BdC's macro view as well as significant treasury investment decisions. Additionally, it established a second-line team to support decision-making and problem-solving. These developments have led to the growth in the Department's foreign exchange and fixed-income activities during that year.

It is also worth mentioning that during COVID-19, TCM successfully expanded and diversified its counterparty base to mitigate the risk of economic cycles and diversify foreign exchange resources and utilizations to avoid concentration risk. The Group efficiently invoked business continuity plans and adopted work from home policy that increased the attention towards the importance of digitization in financial services as well as accelerated the idea of remote work and virtual interactions that resulted in unexpected efficiencies both in time and resources.

In financial terms, TCM generated EGP 11.48 Bn in 2021 up from EGP 9.37 Bn, representing 50% of the total interest income in 2021 compared to 46% in 2020. Meanwhile, USD-denominated Egyptian Government Euro-bonds trading volumes hovered at USD 500 Mn in 2021 vs USD 25 Mn in 2020, witnessing a 20-fold increase. This Euro-bonds proliferation made it one of the main factors in increasing fixed-income trading profits by 40%, reaching EGP 245 Mn in 2021 up from EGP 174 Mn in 2020.

The Foreign Exchange Division's competitive FX rates pricing mechanism allowed it to onboard several Egyptian FX bureaus with increased Foreign Exchange inflows volumes channeled through the Bank, enhanced its remittances volumes, and expanded the derivatives transactions with clients. As a result, the Division resiliently generated profits of EGP 215 Mn in 2021, despite the slowdown of economic activity due to COVID-19. Banque du Caire maintained its leading share of Egypt's wholesale banknotes market in 2021. Wholesale banknote activities chalked up EGP 28 Mn in trading profits in 2021, up from EGP 27.6 Mn in the prior year.

The Treasury Sales Desk sustained its efficiency in retaining business with direct clients in the corporate and retail segments and played a leading role in further expanding the Group's client base. It increased the overall number of

treasury clients by 136%, leading to an increase in foreign exchange and fixed income volume by 22% and 51% respectively. Collectively, this has increased the business and balances with direct treasury clients.

ALM optimized liquidity management, maximized Net Interest Margin (NIM), supported the Bank's line of business, and supported the balance sheet growth. In addition to maintaining FTP policy in line with international standards. Finally, regarding the digital transformation, we implemented and completed the foreign currency cash flow system to manage the overall cash flow in foreign currency

Awards

2021 The European Award (2nd consecutive year)

Best Treasury Management Bank – Egypt
Best Foreign Exchange Banking Provider – Egypt
Best Fixed Income Banking provider – Egypt
Best Liquidity Management Provider – Egypt

2021 International Finance Award (3rd consecutive year)

Best Foreign Exchange Bank – Egypt



Enabling
**Business
Growth**

Enabling Business Growth SME Banking

At Banque du Caire, we are committed to facilitating and expanding Egypt's financial inclusion strategy by building an extensive SMEs network. Through our dedication to encouraging entrepreneurship, creating opportunities for the youth, and offering an all-encompassing service to people across the country, we are devoted to growing the SME market in Egypt.

We believe that small and medium enterprises generate financial and non-financial value on both the national and individual levels, thus making this an integral market in the Banking industry. As a bank that greatly supports national activities, we are proud of our developments which have allowed us to be the Bank of choice with regard to SME financing.

In 2021, CBE has increased banks' SMEs lending portfolio to be increased from 20% to 25% by end of 2022. BdC's is working to achieve this, currently MSME portfolio makes up 21% of our total portfolio at EGP 18.7 Bn.

Banque du Caire applied the following segmentation to SMEs:

- Very Small Segment Annual sales turnover, from EGP 1 Mn to EGP 20 Mn.
- Small Segment Annual sales turnover, from EGP 20 Mn to EGP 50 Mn.
- Medium Segment Annual sales turnover, from EGP 50 Mn to EGP 200 Mn.

BdC's aims to expand its SMEs market share through the thorough implementation of its transformational strategy. We strongly believe that differentiation within the banking industry is mainly driven by the quality of the value proposition, exceptional service level, digitalization, and ease of access. All working simultaneously, capitalizing on the attraction of new clients and the retention of existing clients via:

- Introducing additional services to differentiate the customer experience for SME clients through non-financial service hubs and a call center, with more focus on customer-centricity.
- Strategic alliances with key service providers to support SME value proposition and innovation. In addition to a unique segment-focused innovation lab and incubation program supporting entrepreneurship and the startup ecosystem. Furthermore, building partnerships with industrial developers and vendors to finance clients.
- Consistent coaching is provided to defaulters/NPL by a dedicated team that monitors collections, analysis of the reasons for delays in payments, and accordingly, provides solutions or advice, and the full support required to avoid default.

- Continue to drive a tailored "Go to Market" approach to increase awareness, promote our offerings and create a unique identity for SME businesses in BdC.

We provide a comprehensive product to meet customers' needs, including working capital requirements, CAPEX, trade finance products and services, in addition to cash management solutions. One of our competitive advantages is our outreached decentralized network. Our dedicated and highly skilled relationship managers serve customers through 40 business centers in Greater Cairo, Alexandria, Upper Egypt, Delta, and Canal.

Aligning with Egypt's national inclusion agenda, our division has been laser-focused on providing non-financial services, which is integral to the Bank's value proposition. We have specialized Business Development Service Hubs across Upper Egypt, Monofeya, and Beheira, offering advisory and non-financial services to support Startups as well as established SMEs in managing and growing their businesses in an optimal way.

We have developed our SMEs Banking Group with various strengths to best serve our SMEs network. Such as an extensive specialized business network with various geographical coverage, a decentralized business model, dedicated account managers for each client focusing only on SME products, in addition to offering startup financing and non-financial services.

Key achievements

- Launching of the Very small segment VSS product "Ingaz"
- SME Portfolio Evolution
- Establishment of 2 new business centres
- Capacity Building and Training
- Crafting & driving Performance Management System

Supporting SMEs nationwide

NAWAH Program

NAWAH program, the SME banking Business School, is an end-to-end journey composed of innovative and practical programs. These programs seek to build and enrich the competencies of the fresh graduates hired in the SMEs business network, creating high business impact and fostering future leaders, with more focus on allocating those calibers in the needed geographical areas where SME clients exist (mainly Delta and Upper Egypt). NAWAH employs a life-cycle approach that is constantly nourished, tracked, and assessed.



NilePreneurs

At Banque du Caire, we lead a solid strategic focus on the non-financial services front. This is an integral part of our value proposition offered to SME clients supporting the financial inclusion national agenda and driving the implementation of the non-financial services model.

BdC has a specialized unit taking care of all the non-financial services activities and driving all related initiatives. In light of this, we actively participate in a fast-growing national initiative funded by the Central Bank of Egypt and implemented by Nile University towards a single goal 'expediting SME and entrepreneurship growth'. This is done by establishing three 'Business Development Service Hubs' in Delta and Upper Egypt, with a clear plan to expand our footprint according to market needs. Moreover, we are sponsoring the 'Export Excellence Center' located at the Nile University premises, which provides capacity building and educational programs to SME clients to support their export business capabilities.

EEC

The Export Excellence Center (EEC) is in line with one of Egypt's strategic objectives: to promote and empower Egyptian exporters to scale out their businesses globally.

EEC offers a rich variety supported by targeted partnerships for export promotion, addressing export challenges, and promoting export as a driver for SME growth and employment generation.

We sponsor all the activities under the EEC umbrella to support SME clients to start/boost their export business.

Through innovative interventions and capacity-building programs ranging from technology transfer, digital transformation of business models, product development, and awareness about certification compliance programs to improve export capabilities, we assist in improving the positioning of Egyptian products in international markets.

Partnerships

1 Credit Guarantee Company "CGC" – 2018

Master Agreement to guarantee customers against multiple risks

2 Nile University & CBE – 2019

NilePreneurs is a national initiative funded by the CBE, and implemented by Nile University to enhance the ecosystem for entrepreneurs in Egypt through its different programs. In addition to that, we are sponsoring the "Export Excellence center" located in Nile University premises which provides capacity building & educational programs to SME clients to support their export business capabilities.

3

Medium, Small, & Micro Enterprise Development Agency "MSMEDA" - 2021

The entity is concerned with the development of SMEs, and entrepreneurship either directly or through the coordination of the efforts of all parties and civil associations and initiatives in the field of these projects, or through the establishment or participation of companies.

4

Casbana – 2021

Banque du Caire and Casbana Misr Technology Company signed a credit-financing contract to supply chain finance, enabling it to include companies, merchants, and individuals who are not included in the financial system and provide them with financial services in line with the state's financial inclusion directions.

SME Strategy 2022

We implemented a growth strategy focused on driving sustainable and scalable expansion, which positioned the Bank as the partner of choice for SMEs in Egypt.

I. Sales & Coverage Model

- Increase business centers and Units to reach 45 centers by 2022
- Offer service channels through
 - Call center
 - Lead Generation through data analytics for existing BdC portfolio
 - CRM

II. Products & Propositions

- Non-financial services
- Develop SME lending program

III. Risk Excellence

- Modernization of credit assessment & approval processes – Shorter TAT

IV. Tailored Marketing Plan

- Develop a tailored marketing plan to increase awareness and build partnerships with strategic alliances
- Develop customized marketing materials to target specific segments

V. Capacity Building and learning

- Boosting Staff skills via the implementation of more than 1500 training hours
- Graduating ROs from NAWAH SME business school

VI. Digital Solutions

- Launching SME workflow system
- Digital Lending Scoring Product

SMEs Portfolio

Banque du Caire applied the following segmentation to SMEs:

- Very Small Segment Annual sales turnover, from EGP 1 Mn to EGP 20 Mn.
- Small Segment Annual sales turnover, from EGP 20 Mn to EGP 50 Mn.
- Medium Segment Annual sales turnover, from EGP 50 Mn to EGP 200 Mn.

Main Industries	# of clients		# of clients growth rate y-o-y (%)	Total loans (Mn)		Total loans growth rate y-o-y (%)
	2020	2021		2020	2021	
Small Enterprises:						
Manufacturing	1,126	1,156	3%	4,078	4,798	18%
Construction	264	294	11%	149	801	437%
Trading	1,053	792	-25%	935	836	-11%
Services	49	52	6%	183	442	142%
Other	19	18	-5%	59	76	28%
Total	2,511	2,312	-8%	5,404	6,953	29%
Medium Enterprises:						
Manufacturing	76	133	75%	1,087	1,892	74%
Construction	69	108	57%	373	930	150%
Trading	90	136	51%	947	1,394	47%
Services	17	26	53%	1,282	565	-56%
Other	-	1	-	-	4	-
Total	252	404	60%	3,689	4,786	30%

Location	# of clients		# of clients growth rate y-o-y (%)	Total loans (Mn)		Total loans growth rate y-o-y (%)
	2020	2021		2020	2021	
Small Enterprises:						
Cairo	498	532	7%	3,156	4,182	33%
Alexandria & Behira	621	526	-15%	1,078	1,111	3%
Delta	750	664	-11%	655	774	18%
Upper Egypt & Red Sea	595	555	-7%	489	836	71%
Canal and Sinai	47	35	-26%	26	49	86%
Total	2,511	2,312	-8%	5,404	6,953	29%
Medium Enterprises:						
Cairo	138	204	48%	2,543	2,885	13%
Alexandria & Behira	44	93	111%	426	1,033	143%
Delta	33	56	70%	215	408	90%
Upper Egypt & Red Sea	33	43	30%	500	417	-17%
Canal and Sinai	4	8	100%	5	43	677%
Total	252	404	60%	3,689	4,786	30%

Most Industries were negatively impacted by the COVID 19 and some of the companies managed to recover. However, others are still suffering; consequently, fewer people were inclined to take on new enterprises; therefore, our client pool did not witness overall increases. In 2021, the number of small enterprise clients saw 8% decrease, whereas the number of medium enterprise clients witnessed a 60% increase, which resulted in an overall 2% decrease in the total number of clients. Nonetheless, we managed to secure and support our existing clients, which is evident in our growing number of loans provided throughout the year, which grew by 29%.

We have taken multiple initiatives throughout the year to ensure that we have a well-grounded and diversified portfolio including:

- Upgraded decentralized business model
- Competitive fee pricing (no upfront/commitment fees)
- Intensive training plans for business teams
- Business network through geographical expansion
- Medium Enterprises team enlargement and enhanced skillset

Digital Banking for our SME clients

BdC managed to quickly cope with the rapid digital transformation by launching multiple digital channels, remote support tools and equipment to maintain the same level of support to SME clients.

We are still progressing in our digital transformation journey, which is adequate to current market conditions, yet we expect a dramatic change in the next couple of years.



Digital Projects

In 2021 Banque du Caire has the initiative to implement the following projects:

- SME workflow system which is a fully automated lending process management system and is expected to reduce the TAT by 25%.
- Digital Scoring platform to be launched in 2022.
- Online Customer Request platform to be launched in 2023, for Customer Self-service for loan application.
- CRM (Corporate Sales & Customer 360) to be launched in 2022.

With a geographical spread all over Egypt, BdC maintains the largest market share, **especially in the governorates of Upper Egypt, which represent 52% of our total microfinance portfolio**

Microfinance SMART CAMPAIGN CLIENT PROTECTION CERTIFICATION

Banque du Caire's first microfinance strategy was launched in 2001. The strategy aims to provide digital financial services to micro-entrepreneurs at their workplace throughout the country. Through the experience we have in microfinance, which extends to over 20 years, we have provided about 2.5 Mn job opportunities and a sustainable production project that serves various segments, most notably the youth and females.

With a geographical spread all over Egypt, BdC maintains the largest market share, especially in the governorates of Upper Egypt, which represent 52% of our total microfinance portfolio. Women represent 33% and youth 21% of our portfolio. BdC is targeting its microfinance portfolio to reach 8 Bn in 2022, to align with the new CBE instruction. Additionally, we are looking forward to increasing existing financing groups, transforming informal clients into formal clients, and expanding our services in other branches.



Clients Served and Loans provided in USD	2020		2021		2022	
	Total Clients	Total Loans	Total Clients	Total Loans	Total Clients	Total Loans
Micro Enterprises	189,004	5,760,864,134	161,981	5,583,141,474	200,000	7,750,000,000

Micro Enterprises

According to the CBE, a microfinance enterprise is defined as an enterprise whose capital does not exceed EGP 50k, and its profit or revenue does not exceed EGP 1 Mn. Supporting micro-enterprises is one of the critical components of maintaining and enhancing sustainable finance. We provide products and services to accommodate micro-enterprises interests to strengthen their capabilities and drive growth. To support micro-enterprises, we offer efficient creditworthiness assessment in addition to our Time to Yes and Time to Cash which takes one day to process and appear in the customer account.

Additionally, we offer customers virtual wallets on their mobile and Meeza/ATM card through cross-selling. Our cost of credit stands at about 14% to 16% flat interest and admin fees at about 1% to 2%. One of the most critical microfinance initiatives is the digitalization of the submission and acquisition of microfinance loans. It supports the objective of financial inclusion to reach different segments in rural areas, launched in Q4 of 2021.

Microfinance Sectors

The sectors receiving microfinance include commercial, services, industry, transport, and professional. Post-COVID-19 pandemic we have succeeded in saving 90 % of our clients. This was through some conservative policies, rescheduling policies, and top-ups to some customers to decrease the burden of the pandemic which hit our customers.

Main Industries	# of clients in 2020 (%)	# of clients in 2021 (%)	# of clients growth rate y-o-y (%)	Total loans (%) in 2020	Total loans (%) in 2021	Total loans growth rate (%) y-o-y
commercial sector	58%	63%	9%	65%	66%	2%
Services sector	14%	12%	-14%	15%	13%	-13%
Industry sector	10%	8%	-20%	10%	9%	-10%
Transport sector	7%	7%	0%	5%	7%	40%
Profession sector	11%	10%	-9%	5%	5%	0%

Non-Performing Loans

Banque du Caire provides support to customers in case they default to pay installments by implementing the scheduling, Policy. This policy is applied when the customer faces uncontrollable and unfavorable conditions and requests the scheduling policy. Applicable conditions are circumstances that the customer has no control over, or general market circumstances that affect the customer's payment ability.

The percentage of non-performing loans for Microfinance is as follows:

- 2020: 9.66% (+30)
- 2021: 9.88% (+30)

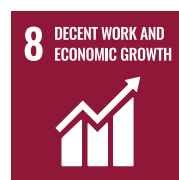
Digitalization of our Microfinance services

Banque du Caire focuses to ease the operations for their customers. We continuously increase and enhance our services through our online platform. In 2021 we launched a new tablet system for granting loans to customers within 2 hours by visiting their business or activity and finishing all the loan documents and procedures. In addition to opening accounts without the need to visit the branch and deposit money.

Financial Inclusion

Our Financial Inclusion (FI) Strategy

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit, and insurance – delivered responsibly and sustainably. At BdC, we ensure that we integrate all underserved and underprivileged segments of society into the formal banking system and provide them with solutions, through our various and diversified products and services. We cater specific products to women, youth, the elderly, and other underserved segments of society. Our specially crafted products and services also ensure that people with disabilities are well served. We comply with all CBE laws and regulations regarding financial inclusion and financial literacy and ensure that our internal strategy is aligned with the CBE's strategy, Egypt Vision 2030, and UN SDGs to ensure that no one is left behind.



2021 Highlights

BdC's FI strategy for 2021 is based on Digitalization growth through:

- Promoting payments through Mobile Wallets by increasing the customer base, increasing usage in terms of volumes and values, introducing new services, and enhancing the efficiency of application and its subscription.
- Promoting internet banking in terms of customer base, and the number of transactions, Launching mobile banking applications on the 3 digital stores (Android, IOS, Huawei).
- Expanding the ATM network across all regions increases its efficiency, enabling new services.
- Expanding Merchant QR code in terms of customer base and number of transactions.
- Launching campaigns including several benefits and cashback.

BdC also concentrated on the segmented products as follows:

- Promoting 'Bokra women' accounts to encourage women to use the official resources for its saving by launching marketing campaigns and staff contests.
- Introducing a new product for pension segments with low cost and suitable interest rates.
- Promoting usage of debit and prepaid cards through launching periodic offers and discounts to customers.

- Promoting payroll by offering attractive packages including several benefits and waivers to encourage enterprises to pay their workers through opening banking accounts with full services.

Financial Inclusion Scope of Service

Women: Includes all women either working, housewives, or private business owners.

Youth: All products and services can be given to age with guardian or without guardian.

Unbanked: Clients that are new to the Bank without holding an account in BdC.

Underprivileged: Clients with low income, labors or any other clients with limited resources of income.

Microfinance: For individuals owned either enterprise or first-time business owners.

Segment	Products and Services
Women	Bokra Accounts for Women
Youth	Prepaid Cards Waffar Saving Account
Unbanked	Mobile Wallet – Prepaid cards
Underprivileged	Aman CD Mortgage Finance for Low Income
Pensioners	Pension Loans
Governmental employees	Governmental Loans
Microfinance	Microfinance Loans

Our Financial Inclusion Initiatives in Alignment with the Essential Objectives Required by CBE

A top priority for CBE is increasing financial inclusion rates, too be in line with Egypt's strategy for sustainable development 2030. This is based on three main dimensions that include the economic dimension, the social dimension, and the environmental dimension. From this perspective, the Central Bank of Egypt started its efforts to create an environment for financial inclusion by establishing rules and regulations aimed to facilitate the procedures of financial banking transactions in all its forms, including:

- Initiatives to provide financing to micro, small and medium enterprises, one of the most important to obligate banks to increase the volume of credit directed
- The issuance of the real estate finance initiative for low and middle- income segments at low interest rates.
- The issuance of instructions to protect the rights of bank customers in February 2019 in order to ensure that

customers obtain their rights in all stages of their banking transactions, in addition to improving the quality of the financial services provided. The instructions also aim to provide a clear mechanism for complaints by banks and inform customers about them, which contributes to increasing their demand to deal with banks.

- Issued the rules governing the classification of financial inclusion products and services in July 2019. After the simplified due diligence procedures for financial inclusion clients' approval, the banks can develop and provide low-risk banking products and services with specific features and limitations through simplified procedures to reach the target segments.
- Allocated 6 annual events to coincide with international celebrations and events, during which the banking sector targets all segments of society by being outside the branches and opening accounts without fees or a minimum, as well as sponsoring financial education activities for citizens. The six annual events approved by the Central Bank of Egypt, which extend to about three months spread throughout the year, starting with the celebrations of women in the month of March, coinciding with the celebrations of International Women's Day, through the celebrations of the Arab Day for Financial Inclusion in the month of April, then the celebrations of youth in the month of August, coinciding with the celebrations of International Youth Day, and finally celebrations of savings in the month of October, coinciding with celebrations of World Savings Day.
- CBE has announced in 2021 to increase the number of events to 6 instead of 4 including Farmer's celebration in September and Special needs event in December.

In 2021 CBE approach focuses on working closely with banks to increase their customers base by concentrating on:

- Youth segments by allowing youth starting from age 16 years to open accounts without their guardian.
- Special needs segments by publishing new regulations for banks to provide them access on all products & services and to facilitate their transaction in the branches.
- Published new regulations for dormant accounts to encourage all segments to reactivate their old accounts and to unify rules through all banks.

Inclusion for Persons with Disabilities/Special Needs

We aim to serve the special needs segment in diverse ways to guarantee their full rights. In our branches, they have the priority to be served through proficient customer service representatives, with utmost dedication to ensure their financial needs are fulfilled. We plan to train a minimum of 2 employees in each branch on how to provide for customers with disabilities. We are targeting to cover 10% of branches networks with disabilities access to cover all regions of Egypt.



Women and Youth Support

Bokra Account for women:

Our Bokra Account is a savings account in Egyptian Pounds tailored for women to fulfill their future needs by paying monthly fixed installments with different tenors to gain the principal and cumulative interest at the end of the period plus the benefit of life insurance. Duration and installment determined by the customer, starting from 1 year to 10 years and installments starting from 100 EGP. In addition to the possibility of granting a credit facility or secured credit card against a Bokra account with the same currency on favorable terms.



Youth

Prepaid Card:

- Cards issued to individuals (minimum 16 years old)
- Parents can purchase up to five cards to themselves and their children (10 years old and up) and replenish the card with amounts to give children the sense of independence by using the card.
- No need to open an account at BdC to issue the card.
- Flexibility in replenishing the card through any of the Bank branches or deposit at BdC ATMs that accept deposits.
- Cards can be used in purchases and ATM withdrawals, domestically and internationally, and for internet purchases.



Waffar Saving account:

- Waffar Saving account is launched by end of 2021 aligned with CBE regulations for financial inclusion products to provide unbanked customers' accounts with less documentation and with affordable charges.
- Available from age 16 years without their guardians and less than 16 years with their guardians.
- For all segments included fingerprint customers.
- Issued with national ID only through simplified KYC
- Free of charge and without Minimum balance and with free issuance of debit Meeza card.
- Worthy interest rate which is paid monthly.
- Available on social media with sign language to serve deaf customers.



Digitalization Aiding Women and Youth Support

Digital Solutions, Digital Channels and ATMs helped in achieving FI through an easier access to our services due to the following reasons:

- 24 hours availability
- All Governorates coverage
- Easy to use with a friendly interface.
- Support Payrolls and pension payments.
- Cash Withdraw Service
- Cash Deposit Service.
- Balance services.
- Bill Payments.
- Money Transfer.
- Located in safe areas and has easy access.

Unbanked and Underprivileged Support

- BdC offers mortgage finance catering to the low-income segment based on CBE's initiative with a very relaxed repayment plan and is exempted from fees and commissions.
- Pension loans to serve underprivileged customers with suitable loan amounts that fulfil their needs and easy instalment plan.
- Aman CD to serve low-income and unbanked customers with a life-insurance policy.

Remittances

Remittance has a positive impact on serving a wide segment of Egyptians working abroad as it provides them with a quick and safe way to send money to their families.

BdC already has major role in remittance market through enhance all remittance service to be more easy for the Egyptian expats all over the world to increase the bank's market share of Egyptians expats remittances.



Financial Technologies (FinTechs)

With consumer demand for banking on the move, there are exciting reasons to extend our channel delivery mix with mobile services. Mobile Cash Withdrawal (MCW) will meet our customers' demand for extra levels of convenience. This new service will also extend our customer reach, improve customer retention, achieve operational efficiency, and increase wallet share.

Capitalizing on the power of mobile devices, which our customers routinely use to manage their digital lifestyles, to offer convenient and unique customer banking.

Mobile Cash Withdrawal (MCW) solution is an innovative system enabling BdC to provide our customers with a cash withdrawal service initiated from a mobile device and fulfilled via ATMs. It complements the existing functionality of ATMs by providing quicker and more convenient access to cash than existing card-based systems and potentially increases transaction security.

Digital lending offers us a lot of opportunities to improve productivity, close more loans and increase revenue per loan with cheaper and faster-automated services.

Know Your Customer (KYC)

The Application form for opening an account was revamped to include more services such as account opening, debit card, mobile wallet, and mobile banking. These services are combined in one application form instead of separate forms. This helps to engage customers in all services at once, lowering their visits to branches to participate in the mentioned services and making the overall process more efficient by simplifying it.

BdC also uses its simplified KYC that requires less documentation for opening accounts with the national ID only. In addition, BdC is planning to launch two accounts "Waffar Current" for economic activity and "Waffar Business" for small & Micro companies with incomplete documents.

The MEEZZA Card

Since CBE guidelines and governmental encouragement for Digital transformation, BdC was the first bank in Egypt to issue Meeza Debit cards to serve the National Social Objective and to achieve a cashless society.

Banque du Caire launched the first Meeza debit card on the Egyptian Banking market for all account owners. In addition, BdC also launched Payroll & Prepaid Retail Meeza Cards to encourage sustainable and digital transformation to comply with CBE's guidelines in achieving more financial inclusion. Moreover, we also launched the O-PLUS Meeza card to serve governmental transactions by digitalizing the Payments for traffic services.

Financial Literacy

Financial literacy is the acquisition of financial knowledge, skills, and confidence. This includes understanding earnings, savings and investing, spending, borrowing, and protecting. Our financial literacy activities include marketing campaigns for the Bank's products and services, awareness activities, advertising campaigns, and initiatives supporting financial inclusion.

Financial Literacy Campaigns/Activities	Number of customers		Age group	location	Date/Duration
	Male	Female			
Women Event Free issuance of Mobile Wallet Prepaid accounts	15244 7848 5293	4646 3952 4025	Minors, Juniors, and Adults	Youth center & clubs Hospital & governmental entities Bazar Exhibition	8 to 31 March 2021
FI Arab Event Free issuance of Mobile Wallet Prepaid accounts	15806 4072 6077	5487 2024 4022	Minors, Juniors, and Adults	Youth center & universities	1 to 29 April 2021
Youth Event Free issuance of Mobile Wallet Prepaid accounts	8312 2736 3840	2630 1403 2988	Minors, Juniors, and Adults	Youth centers & Clubs	1 to 15 August 2021
Farmer Event Mobile Wallet Prepaid accounts	9731 3090 3418	3558 1701 2472	Minors, Juniors, and Adults	Villages local units	1 to 15 Sep
World Saving Event Mobile Wallet Prepaid accounts	8679 3343 3857	3173 1746 2600	Minors, Juniors, and Adults	Youth centers, universities	15 to 31 Oct
Special Needs Event Mobile Wallet Prepaid accounts	9644 3749 3678	3687 1340 2753	Minors, Juniors, and Adults	Youth center and center for special needs	1 to 15 Dec

Our International Presence Cairo Bank Uganda Limited

Cairo Bank Uganda Limited (CBU), formerly known as Cairo International Bank, was incorporated in 1994. The Bank was formerly owned by the three leading Egyptian Banks namely; Banque du Caire, Bank Misr, and National Bank of Egypt.

Banque du Caire saw an opening to expand its presence across Africa and penetrate the COMESA market for potential Egyptian corporations seeking investment opportunities with Ugandan firms but in need of finance. Accordingly, in 2019, BdC acquired the remaining shares held by Bank Misr and the National Bank of Egypt to fully own CBU. The Bank, which was rebranded to Cairo Bank Uganda in 2020, serves more than 13,346 clients across its eight branches, providing a full suite of tailored and innovative financial solutions ranging from SME and Personal loans to Trade Finance Services and Money Transfers. Over the years, CBU has been recognized as the Bank of choice for SMEs, educational institutions, government organizations, and other small corporate entities. The Bank has been a key player in the Ugandan Economy, serving strategic industries including Trade, Agriculture, and Manufacturing as well as the local community with the intent of achieving sustainable and inclusive growth for the country.

Developing Powerful Solutions

Since the onset of COVID-19, consumer behavior has been changing rapidly based on necessity. Thanks to our heavy investment in technology and digitization, we were in a privileged position to revamp our operating model and fulfill the client's evolving needs. Cairo Bank Uganda expedited its digital transformation, offering clients upgraded and faster products and services (half the time they would take previously) as well as introducing new features through our newly implemented internet and mobile banking. These productivity gains have delivered significant benefits for our customers.

For instance, in payments, we saw a major growth opportunity in Uganda's Non-Cash and E-payments with limitless potential. Accordingly, we partnered with Payway –Payment Aggregator – as well as rolled out EMV cards to facilitate credit/debit card payments. This included paying for additional services such as Utility Bills – Water and Electricity – and Airtime Purchases – MTN and Airtel.

Additionally, to drive digital transactions, we partnered with Interswitch, enabling our customers to transact across 400 Interswitch-enabled ATMs of different bank partners and 200 enabled Points of Sale machines (POS) for KCB & I & M Banks.

As we highly value education, CBU offers financial literacy program on savings and borrowings via radio programs, enhancing our customer experience and building a relationship with younger clients.

Empowering CBU team

We believe that having more employees in more locations is not our goal, instead, we focus more on the quality and impact our team has. Our valuable team currently provides an array of financial products and solutions for clients. To further empower them, we have enhanced staff engagement through marketing. Our new branch-led approach where



Relationship Managers are attached to branches and set up the Trade Finance team to drive non-funded income has strengthened our Business Development team. At CBU, as we highly value our employees, we have introduced rewards and recognition to motivate them.

UAE Representative Office

With more than 4 million Egyptian expats working across the various GCC countries, including several strategic partners and stakeholders working in the region with us, BdC Regional Representative Office that is based in Dubai, UAE aims to serve and support the bank's best interests in this important Region. It does so by providing proximity and ongoing ground support to stakeholders in the GCC Region.

The UAE Office is manned by seasoned and experienced calibers to help promote the bank's visibility and coverage across all GCC member states. It captures existing and potential business opportunities from Institutional clients, Exchange Houses, FI's and HNWI's who deal with BdC and are domiciled across GCC.

Our focus is set on attracting the anticipated workers' remittances flowing into the country through Egyptian expats. Also, we facilitate the flow of Cash and Trade Finance Business between Egypt and GCC-based institutional and governmental entities, supporting many Mega Projects in Egypt across various sectors such as Construction and Agricultural. BdC aims to sustain and enhance its penetration and market share, encapsulating such business opportunities by providing proximity through its GCC office to all key stakeholders based in the Gulf region.

As BdC is one of the major financial institutions in Egypt, **it has realized its important role in combatting climate change.**



Our Ecological footprint

As BdC is one of the major financial institutions in Egypt, it has realized its important role in combatting climate change. Successfully, BdC has published its first Carbon Footprint report for the reporting year 2021. The report has highlighted the main sources responsible for GHG emissions as well as developing a decarbonization plan. This is because BdC aims not only to report their GHG emissions, but also to reduce their total GHG inventory in the upcoming years.



GHG Emissions

Total: 6,325 mtCO₂e

1687

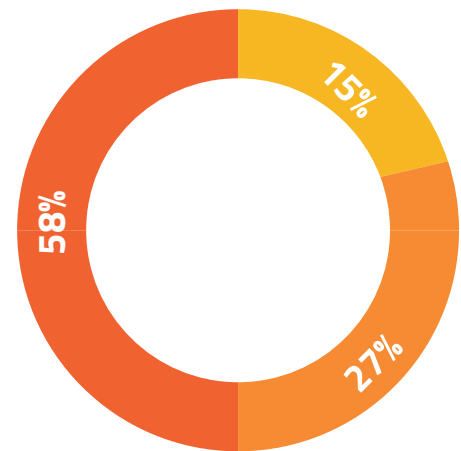
3656

982

Scope 1

Scope 2

Scope 3



Scope 1

Scope 2

Scope 3



We are committed to keeping our environmental impact to a minimum. Our Digitalization business model already supports this commitment. We, in fact, operate under a much smaller carbon footprint compared to traditional banks. Energy use is one of our biggest operational expenses with an environmental impact. Therefore, we continually

evaluate ways to limit our usage in our offices and facilities. BdC's prime objective is to adopt environmental-friendly practices in its operations to promote environmental sustainability. These efforts cover energy efficiency practices, water conservation measures, and paper savings. Some of the initiatives that have been implemented are:

- **Energy Saving:** In terms of energy consumption, we use LED motion sensor lighting system on our premises and have used a VRV system as deemed fit.
- **Wastewater Management:** We install sensors on water taps and employ double-flushing tanks to save water.
- **Paper Saving:** We continue the digital transition of our processes and products while adhering to environmentally sustainable practices as part of our ongoing digitization initiative, preserving paper consumption. All departments are asked to use double-sided printing for our paper-saving goal.
- **Material Selection:** Environmental sustainability and asset management will enable us to track our owned assets, thus reducing unnecessary equipment purchases and costs. Also, through the initiative, we ensure that sustainability is aligned with the asset life-cycle analysis and disposal.



	Total Water Consumption (m3)	Total Paper Consumption (Tons)
2020	3,365,767.09	350
2021	2,015,348.36	303

Environmental Initiatives/ Activities

bGreen initiative was launched in 2020 in conjunction with the initiative of President Abdel Fattah El-Sisi, "Prepare for the Green", to raise awareness regarding eco-friendliness among Egyptians. Through initiatives such as the below to help raise environmental awareness, have been building up a more prepared ecosystem for the environmental challenges we face on a global scale.

Banlastic:

- Beach Cleanups in the North Coast and Alexandria.

Greenish:

- Greenish Club at the Greek Campus (over 1500 Beneficiaries).
- Greening the Bank's rooftop surfaces.

Go Clean:

- Recycling bins in more than 150 schools in Alexandria, Cairo, and Giza.
- Recycling Bank's electronic products and sponsoring support for environmentally friendly products.

Eco-Fiesta:

- In partnership with Camps Les Eleves, we raised awareness for children aged 7 to 15 in Almaza Bay to support the environment.
- "Turathna Exhibition" under bGreen Initiative promoted eco-friendly exhibitors through national exhibitions
- "Daragtak Sehtak" project in partnership with the Ministry of Youth and Sports.



Diversity at BdC gives us a competitive edge and distinguishes our entity from other banks.

SOCIAL CAPITAL

Workforce Diversity and Talent Acquisition

We are aiming to achieve and create a healthy working culture based on diversity and inclusion. Diversity at BdC gives us a competitive edge and distinguishes our entity from other banks. We believe that staff diversity is a key contributor to the challenging industry as they can bring different perspectives to the table. Our HR group continuously strives to structure a workforce that reflects the diversity of our clients as well while creating equal opportunities for all. At BdC, we focus on hiring skilled and diverse employees in order to foster an inclusive atmosphere.

Diversity of governance bodies and employees (GRI 405-1)

Our ability to withstand difficult times results from HR procedures that create an inclusive and equitable working culture. We encourage diversity and inclusion to foster an atmosphere that is best for our performance because we see the diversity of our employees and clients in our main markets as a strength. With a varied staff, we can be more competitive and more prepared to handle a changing industry since they bring a variety of perspectives to the table. We concentrate on retaining and hiring skilled and varied staff in order to foster an inclusive atmosphere.

Employees

2021								
	Under 30 years old		30-50 years old		Over 50 years old		Total Number	
	Male	Female	Male	Female	Male	Female	Male	Female
Number of Employees	1,288	653	2,191	817	3,666	179	7,145	1,649
Total	1,941		3,008		3,845		8,794	

2021					
	Under 30 years old	30-50 years old	Over 50 years old	Total Rate	
				Male	Female
% Of employees	22%	34%	44%	81%	19%

New employee hires and employee turnover: (GRI 401-1)

We accelerate our commitment to creating an inclusive and fair workforce by achieving the necessary success by moving forward with SDGs. At BdC, we are aware that our workforce is the source of creativity that fuels innovation and promotes the creation of a sustainable society. We strongly prioritize including women and young people in our workforce through our hiring practices. BdC was able to grow the number of its employees in 2021 and hire 721 new employees, 73% of which are males and around 27% are females.

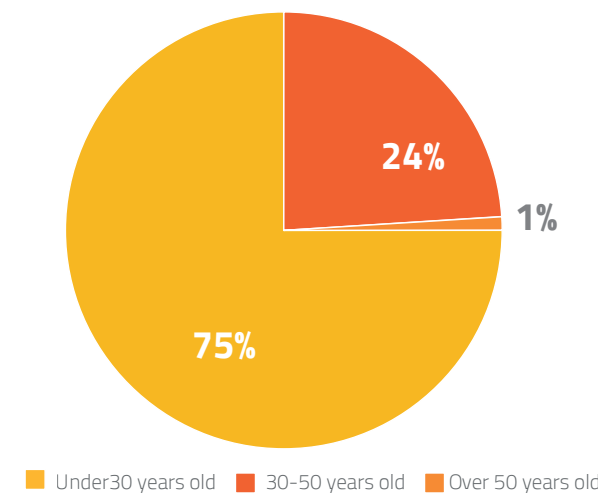
Ratio of basic salary and remuneration of women to men: (GRI 405-2)

BdC doesn't differentiate between men's and women basic salaries whether in any employee category or by significant locations of operation and There is no policy for not differentiating in pay. Salary reviews are done based on level and performance and are standardized across the organization.

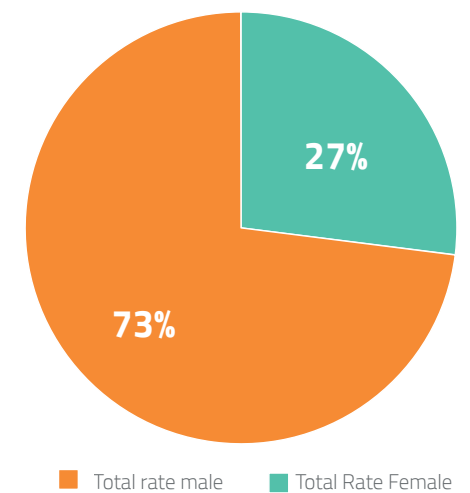
Ratios of standard entry level wage by gender compared to local minimum wage: (GRI 202-1)

BdC is aligning with National Minimum Wages as stated by National Laws and regulations to its employees to 203%

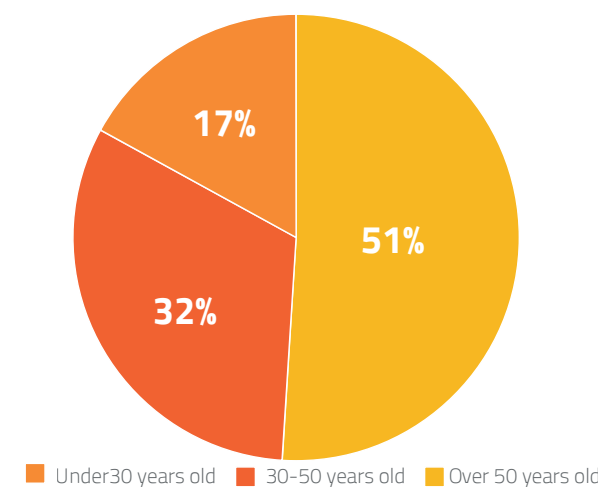
% of New Hire by Age



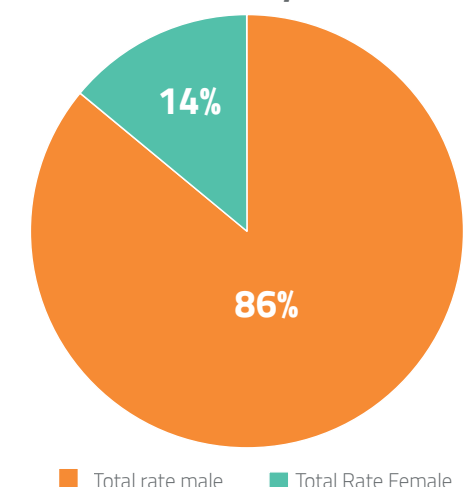
% of New Hire by Gender



% of Turnover



% of Turnover by Gender



Learning and Development:

In order to help our employees, continue to grow and succeed, we have an HR strategy focused on fostering our workers' continuous growth so they can work efficiently and productively. Through a wide range of activities, we strive to continuously improve their abilities and knowledge while improving their present and future performance. We continue to create new training and development opportunities in order to expand our workers' and the bank's capabilities. The abundance of unique opportunities available to our employees has helped BdC develop a learning culture and specialized skill sets due to the diversity of the operations and functions, which we continuously grow through our extensive training programs. At BdC, we put a lot of effort into growing and improving the staff technical and social skills.

Equal Learning Opportunities:

Learning is never restricted to a certain group of employees or to a particular employee category, instead, our diversified solutions aim to expose all BdC employees to learning through dynamic simulation sessions, virtual and e-learning solutions, specialized growth for each line of business, and continuing general awareness initiatives.



Programs for upgrading employee skills and transition assistance programs For Training Courses, list as follows: (GRI 404-2)

2021				
Training Course Type or Name	Number of Trainees		Employee category receiving the training	Total number of training hours
	Male	Female		
Control / Regulatory	3	56	Middle Management	370
	0	34	Senior Management	217
	1	9	Supervision	64
Technical	0	63	General Services	374
	37	694	Middle Management	3,062
	571	1040	Professionals	15,931
	0	60	Senior Management	256
	125	947	Supervision	5,859
Grand Total	737	2903		26132.15

Funding training and educational initiatives:

Our HR Group is highly considered with facilitating and encouraging its staff, so funding employees' trainings is one thing that BdC does in order to enhance their employees' skills and promote their career development, BdC introduces a fund for training programs up to 183,900EGP and it's one of their internal policies already existing at BdC.

The impact of training on business performance is always measured, but in 2021 it was not measured except via the Gap Analysis deference if needed for Training Needs Assessment (TNA).

2021		
Name of External Training Course/Education	Number of Employees provided with courses	
Overseas/ Technical	Male	Female
	9	0
Total number of training days or hours	272 hours	

Average hours of training per year per employee: (GRI 404-1)

2021		
Average training hours per employee		Total average hours of training
Male	Female	31 hours/employee
22 hours/employee	33 hours/employeei	

Average training hours per EACH employee category for 2021:

Average training hours per employee	Hrs./Employee
General Services	2
Middle Management	18
Professionals	33
Senior Management	18
Supervision	24

Benefits provided to full-time employees: (GRI 401-2)

Our top focus is the welfare of our employees, and we place a strong emphasis on treating them fairly. To guarantee the wellbeing of our employees and empower our employees, our HR Group makes major investments. In order to sustainably enhance human capacity, future developments are required especially in healthcare and education. Our objectives are mainly concerned with improving education quality, gender equality, inequalities in wealth and health through a systematic approach. Through the development of new and current policies that offer the essential perspective to promote long-term success, we give suitable welfare and additional benefits to all full-time employees. BdC has also created a long list of benefits in order to suit diverse demands of our people which includes but not limited to the following:

- Life insurance services, BdC is offering its employees 24 times fixed gross salary with minimum amount EGP 500k and maximum EGP 3Mn.
- Health care, BdC is offering its Employees a fully covered medical insurance and the employee's family are covered up to EGP 50K per person.
- Disability, BdC is offering its employees 24 times fixed gross salary with minimum amount EGP 500k and maximum EGP 3M.
- Parental leave, BdC is offering its employees 90 days paid leave.
- Meals Allowance, BdC offers 40 EGP/ Day meal allowance for employees work after official work hours (2 Hrs extra) and 50 EGP/ Day (5 HRs extra).
- Travel & Transportation, BdC covers all travel and transportation expenses for business missions.
- Credit Course Allowance is provided for employees who had credit course and to employees working in certain departments.
- Death Grant, BdC covers funeral expense in addition to 3 months of gross salary to employees at time of death.▪
- Housing, fixed amount related to area and job grade.
- Company Vehicles provided to top management.
- Interest free loans, Applied with conditional rules.
- Staff loans, BdC employees enjoy special interest rate and long tenor.
- Transportation allowance is applied monthly for the top management band.
- Educational allowance is applied monthly if the employee had a high education level (Diploma, Master, Doctorate).
- Remote Area Allowance, fixed amount related to area and marital status.

Direct economic value generated and distributed: (GRI 201-1)

The total amount of direct Economic Value Generated and Distributed (EVG&D) on an accrual's basis of employees' wages and benefits as per the following categories:

Total payroll amount paid to BdC employees in 2021 is EGP 2,329Mn. The total amount paid to government institutions on behalf of employees, i.e. pension payments, is EGP 484Mn, and the total benefits is EGP 611Mn.

Parental leave: (GRI 401-3)

Average training hours per employee	Female	Female
Total number of employees that took parental leave	136	-
Total number of employees that returned to work in the reporting period after parental leave ended	90	-
Return to work and retention rates of employees that took parental leave	97%	-

Health and Safety

Regarding the medical aspect, we inform you of the following:

1. Medical services provided to employees:

The medical department provides medical service to workers, (around 8500) during the year 2020 from a medical company and also through the use of the bank's sprawling network in all governorates, centers and countryside - the service is also provided for pensions (around 5700) through the bank's network that provides them with a greater service than medical insurance companies - the service is also provided to the families of workers and pensions through a medical insurance company to provide the greatest medical protection for colleagues, pensions and their families.

2. Impact on work relationships:

The work is based on medical management and effective participation and aiming to achieve goals by 100% and avoid inspection observations and follow up the complaint of colleagues to achieve the best medical service where the whole team become an interconnected rings complement each other.

3. Coverage of the workers, pensions and their families:

Workers and pensions are covered without a maximum limit and there is no therapeutic ceiling, while the families of workers with a maximum therapeutic ceiling of 50,000 Egyptian pounds and exceptions can be made to increase the amounts in critical and dangerous cases that do not tolerate stopping treatment just because the ceiling has expired.

4. Medical Service:

There are 4 central clinics - Nasr City - Nubar - Orouba - Alexandria. They cover 80% of the medical service and there are branches in remote governorates, each branch is covered with all medical services around each branch which cover 20% and each clinic of those branches takes into account their medical conditions from the medical aspect and facilitates procedures and solves their complaints if any.

5. Medical Team:

The medical team consists of the doctor of the bank in addition to 8 doctors, 3 doctors and 3 nurses in Nasr City Clinic in addition to 3 doctors in Nobar Clinic in addition to 3 nursing staff & 1 doctor in Al-Orouba Clinic in addition 1 nurse as well as 2 doctors in Alexandria Clinic and 1 nurse.

6. Medical Awareness:

The doctor of the bank publishes awareness from the Committee for Safety and Occupational Health, which in turn publishes it in awareness leaflets about the electronic route as well as posters for awareness, as the medical team communicates with colleagues and patients for any inquiry and directs them with the correct guidance either by detection or directing them to hospitals to do the necessary work and the injured are followed up first by first until the completion of recovery for them and their families.

The Bank, through the Human Resources Authority and the Medical Department this year, provided quadruple influenza serum to prevent severe colds to avoid the incidence of the disease that negatively affects work and workers.

Health and safety handling Covid-19

Health and safety team Implemented reduced capacity in the office and encouraged remote access and virtual meetings concepts. In addition to some policies and precautions including the following:

- Awareness Campaigns in coordination with corporate communication.
- Internal precautions instructions to all BdC Staff.
- BDC Staff Temperature Measurement at the Bank's entrance.
- Ongoing sterilization of the Head office and Branches.
- PCR tests for suspected COVID-19.
- Hospitalization for critical cases.
- Medication Protocol to positive cases.
- Vaccination of more than 85% of employees.

According to the Central Bank's notifications, 351 were infected in 2021. Since we adopted 50% working from home policy to enforce social distancing between employees, most of our employees are vaccinated, we followed up on the appropriate application of isolation procedures for infected employees or those who were in direct contact with an infected family member, and ensured continuous sterilization and fumigation of the workplace, no negative impacts have been detected on the business.

BdC started using integrated solutions and modern security systems for all our Bank facilities and developed a plan to secure all bank facilities against the dangers of fire according to the Egyptian code. To ensure the safety of our employees, we provide fire safety drills in case of fire emergency.



BdC has always been a strong believer in the principle of collaboration, that the needs of many can only be solved by becoming change-makers.

IMPACT BEYOND BANKING

We recognize that our scope of responsibility goes beyond our customers, employees, and shareholders, but also to the community. BdC has always been a strong believer in the principle of collaboration, that the needs of many can only be solved by becoming change-makers. BdC is dedicated to becoming a source of positive change in the economy and society. With our commitment to the United Nations SDGs, BdC's plethora of CSR projects encompasses a variety of the 17 goals, focusing on health, environment, economic empowerment for youth and women, education, inclusion, and cultural preservation.

All CSR projects are being evaluated and approved by the board members committee, which consists of: Tarek Fayed, and other members who meet on a monthly basis

BdC launched a staff volunteering program named Tsharek that provides several volunteering programs for the staff

	Number of projects	Total Investments in USD	Number of projects	Number of projects
Economic Empowerment	4	10.4 Mn	5	52.1 Mn
Health and wellbeing	14	90.9 Mn	12	+220 Mn
Housing	5	118.7 Mn	7	12.8 Mn
Education	5	7.6 Mn	6	37.5 Mn
Poverty			6	5.7 Mn
Environment	0		5	2.4 Mn
People with Disabilities			2	280k
Total	28	227.6	43	+330.78 Mn

Health

At BdC, we aim to catalyze change throughout the community by eliminating health disparities, improving the quality of life, and making healthcare more accessible. Overall, our goal is to provide decent medical services, increase the number of hospitals across Egypt, and provide hospitals with



needed medical equipment.

More than 40% of BdC's CSR budget is spent on health to equip private and public hospitals with the needed equipment, raise their capacity and aid them in providing quality treatment for patients. These hospitals include Al Qasr Al Einy, Banha University Hospital, Baheya Hospital, Red Crescent, Future Hands Hospital, and Ayady Al Mostaqbal Hospital for Cancer. The Bank also made donations to multiple large-scale entities, including Ahl Masr Hospital for burn victims and the Magdi Yacoub Heart Foundation. For the Foundation, BdC established a Cardiology extension with 31 patient rooms and a nursing area and provided specialized medical tools and devices, including follow-up monitors and cardiac care equipment. BdC has also donated to People's Hospital supporting...

At 57357 children's cancer treatment hospital, BdC enhanced the pathology unit and supported establishing the Art Medical Center. For Egypt Air Hospital, the Bank donated golf cars to transfer the patients internally. BdC also funded operations for 100 cases at Al Nas Hospital.

Women were provided with particular attention to ensure their well-being. Among the health initiatives dedicated to women is the financial support provided to Baheya for Breast Cancer Hospital and the EGP 100 Mn donation to build the hospital that serves 500k women yearly. A donation was also made to the Red Crescent Foundation.

BdC supported other initiatives including organizing medical convoys to perform eye operations in cooperation with Rotary Egypt and the treatment of primary care cases in collaboration with the Orman Association. Also supporting patients that require liver treatment at Mansoura Hospital.

Sustainable Cities

We are one of the leading banks that adopt United Nations Standard practices, it is an essential element within our strategy to integrate the sustainability model.

To produce resilient and sustainable cities while combating environmental burdens and social inequalities, we partake in the following initiatives:

- The village development initiative comes at the forefront of Banque du Cairo's priorities, as the bank participated in village development projects through several axes related to the rehabilitation of schools, the development of health units, the delivery of clean drinking water, the implementation of all necessary infrastructure works for homes, and the provision of training Craftsmen for the residents of the village to establish projects that generate sustainable income, the latest of which was the Bank's "One Occupation" project in one of the villages of Mina Governorate, which generates sustainable income by providing fishing boats and a fish refrigerator that enables them to practice the profession of fishing
- Banque du Caire is also one of the first banks to join the "Decent Life" initiative through a partnership with the "Sonia El Kheer" Foundation. It is one of the most important implementation partners of the initiative to support the villages that are most in need within the initiative, in the governorates of Farouk, Luxor, Qena and Gharbia. Through several main axes, most notably the restoration of roofing homes, delivering sanitized water, and providing the necessary training for the people of the village on the main activities. The Bank provided fishing boats and a refrigerator to preserve fish for the people of Al-Santa village in Gharbia Governorate, in addition to developing a carpet factory in Daoud village in Fayoum governorate.



Persons with Disability (PWD)

The provision of opportunities for orphans and people with special needs continues to be a priority, based on the importance of inclusion. Through our collaboration with several charitable organizations, we aim to improve the lives of orphans and people with special needs.

- El Hassan foundation to support people with disabilities (200 beneficiaries)
- The Village of Hope awareness event (1000 beneficiaries)
- SEED Project with Helm Foundation (500 beneficiaries)
- Braille Magazine



Poverty

Every year since 2013 Banque du Caire has annually organized iftar meals during the Holy Month of Ramadan.

Additionally, for 6 years BdC has provided for people's needs in various governorates of the Republic, especially Upper Egypt during the winter season.

Education

We focus on educational initiatives that make education more accessible and develop the capacity of individuals in our community. As we strongly believe that if individuals are provided with quality education in their early years of life, it will lead to bright future.

Our educational initiatives enable students to develop all of their attributes and skills to achieve

their potential as human beings and members of society by providing the top-graded students with scholarships in private universities across Egypt.

The field of education is of great importance within the Bank's policies in the field of community work by offering scholarships to outstanding students in various scientific fields and supporting students who are unable in public universities. In 2020, the Bank signed a cooperation protocol with the Ministry of Higher Education and Scientific Research. Accordingly, the Bank will offer scholarships to outstanding students in new private universities, including King Salman International Universities, El Alamein International, Galala, and New Mansoura, in addition to establishing one of the most advanced information technology laboratories to support students in their distinguished educational experience in those universities. The Bank also provided grants Lessons for outstanding students at the Naval Academy, Zewail and Nile Universities.



Economic Empowerment

Banque du Caire is a strong advocate of equity and inclusion. We have embedded an integrated approach to cultivating a more inclusive environment. We have implemented the following initiatives to achieve these aims.

- **Training and employment initiatives and job creation:** Banque du Caire is keen to direct its contributions to provide job opportunities for various segments of society, especially youth



and female breadwinners, to reduce unemployment rates. The breadwinners, and people with special needs in all governorates, especially underprivileged areas like governorates of Upper Egypt, are supported in establishing their various craft projects to generate sustainable income for them. The Bank also participated during the year 2020 in the "Amal Project" in cooperation with the MBC Hope Foundation to support Egyptian women in the field of entrepreneurship, support promising women's projects, help them set up their own projects and empower them economically.

- **Supporting the national economy:** BdC has contributed to several donations in 2021. The most prominent of which was the donation to the Tahya Masr Fund to support national projects financed by the fund.

Community Support

Nurturing Athletes: keen to support sports champions in various fields, as the bank sponsors 11 Olympic champions in various sports, in addition to sponsoring the champion Nour El-Sherbiny, ranked first in the world in squash, and the bank also participates in the banks' initiative to support youth activities that it organizes The Ministry of Youth and Sports, in addition to participating in the "Your Bike... Your Health" initiative in cooperation with the Ministry of Youth and Sports, and the development of youth centers, the latest of which is the development of the Babel Youth Center, as well as the bank's sponsorship of the activities of the Egyptian Basketball Federation and the championships held by the Federation and others.

GOVERNANCE

Corporate Governance

Building sound governance is a goal we are very devoted to at Banque du Caire. We ensure that our principles and ethics are reflected at every level of the organization through the appointment of a diverse Board of Directors (BoD), the creation of several supporting board committees, and the accessibility of a range of governance tools.

Our strong corporate governance framework has shown to be durable in times of doubt and ambiguity as we have maintained efficient operations and satisfied all client needs while consistently advancing the talents of our ever-talented workers.

Board of Directors

The Board of Directors at Banque du Caire is the highest regulatory authority. BOD is in charge of creating the Bank's strategic goals and establishing the ways to work toward achieving them, as well as monitoring the work of upper management, and assuring the effectiveness of the control systems, The Audit Department, Compliance Department, and Risk Management

There are eight people on our board of directors, six of whom are men and two of whom are women. There is one executive board member in addition to the chairman of the Board of Directors, and there are six non-executive board members. Despite the fact that each member of our board has a different area of expertise, they all have solid banking and financial experience, making for a well-rounded and diversified governing team.



BdC's current board members:

- Mr. Tarek Fayed – Chairman of the Board and CEO
- Mr. Bahaa El Shafie – Executive Vice Chairman
- Ms. Amal Esmat – Non-Executive Board Member
- Mrs. Leila Farah Mokaddem - Non-Executive Board Member
- Mr. Wael Zeyadah - Non-Executive Board Member
- Mr. Ashraf Bakry - Non-Executive Board Member
- Mr. Hisham Sanad - Non-Executive Board Member
- Mr. Hisahm Hendi - Non-Executive Board Member

Managing the BoD's composition and performance:

The Governance and Nominations Committee submits proposals about the nomination of independent members as well as proposals regarding the appointment, renewal, or exclusion of members in order to preserve an ethical and open process for choosing and nominating board members.

Additionally, the BoD members carry out a self-evaluation procedure. Following the evaluation's findings, it is implemented to increase any positives and decrease any negatives identified by the findings by adopting the relevant actions and policies.

Board Committees

The Bank's strong governing framework is maintained by BdC's seasoned Board Advisory Committees. They have helped the organization work efficiently while assisting the Board of Directors in facing challenges posed by 2020 and recover from any consequences followed by in 2021 There are the following six major committees:

▪ Investment Policy Committee:

To obtain high returns by building an investment portfolio with broad asset classes, the committee oversees monitoring the implementation of the Bank's investment policy. In 2021, the committee convened twice.

▪ Audit Committee:

The Audit Committee supports the Board in carrying out its oversight responsibilities for the internal controls and financial reporting procedures at the Bank. It oversees the internal audit procedure, compliance function, and external audit procedure for Banque du Caire. There are three independent non-executive directors on the audit committee. In 2021, this committee convened eight times.

▪ Risk Committee

The Bank's risk management processes are supervised by the Risk Management Committee, which also ensures



adherence to risk strategies and policies endorsed by the board. In 2021, the committee convened six times.

▪ Corporate Governance and Nominations Committee

This committee supports the board in its duties to oversee general governance and its initiatives to foster a culture of within the Bank, integrity, and strict corporate governance. The committee additionally aids in identifying and submitting names for director post nominations. The group met four times in 2021.

▪ Remuneration Committee

The Board of Directors receives advice from the Remuneration Committee regarding the proper pay for board members and executive executives. This committee makes sure that the remuneration plans of Banque du Caire are in line with the bank's strategic objectives and that they make it possible for the organization to attract and keep outstanding talent. In 2021, the committee convened four times.

▪ Banking Information Systems and Technology Committee

The committee keeps an eye on the advancement of online banking services, assessing their accuracy and operational efficiency. The committee also aims to protect user data, minimize risks, and guarantee services are always available. In 2021, the committee convened seven times.

Authority and responsibilities at the executive level

At BdC, we have a "Governance Instruction Manual" that outlines the responsibilities and authority assigned in accordance with the Bank's organizational structure.

The primary responsibilities of the Chairman of the Board of Directors are likewise coherently described in our Governance Manual. The efficient operation of the Board as a whole, offering the Board direction and leadership, and guaranteeing the effectiveness of its performance are some of his most significant duties. He also has the following duties under his sovereignty:

- 1.- Ensuring that decisions are taken on a sound basis, with the need for an appropriate mechanism to ensure the effective implementation of those decisions in a timely manner while utilizing a follow-up method.
- 2.- Encouraging discussion and criticism and ensuring the possibility of expressing and discussing opposing opinions within the framework of the decision-making process.
- 3.- Ensuring the board's commitment to complete its duties in the fullest manner in the best interest of the Bank, with the need to avoid conflict of interest.
- 4.- Preserving the bonds of trust among all members of the board, especially between the executive and non-executive members, with the need to strengthen the relationship of the board as a whole with the senior management of the Bank.
- 5.- Ensuring that sufficient and accurate information is available in a timely manner to the members of the Board and the shareholders.

- 6.- Ensuring the effectiveness of the corporate governance system applied at the Bank, as well as the effectiveness of the performance of the Board's committees.
- 7.- Ensuring that all members of the council carry out a self-assessment that includes the member's commitment to his/her job duties and the needs necessary to raise his/her efficiency according to what will be mentioned later.
- 8.- Calling on the council to meet at least eight times during the year and setting its agenda.

Governing Sustainability at the Executive level

As a bank dedicated to integrating sustainable practices into all aspects of its operations, we understand the need of having a solid governance framework to aid in the implementation process. As a result, we have created an organizational framework for the Bank that assigns executive officials to economic, environmental, and social challenges in line with our ambition to participate in these domains. Through general management of the institution's communications and support provided in the areas of health, education, charitable contributions, organizations, and attention to the environment, this aids the Bank's commitment to the development of society.

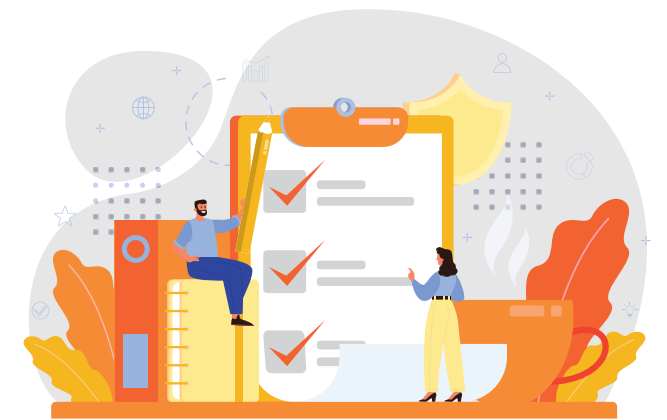


In accordance with the relevant legal requirements and administrative directives, the Bank produces a variety of reports. Importantly, BdC also releases an annual corporate governance report for the Bank along with a sustainability report that must first be approved by the BoD. These reports, along with all others, examine how the internal policies and regulations of the Bank have been applied. They are delivered to the appropriate committees of the board, supervisory bodies, or the board of directors.

We use a variety of channels of communication, such as our website, the employees' union, and the Customer Complaints Department at the Bank, to communicate with our stakeholders (shareholders, customers, employees, etc.). We can use these platforms to let others know how we're doing with sustainable initiatives. In addition, stakeholders are consulted through these channels to assist the BoD in identifying and managing economic, environmental, and social concerns, as well as their implications, dangers, and possibilities.

Business Ethics Code of Conduct

Our Code of Conduct is built upon our company values and defines the professionalism BdC expects in its work environment. It is created with our greatest asset – our employees – in mind, as it sets policies and principles that allow every Banque du Caire employee to have a sense of shared accountability and responsibility. By relying on a continuous stream of inputs derived from our employees, clients, and communities, we manage to



set up-to-date guidelines for coworker and client interactions that respect the varying cultures of the different stakeholders involved and establish trust between our employees and clients. Our Code of Conduct reflects the bank we are now. To maintain our ethical working environment at BdC, we always require new professionals joining our bank to affirm that they have reviewed our Code of Conduct and core values and will comply with them.

Raising Concern

At BdC, complying with Egyptian laws and regulations and ensuring our employees act with integrity and honesty are priorities at our bank. We expect all BdC employees to not only abide by the laws and regulations governing our bank, but to also maintain the highest ethical, professional, and legal standards of our business.

Banque du Caire provides its employees with several channels of communication including a dedicated BdC direct complaint number, an assigned email for whistleblowing, and handwritten letters for them to feel confident and raise concerns if they suspect anything illegal or unethical without fear of retaliation. To maintain our bank's integrity and reputation, we want our people to always speak up and escalate their concerns even if it would harm the bank or if they are unsure if it's an explicit violation. Employees should always report whether it directly impacts them, other employees, clients, or their business segment.

We keep a standard form for reporting illegal practices, which is presented by the Head of Business Ethics and approved by the Head of Compliance and Corporate Governance. Once a concern has been raised through any of the opened channels of communication, our employees are required to fill in this form, so that an investigation can be immediately opened. This form is then shared with the heads of the concerned department, which include the Inspections (audits), the Legal Affairs, the Human Resources, and the Security Group, who give the raised concern the utmost importance and carefully deliberate together on its merit. Finally, once the complaint is considered substantiated, we provide our recommendations for remedial disciplinary or preventative actions. In 2021, we had 8 cases raised by employees that were immediately probed with the highest discretion and successfully resolved.

We do not tolerate any form of harassment, or discrimination by or against employees, clients, or any individual conducting or seeking business with our bank, so in the event that they are subject to that, we will immediately conduct a confidential investigation to not harm them and to protect their rights.

During the reported period, we were not subject to any corruption cases

Conflicts of Interest

Banque du Caire's commitment to customers requires it to place clients' interests above its own. Our people's interests should never appear to be conflicting with BdC's interests. As personal accountability and transparency are priorities at BdC, we expect our employees to avoid any relationship or activity that can lead to a conflict of interest. As conflicts can harm our bank's credibility and reputation and in some cases lead to litigation risk. Our Compliance and Governance are responsible to guide our employees in the case of any conflict of interest. As some conflicts may be obvious while others are subtle, our conflict of interest code ensures that all our stakeholders are well informed about those conflicts and guided on the appropriate actions.

To protect our bank and prevent any misuse of our assets, our comprehensive conflict of interest policy includes but is not limited to:

- 1) External Interest and Activities
- 2) Personal Finance and Investment
- 3) Personal-Business Relationship
- 4) Exchange of gifts
- 5) Board of Directors conflicts of Interests and Loyalties

The Bank has set policies to guide conflict of interest with different stakeholders, entailing that all dealings should be done fairly, as such:

- All employees of Banque du Caire must adhere to fairness and integrity in dealing with all internal parties (colleagues, heads, and subordinates) as well as external parties (clients, suppliers, and competitors).
- Among other areas of conflict of interest, personal benefits or advantages should not be obtained from any of the aforementioned parties in any way.
- Employees of Banque du Caire are prohibited from investing their money in stock exchanges, and they are only permitted to deal in securities in the operations of public subscription, buying, and selling, according to a specific set of controls defined in our policy.
- No party is allowed to exploit any information available on some of the Bank's contributions that are not available to dealers in the market or to deal in shares of companies related to the Bank. Employees who possess such essential information that is not available to the public as a result of their work or while carrying out their duties and job responsibilities are prohibited from purchasing the shares of any company in their name, spouse, or minor children. It is

also prohibited to disclose this information to persons outside the Bank, work for external entities, or have personal relationships with staff.

- It is not allowed for Banque du Caire, directly or indirectly, to buy, sell, lease, or own from any of the Bank's employees or their relatives unless it benefits the Bank and is conducted fairly. If any of the employees have personal benefit from any transaction that the Bank is a party to, it must be disclosed to the Bank's top management as well as to the Chief Commercial Officer (CCO).
- Employees are not allowed to work for entities outside the Bank (except for the Bank's representatives in the companies in which the Bank is a shareholder) or to become a member of the Board of Directors of any association, company, or partner in a commercial business without prior Chairman and CCO written approval.
- Whenever there is a commercial transaction in one way or another between the Bank and one of its employees, it must be reported immediately to the CCO.
- BoD members shall exert all efforts to achieve the Bank's benefit, taking into consideration two basic factors, the first of which is working honestly and in good faith, and the second is their loyalty while taking their duties in protecting depositors' and beneficiaries' rights by treating them equally.

Internal Audit and Compliance

Internal Audit Group is our defensive line that gives our clients and stakeholders confidence in our bank's security. Under the auspices of the Audit Committee, the CEO and Chairman, the Internal Audit Group ensure that all our banking activities are in line with all legal and regulatory frameworks governing our bank. It is important to us to not only comply with Egyptian and International laws and regulations but also to operate ethically, as our competitive advantage comes from our world-class services and never through illegal or unethical bank practices. Where if we violate laws or engage in unethical practices, this may put our bank's reputation at risk, lose clients' trust, impact market credibility, or may even result in fines or penalties, and legal action.

The Internal Audit Group acts as a risk-based advisor and risk assurer, where it's in charge of detecting and monitoring fraud risks. It provides regular reports on internal control processes that drive our bank – Identifying areas of improvement to protect our bank – as it gives insights and recommendations to the bank on how to prevent them. The Internal Audit Group is predominately responsible to ensure that all business transactions and activities are fraud-free and that the bank has the necessary measures and tools to avoid any potential fraud risk. Banque du Caire's internal auditors has a superior level of knowledge and practical experience in the financial realm where they can identify signs of possible fraud or scam schemes. Accordingly, the internal auditors guide the top management by continuously updating the bank's strategy, policy, and defensive mechanism to preserve integrity and transparency, preventing reputational risks.

As per the CBE request, the Compliance Group was established according to national and international laws and regulations. The Group is essential to our management and operations where it protects the BdC's assets, as it does the following:

- The right to visit all branches at any time whether scheduled or unscheduled and obtain the data the officer needs to fulfill.
- Full transparent communication with any employee
- Approving all the bank products, procedures, and circulations upon implementing stakeholders' modifications
- Granting all advertising materials, including marketing and sponsored bank campaigns.
- Through consulting with the Legal department, the Compliance Group ratifies outsourcing contracts and agreements upon ensuring they comply with the Business's laws and regulations.

Customer Data Protection

Dealing with Clients, Principles of Fairness and Equality, Transparency policies, Customer data protection policies, and account confidentiality.

BdC complies with the Central Bank of Egypt (CBE) directives regarding Customer Rights Protection. Customer privacy is a focus at our Bank. We deal with complaints very seriously and follow up with our clients regarding the actions taken against any party that might infringe upon the rights of our clients. Non-discrimination, transparency, security, fairness, and equal treatment are the values that we have built our foundation on. We ensure that all clients are treated fairly without discrimination based on gender, religion, or race, as well as provide clear information about the Bank's products, services, and procedures. We maintain internal and external channels of communication with our clients and customers, ensuring that our means of communication and messages are understood and easy to grasp, in line with the regulatory requirements issued by the CBE.

BdC's channels of communication include the official website, annual reports, sustainability reports, social media, internet banking platforms, and the reports addressed to regulators. With the focus on digitization as a national direction towards a cashless society, Banque du Caire is obligated to maintain customers' right to protection on automated and electronic platforms. The Bank ensures that customer protection is always maintained, client's data is protected and not shared with any party without the client's prior consent, our products and services are communicated in a way that is understood by all, and that fair treatment is maintained in all our transactions. Customer protection and satisfaction remain top priorities.

In 2021, the Bank has finalized the implementation of phase 1 of Complaint Handling Module (CRM) as part of digital transformation program providing a consistent and a unified experience across the customer touch points. The CRM automatically notifies the clients during the complaint's lifecycle via SMS. Furthermore, we are looking forward to implementing OBI in 2022.

No complaints were received from outside parties nor regulatory bodies, and no identified cases of leaks, thefts, or losses of customer data.

Risk Management

A solid risk management system, in the eyes of BdC, is essential for achieving higher returns, better serving the interests of our stakeholders, and preserving organizational resilience. Numerous threats are present, and contemporary climate concerns have made them worse. We employ a number of tools to support ongoing performance improvements gained through prudential supervision and ongoing adaptation and development in order to respond to challenges in our business environment. Our success at BdC is supported by a Risk Management division that adheres to global standards and best practices.

Our Risk Management Group, which was established in 2009, is in charge of locating, quantifying, limiting, and disclosing risk exposures that could adversely affect BdC.

Our risk governance is boosted by data analytics and reporting, which is facilitated by our digital transformation and enables us to analyze risk and take appropriate actions by utilizing both internal and external data. The crucial initial step of our approach is to identify our risk types before choosing the proper control strategies.

Risk is proactively managed by a range of departments. The management of Risk activities is also the responsibility of a Risk Committee, which is made up of independent non-executive board members. Our departments for risk are listed below:

Credit Risk: Primarily responsible for monitoring, measuring, managing, and limiting risks associated with credit across the Bank's various lines of business (Corporate, SMEs, FI, Retail, and Microfinance). This is the second line of defense following the business lines, alongside our Credit Administration, responsible for monitoring and reporting credit facilities. Additionally, to reduce credit risk we conduct investigations to provide market information on borrowers and prepare investigation reports, as part of the credit assessment process.

Market Risk: Responsible for managing, measuring, and monitoring all positions exposed to market risks and ensuring that the necessary limits are set to reduce and limit those risks related to the activities of the Treasury Group, money market, investment sector, and securities such as interest rates risk, currency and exchange rates risk, volatility risk, and investment risk.

Treasury Middle Office: Monitors and controls the entirety of the Treasury Group's positions on a daily basis including prices, and CBE reserve ratios to ensure that BdC is in line with the CBE's updated policy changes and regulatory requirements.

Operational Risk: Following a comprehensive approach to operational risk management due to the inherent nature of operational risk within the Bank's functions. The Bank's approach aims at identifying and preventing fraudulent acts, business interruptions, cybersecurity attacks, non-conformant employee behavior, non-compliance with applicable laws and regulations, or failure of vendors to perform per their agreements. Events such as these have a direct impact on our operations and ability to deliver products and services to our stakeholders. The Division develops a structured risk and control self-assessment process to avoid financial losses, litigation, and regulatory fines, and other material damages.

Enterprise Risk Management: Ensuring proper governance across risk functions and ensuring all risks are managed properly. To manage risks, Enterprise Risk Management's activities include MIS reporting, monitoring the early warning signs for the entire portfolio and at the borrower level, portfolio proactive management, stress testing and capital adequacy assessment, and conducting industry studies. In addition, the Division executes IFRS 9 Expected Credit Losses (ECL) runs quarterly for Corporate, SMEs, FI, Retail, Sovereign, and Corporate Bonds portfolios.

Cybersecurity/Information Security: Protecting the Bank's information and monitoring cyber security.

Investigations: providing market information on borrowers and preparing investigation reports, as part of the credit assessment process.

Credit Administration: monitoring and reporting credit facilities.

2021 highlights

2021 was another challenging year for the banking sector, putting the risk function at the center of the bank's operations. Several measures were taken to ensure proactive and sound risk management amid the growing uncertainties during the year. For instance, Banque du Caire's risk profiling and appetite were revisited again, while corporate borrowers were re-profiled. Each industry was assessed based on its prevailing threats and opportunities in light of the pandemic and the evolving business environment, and actions were taken accordingly to maintain a healthy portfolio. Industries have been classified into high and low risks. Lending to high-risk industries has to be vigilant. Examples of sectors in this category include tourism and aviation. Lending to low-risk industries is to be expanded. In line with Banque du Caire's strategy, the Operational Risk Division developed Key Risk Indicators. It is a process to implement an ambitious plan to cover all the bank's business lines and support and control functions in order to identify key process, risk, and control indicators with their thresholds (low, medium, high) to provide an early signal of increasing risk exposures in various areas of the bank.

Digitalization:

BdC Risk department was able to achieve 2021 target through implementation of digitalization and definitely BdC's digitalization strategy is a tool to ease the automation of daily operations, increase operational efficiency, and contribute to major cost savings. Therefore, this strategy helped easing the disruption continued to be caused by COVID-19. And although digital transformation introduces new risks such as cyber security risks, However, a prudent management of security risks could ensure that only the fruits of digital transformation are reaped. Digital transformation is a rewarding journey that needs the harmonization of many concerned parties. So far, several milestones have been achieved in the digital transformation journey.

In 2022 BdC will manage credit accounts, an early warning signals (EWS) system on both the client and portfolio levels is under development. This includes the early detection and mitigation of credit risk through identifying probable risks such as changes in client creditworthiness at an early stage, to support timely intervention. The framework includes the recommended corrective actions before the client's position becomes irretrievable. BdC is currently improving the portfolio management techniques, reach full automation of the Credit Administration function, develop an advanced MIS analytical and reporting tool, and implement a credit control and utilization monitoring tool. This includes a loan origination system, BI analytical tool and lending workflow system.

ESG Risks:

We continue to place a strong emphasis on our environmental, social, and governance performance as the cornerstone for our pursuit of commercial expansion while aiming for sustainable performance. The COVID-19 situation had made environmental, social, and governance concerns more pressing, and it was clear that addressing them would require greater cooperation across the entire bank given the possible financial and reputational consequences. We improved and reinforced our Risk Group so that we could approach these difficulties with thorough due diligence

Clients in BdC's loan portfolio could have a negative impact on the environment and society through e.g., pollution and natural resource depletion. These factors are closely associated with climate change and a sustainable economy. On the other hand, the lending portfolio could potentially be impacted by environmental and social risks. These risks could result in the loss of security value and increased loss given default. The main environmental and social risks are climate change and gender inequality. Appropriate management of ESG risks in lending portfolios should reduce potential future losses and therefore BdC tries to contribute to a positive societal impact, while effectively managing risks and therefore maximizing returns.

In line with CBE regulations, BdC periodically reports on Internal Capital Adequacy Assessment Process (ICAAP) in order to ensure BdC maintains sufficient capital to cover risks. These risks could have both financial and reputational impact on BdC. Through an effective risk management, BdC tries to maintain credit and operational losses within acceptable limits. Integrating environment, social and governance (ESG) perspectives into BdC's risk management framework, credit policies and lending practices is one of highest priorities. BdC tries to develop a sustainability strategy that is aligned to

corporate strategy and risk appetite and integrating the key sustainability issues into BdC's risk management practices. The risk framework is currently being revamped in order to ensure that BdC considers all risks, including those related to the economic, environmental and social impacts. Furthermore, a sound risk culture is critical. We try to define, communicate, promote and enforce this culture. For lending, BdC will integrate sustainability policy frameworks into client acceptance credit approval and capital allocation. BdC is currently in the process of developing environmental and social credit screening so that the bank can account for the impact of each new loan on the environment and the society. New KPIs that consider maximizing the positive impact and minimizing the negative impact of the lending activities are currently developed. Climate change will have a direct impact on individuals and businesses.

To join forces in fighting climate change and sticking to our commitments to inclusion, we address the variety of factors that contribute to social injustice through our multifaceted approach and BdC has introduced green financing solutions to the customers e.g., green loans to SMEs. To address social inequality, BdC is active in supporting SMEs for their positive impact on the economy in terms of providing jobs. In addition to, the lending activities which contribute to the national priorities since BdC has a large portfolio of microfinance loans.



In order to positively impact society, we aspire to cooperate across boundaries, reinforcing our goal as a purpose-driven bank. We are committed to contributing to the solution because we understand how serious the climate emergency is and the importance of implementing a Social & Environment Risk Management system which we are currently in the process of development.

BdC'S CONTRIBUTION TO NATIONAL AND GLOBAL SUSTAINABILITY



Mapping BdC's Activities with the SDGs and National Development Agenda

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>1 NO POVERTY</p> <p>An end to poverty in all its manifestations by 2030</p>	<ul style="list-style-type: none"> Quality of life Equity & Inclusion Strong Economy Peace & Security Leading Stature 	<ul style="list-style-type: none"> Microfinance, a financial inclusion tool targeting low-income customers and small business owners, achieving the ultimate goal of poverty alleviation.
 <p>2 ZERO HUNGER</p> <p>End hunger, achieve food security and improved nutrition, and promote sustainable agriculture</p>	<ul style="list-style-type: none"> Quality of life Strong Economy Sustainable Environment Leading Stature 	<ul style="list-style-type: none"> For the 9th consecutive year, we dispatched caravans during Ramadan; and for the 6 years during winter months.




SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> Quality of life Governance 	<ul style="list-style-type: none"> Providing hospitals with equipment and revitalizing the village's healthcare system, providing two units with medical equipment and tools, scheduling technical visits throughout the year, offering free examinations, medicine, and operations for critical cases. Donations and follow-ups We support an extensive number of public hospitals and university hospitals across the country that include Al Qasr Al Einy, Banha University Hospital, and Ayady Al Mostaqbal Hospital by developing their facilities and equipping them with medical devices. The Bank donated to multiple large-scale entities such as Ahl Masr Hospital for burn victims, the Magdi Yaacoub Heart Foundation, 57357 children's cancer treatment hospital, Al Nas hospital, Banha University hospital, Baheya hospital, and the Rotary Club Union's floating hospital. It also provided the Baheya Foundation with funds to assist them in conducting the very first pet mammograms in the Middle East

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>4 QUALITY EDUCATION</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> Quality of life Strong Economy Leading Stature 	<ul style="list-style-type: none"> We support orphaned children and children with special needs by improving their conditions and providing them with sufficient tools to support their development. Our partnership with Al Orman Foundation provides us with many opportunities to support our community, as we join them in providing children with school bags and supplies. NAWAH program: SME banking Business School composed of innovative and practical programs
 <p>5 GENDER EQUALITY</p> <p>Achieve gender equality and empower all women and girls.</p>	<ul style="list-style-type: none"> Quality of life Equity & Inclusion 	<ul style="list-style-type: none"> Mortgage Finance and Pensions: Support the financial inclusion of women. Bokra Account for women Equal opportunities: hire all ages, as 73% of new hires in 2021 were females

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>6 CLEAN WATER AND SANITATION</p> <p>Ensure the availability and sustainable management of water and sanitation for all</p>	<ul style="list-style-type: none"> Equity & Inclusion Sustainable Environment Governance Leading Stature 	<ul style="list-style-type: none"> Decent Life'' initiative: Delivering sanitized water to villages. Water Waste Management.
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Ensure access to affordable, reliable, sustainable, and modern energy for all</p>	<ul style="list-style-type: none"> Quality of life Sustainable Environment Peace & Security Leading Stature 	<ul style="list-style-type: none"> Energy Saving: In terms of Energy consumption, we use LED lighting in our premises and have used a VRV system as deemed fit.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all</p>	<ul style="list-style-type: none"> Strong Economy Sustainable Environment Leading Stature 	<ul style="list-style-type: none"> In partnership with Al Orman Foundation, the Bank provided small business owners with non-returnable loans to support their operations and their sustainable economic development. Nile Preneurs: Supporting nationwide SMEs

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation</p>	<ul style="list-style-type: none"> Strong Economy Equity & Inclusion Leading Stature 	<ul style="list-style-type: none"> "Export Excellence Center': Developed to promote and empower Egyptian exporters to scale out their businesses globally. "Expediting SME and entrepreneurship growth'' Digital Banking Innovation. SME Innovation.
 <p>10 REDUCED INEQUALITIES</p> <p>Reducing inequality within and among countries.</p>	<ul style="list-style-type: none"> Quality of Life Equity & Inclusion Peace & Security Leading Stature 	<ul style="list-style-type: none"> Youth Support: Waffar Saving account Inclusion for People with Disabilities (PWD) Equal opportunities: hire all ages, as 75% of new hires in 2021 were aged under 30

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Make cities inclusive, safe, resilient, and sustainable</p>	<ul style="list-style-type: none"> Quality of Life Equity & Inclusion Sustainable Environment Leading Stature 	<ul style="list-style-type: none"> bGreen initiative: Focuses on raising the level of awareness of the Bank's customers, suppliers, and all employees of the importance of achieving environmental sustainability through several axes related to "climate change and recycling projects." "Clean School" project: In cooperation with the Ministry of Education in 150 schools in different governorates and the initiative to clean beaches during the summer season, we also launched our environmentally friendly initiative by carrying out a campaign to plant the roof of the Bank's administrative building, adopting the Bank's electronic products recycling project, and sponsoring support for environmentally friendly products.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Ensure sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> Strong Economy Sustainable Environment Leading Stature 	<ul style="list-style-type: none"> Paper Saving. Energy Saving. Material Selection. Water Waste Management. The MEEZZA Card: Launched to encourage sustainable and digital transformation and financial inclusion. Supporting Athletes

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> Peace & Security 	<ul style="list-style-type: none"> bGreen initiative
 <p>14 LIFE BELOW WATER</p> <p>Conserve and sustainably use the oceans, seas, and marine resources for sustainable development</p>	<ul style="list-style-type: none"> Strong Economy Sustainable Environment 	<ul style="list-style-type: none"> bGreen initiative: Nile cleanup.
 <p>15 LIFE ON LAND</p> <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>	<ul style="list-style-type: none"> Sustainable Environment 	<ul style="list-style-type: none"> bGreen initiative: To raise awareness among customers, suppliers, and employees on the importance of environmental sustainability. Individual initiatives under the platform included recycling projects in schools, a beach cleanup in collaboration with Ban-plastic, and a Nile cleanup initiative.

SDG	Sustainable Development Agenda-Egypt's Vision 2030	Action
 <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> Governance Peace & Security Leading Stature 	<ul style="list-style-type: none"> The Internal Audit group is able to perform its responsibilities successfully due to its team of highly qualified professionals whose diverse skill sets range from generalist auditors to specializations across the financial sector. These skills afford them the necessary tools to conduct analytical reviews and assessments throughout all operations and ensure that the Bank meets its strategic objectives.
 <p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<ul style="list-style-type: none"> Equity & Inclusion Strong Economy Governance Peace & Security Leading Stature 	<ul style="list-style-type: none"> Partnering with Fintechs and firms such as Citi Partnership with Allianz Life Assurance Company Partnership with Ministry of Youth and Sports Partnership with Al Orman Partnership with Rotary Club Fayoum Partnership with the "Sonia El Kheer" Foundation Partnership with Casbana Partnership with MSMEDA Partnership with Nile University and CBE Partnership with CGC

UNGC

Principle 6:	The elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> Non-discrimination policy
Principle 7:	Businesses should support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> Published our first Carbon Footprint report for the reporting year 2021. Carbon footprint report highlighted the main sources responsible for GHG emissions as well as developing a decarbonization plan
Principle 8:	Undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> bGreen initiative
Principle 9:	Encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> We are committed to keeping our environmental impact to a minimum. Our Digitalization business model already supports this commitment.

ABBREVIATION

Bn	Billion
Mn	Million
k	Thousand
ACH	Automated Clearing House
AI	Artificial Intelligence
ALCO	Assets and liabilities Committee
ALM	Asset and Liability Management
AML	Anti-Money Laundering and Terrorism Financing

ATM	Automated Teller Machine
AUC	Assets under Custody
AUMs	Assets Under Management
BCP	Business Continuity Plan
BdC	Banque du Caire
BI	Business Intelligence
BIA	Business Impact Analysis
BR	Bank Reconciliation
BoD	Board of Directors
BPM	Business Process Management
CASA	Current Account and Savings Account
CBE	Central Bank of Egypt
CBR	Central Bank Rate
CBU	Cairo Bank Uganda Limited
CCO	Chief Commercial Officer
CCR	Central Credit Registry
CDs	Certificate of Deposits
CEO	Chief Executive Officer
CFE	Certified Fraud Examiner
CIA	Certified Internal Auditor
CISA	Certified Information Systems Auditor
CLC	Cairo Leasing Company
CMMI	Capability Maturity Model Integration
COMESA	Common Market for Eastern and Southern Africa
COP	Communication on Progress
COVID-19	Coronavirus
CRM	Customer Relationship Management
CRO	Chief Risk Officer
CSR	Corporate Social Responsibility
CSV	Corporate Social Value
CQA	Certified Quality Auditor
CVP	Customer Value Proposition

DFI	Development Financial Institution
EEC	Export Excellence Center
EGX	Egyptian Exchange
EMV	Europay, Mastercard, and Visa
ENR	End Net Revenue
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
ESRM	Environmental and Social Risk Management system
EWS	Early Warning Signals
FATCA	Foreign Account Tax Compliance Act
FAQs	Frequently Asked Questions
FCY	Foreign Currency
FDs	Fixed Deposits
FI	Financial Institutions
FISP	Financial Institutions Structured Products
FTP	Fund Transfer Pricing
FX	Foreign Exchange
FY	Fiscal Year
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GRC	Governance, Risk & Compliance
HCM	Human Capital Management
HNWI	High Net Worth Individuals
HO	Head Office
HR	Human Resources
HRMS	Human Resources Management System
IB M	Institutional Business in Mn
ICAAP	Internal Capital Adequacy Assessment Process
IDCs	Institutional Deposits Corporation
IPN	Instant Payment Network

IR	Investor Relations
IRS	Interest Rate Swap
IRRBB	Interest Rate Risk in the Banking Book
ISDA	International Swaps and Derivatives Association
ISMS	Information Security Management System
IT	Information Technology
IVR	Interactive Voice Response
KPIs	Key Performance Indicators
KRI	Key Risk Indicator
KYC system	Know your Customer
LIBOR	London Interbank Offer Rate
M2M	Machine-to-Machine
MBOs	
MCDR	Misc for Central Clearing, Depository and Registry
MDIs	Microfinance Deposit Taking Institutions
MDR	Merchant Discount Rate
MFIs	Microfinance Institutions
MIS	Management Information System
ML	Machine Learning
MFF	Mortgage Finance Fund
MOU	Memorandum of Understanding
MSCI	Morgan Stanley Capital International
MSME	Micro, Small, and Medium Enterprises
MSMEDA	Egyptian Micro, Small and Medium Enterprises Development Agency
MVPs	Minimum Viable Product
NBFI	Non-bank Financial Institutions
NIM	Net Interest Margin
NIST	National Institute of Standards and Technology
NGO	Non-Governmental Organization
NTB	New to Bank
NPL	Non-Performing Loan

OBİ	Oracle Business Intelligence
OCR	Optical character recognition
ORAP	Operational Risk Assessment Process
ORM	Operational Risk Management
ORR	Obligor Risk Rating
P2M	Person-to-Merchant
P2P	Person-to-Person
PaaS	Platform as a Service
P&L	Profit and Loss Statement
PCR test	Polymerase Chain Reaction Test
PMO	Project Management Office
POS	Point of Sale
RAF	Risk Appetite Framework
RCSA	Risk Control Self-Assessment
RIWAC	Risk Weighted Average Capital
RM's	Relationship Managers
ROI	Return on Investment
RPA	Robotics Process Automation
SAF	Strategic Architecture Forum
SaaS	Software as a Service
SACCO	Savings and Credit Cooperative Organization
SD	Sustainable Development
SDGs	Sustainable Development Goals
SLA	Service-level Agreement
SME	Small and Medium-Sized Enterprises
SMS	Short Message (or Messaging) Service
SOC	Security Operation Center
SSP	Securities and Custody Services
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TAT	Turn Around Time

TCM	Treasury and Capital Markets Group
TDs	Time Deposits
TMO	Treasury Middle Office
TNA	Training Need Analysis
TRX	Transaction Services
UAE	United Arab Emirates
UGX	Ugandan Shilling
UNEP-FI PRB	United Nations Environment Programme-Finance Initiative: Principles for Responsible Banking
UPAS	United Nations Global Compact
VCN	Usance Payable at Sight
VPN	Virtual Card Number
VHNW	Virtual Private Network
Y-o-Y	Very High Net Worth
YTD	Year-on-year
	Year to Date

ASSURANCE LETTER



Independent Assurance Statement

To the Board of Directors
Banque du Caire

Introduction

DCarbon is a sustainability and environmental consultancy firm registered under Egyptian law no. 159 for the year 1981 and its executive regulation. Dcarbon is a certified training partner to the Global Reporting Initiative (GRI), and a GRI Gold Community member. Our main focus is to assist organizations, public and private, in understanding and addressing their economic, environmental, and social impact.

DCarbon was engaged by Banque du Caire (**BdC**) to perform an *Independent Limited Assurance* review on its 2021 Sustainability Reporting process ('the Report'), in order to advance the implementation of GRI reporting principles and disclosures for fulfilling the GRI Standards Core option.

Scope, Boundary, and Limitations

The scope of assurance has included data and information for the period 01 January 2021 to 31 December 2021 for operations in Egypt, based on Global Reporting Initiative's (GRI) Standards in accordance with the Core option.

The boundary of the report comprises of data and information that were captured across its operational and business functions and sites. The boundary equally includes the Bank's Head Office support functions, Corporate Governance, and stakeholders' engagements as part of this assurance and as indicated in the report.

Assurance scope excludes:

- Data and information in the Report outside this reporting period indicating historical data to establish context for the reporting period disclosures or looking-forward statements by **BdC**.
- Verification statements indicating testimonials, opinions, success stories, and / or aspirations.
- Verification of claims (limited to data and information presented)

Assurance procedures

Back-end reviews, data assessments, and context analysis were conducted by **DCarbon's Senior Sustainability Analyst Ms. Lujine Shokri and supporting analysts**.

The assurance included **DCarbon's multidisciplinary independent team of experts** in auditing economic, social, and environmental information and abiding by our values of integrity, confidentiality, professional competence, objectivity, and due attention. The nature, timing, and extent of procedures followed were based on the rounds of engagement with relevant departments and senior management at the Bank and the Sustainability department delegated by the Board of Directors.

The Bank was responsible for the identification of material sustainability issues, establishing, and maintaining appropriate internal performance management, and the relevant systems for the reported data.

Assurance activities included procedures to obtain evidence about the reliability of the disclosures:

- Review of the evidence of internal policies, procedures, and strategy documents as provided by the bank.
- Review of materiality and stakeholders' engagement framework deployed at BdC.
- Assessment of the systems used for data collection and reporting on the standard, including data collection through surveys and/or writing prompts; where applicable or available.
- Evaluation of the processing and monitoring of data collection for disclosures.
- Assessment that the report has been prepared in accordance with GRI Standards: Core option and Topic Specific Standard Disclosures of material topics as listed in the report.
- Review of the Report to ensure that there is no misrepresentation of disclosures as per the scope of assurance and our findings.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement.

Reasonable Assurance was obtained in regard to the disclosures covering governance, materiality assessment, the scale of the organization, products and services, market presence, and employee well-being.

Limited Assurance level was obtained for disclosures on strategy, stakeholders' engagement practices, environmental footprint and procurement practices, and management approach of activities under social investments.

We advise stakeholders to review the annual report for assurance of financial performance and other standards of practice.

Conclusion

Our opinion has been formed based on the outcome of the activities performed outlined. Considering the risk of material error, we believe that the evidence we have obtained is sufficient and appropriate to provide the basis of our conclusion.

We have reviewed the Sustainability Report of Banque du Caire, based on the activities performed and evidence received, in our opinion, Banque du Caire has complied, in all material respects, with the sustainability report according to the GRI Standards for sustainability reporting criteria, Core Option.

DR. 
Ehab Shalaby, Ph.D.
Chairman & CEO



بنك القاهرة
Banque du Caire



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INNOVATION
FOR A GREEN FUTURE

BANQUE DU CAIRE (BDC)
REPORT YEAR: 2021

