



# 2023 SUSTAINABILITY REPORT

ESG AMPLIFIED  
ECHOES OF ACTION



# DESIGN CONCEPT

## A Legacy of Listening: ALEXBANK's ESG Evolution

For years, ALEXBANK has been synonymous with social impact and a dedicated ally in solving socio-economic challenges within Egypt. Renowned for our commitment to community and sustainability, we have built our legacy on the principle of listening—attentively and empathetically—to the needs of the people we serve. ALEXBANK's seventh sustainability report embodies this legacy, not as a mere collection of achievements and aspirations but as a narrative crafted from the real stories and voices of the Egyptian populace, a testament to unwavering focus on creating tangible and positive change. This novel approach underscores belief in the transformative power of listening and its profound impact on ALEXBANK's journey of environmental, social, and governance (ESG) improvements; it is the very essence of the bank's corporate identity—the DNA that defines us ALEXBANK 'The Impact Bank'.

## From Listening to Action: The Sound of Impact

ALEXBANK's ESG efforts are deeply rooted in active listening, which has resonated through its actions and community engagement. Starting with a keen understanding of the voices within the Egyptian society, the Bank has translated this into socio-economic initiatives that reflect the country's diverse needs. The report showcases how this dialogue has led to substantial initiatives in financial literacy, entrepreneurship, and environmental stewardship, demonstrating that impact is not only visible but audible. ALEXBANK's sustainability efforts are likened to a symphony of progress, with each chapter of the report narrating stories of impact informed by the community's voice.

## Visualizing Sound: The Design of Depth and Interaction

The design of ALEXBANK's report mirrors the 'Sound of Impact' concept visualizing the Bank's attentive listening and decisive actions. Salt granules are used metaphorically to represent the precision of their attention and the dynamism of their actions, evolving like sound waves throughout the pages to symbolize their integration into Egypt's diverse society.

## Harmonizing with the Future

ALEXBANK's ESG Symphony is a forward-looking narrative that extends beyond a legacy of past achievements and into the crafting of a sustainable future. The Bank's digital platforms serve as a testament to this journey, amplifying the stories of change and fostering customer engagement in line with their commitment to sustainability. With each initiative aimed at minimizing environmental impact and enhancing service inclusivity, ALEXBANK is composing the future movements of a symphony that invites all stakeholders to participate in shaping a sustainable and equitable future together.

**- a symphony set to resonate for generations.**

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# INTRODUCTION & STRATEGIC OVERVIEW

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# CHAIRPERSON, MD AND CEO LETTER



**ZIAD BAHAA EL-DIN**

NON-EXECUTIVE CHAIRMAN OF THE  
BOARD OF DIRECTORS REPRESENTATIVE  
OF INTESA SANPAOLO



**DANTE CAMPIONI**

MANAGING DIRECTOR & CEO

## Dear Stakeholders,

In full alignment with Intesa Sanpaolo’s mission of affirming as innovative impact bank making difference every day in people’s lives through its business operations and powerful impactful community-centered activities and projects, ALEXBANK continues to strengthen the social and environmental impact’s contents across all its operations. By following the group’s 2022-2025 Business Plan guidelines, which envisage a strong sustainable value creation, solid capital position, and significant ESG commitment, ALEXBANK’s journey navigates through the plan’s solid pillars, designed to elevate responsible banking practices to new heights and reinforce ALEXBANK’s role in contributing positively to the communities it serves.

Also operating in alignment with the Central Bank of Egypt’s (CBE) dynamic vision for sustainable development entailing the promotion of sustainable finance and financial inclusion across the whole banking sector, ALEXBANK has always been in the

forefront in swiftly integrating ESG principles in its financing activities, quickly adopting the emerging regulatory directives on sustainable finance thanks to the deeply rooted sustainability governance structure echoing the Parent Company’s strides on this front. In adherence to the CBE sustainable finance binding framework, ALEXBANK issued its sustainable finance policy outlining the principles and framework for ESG lending activities, investments, and finance operations.

ALEXBANK has laid out ambitious goals, with an active board-level oversight ensuring that sustainable finance policies are applied and integrated across all the segments that it serves, such as Retail, MSMEs and Corporate. The incorporation of quantitative ESG Key Performance Indicators within the bank’s management performance scorecards and the appointment of “ESG Champions”, reinforces the ESG culture within ALEXBANK’s corporate fabric. This integration is not just added layers but rather foundational element, as this strategic approach

# CHAIRPERSON, MD AND CEO LETTER

drives culture innovation, fosters long-term value creation, and ensures the engagement of the whole bank's population, at different levels, to excel in achieving the ambitious targets.

The bank's commitment to robust ESG risk management has been further solidified by paying consideration to climate-related and environmental risks through enhanced business processes and newly approved policies, mandating for the assessment and mitigation of ESG and reputational risks across the credit process, mirroring the Parent Company guidelines for the governance of ESG risks.

ALEXBANK's 2023 Economic and Financial results confirm its ability to generate solid profitability and value creation across its stakeholder's even in complex scenarios. The bank's achieved economic results, make evident that ALEXBANK is well-positioned to seize opportunities through its prudent risks management and dedication to sustainable business practices.

In 2023, ALEXBANK has sustained its position in the Egyptian Market towards social lending and prioritized serving marginalized segments of the society with adequate suite of products for microfinance & small business segments mainly in rural areas, contributing to the country's efforts in affirming financial inclusion & development in the countryside, committing relevant efforts in supporting the agribusiness and agri-related activities, also in collaboration with qualified strategic partners.

The social impact that ALEXBANK has been committed to creating over the years pressed by its desire to "give back" to the community in which it operates, has materialized in better opportunities offered to marginalized society members, shaping a shared better future that inspires and drives our inclusive journey. Since 2016, the bank has dedicated a defined portion

of its annual net profit to feed tangible initiatives aimed at serving the community, in particular its most vulnerable members. In 2023, the corporate social responsibility donation budget reached EGP 26.3 mln, through which we were able to reach more than 162,000 beneficiaries of which 31,959 are realized through projects and the remaining through events, activations, and edutainment also leveraging on ALEXBANK's powerful partnerships, with initiatives in various areas mostly aligned to the goals of Egypt's vision 2030.

The bank has also continued to optimize its operational footprint through branch network optimizations and development of a multichannel distribution logic and hybrid work model, underscoring dedication to environmental stewardship. The renovation of facilities pursued by applying international standards in terms of sustainability logics, reflects the bank's belief in creating an efficient, future-proof work environment. The progress in cultivating a resilient workplace culture is evident, with significant milestones in terms of inclusion, diversity and wellness targets achieved this year. With a growing percentage that reached 31% in 2023 of ALEXBANK's workforce being women of which 21% in managerial roles, the bank has shown a firm commitment to progress towards the full affirmation of gender equality, also considering that in 2023 the female gender represents 42% of the yearly new hired employees.

Digital transformation not only enhanced service platforms but also played a crucial role in promoting financial literacy, thereby empowering customers to make more conscious choices. Internally, ALEXBANK has upscaled its efforts towards data governance, automation, and cybersecurity solutions, to enhance the bank's reliability, resilience, and results sustainability.

Combining the local efforts with those of Intesa Sanpaolo Group, ALEXBANK managed to

# CHAIRPERSON, MD AND CEO LETTER

strengthen its vision, ambition, and strategy by maintaining its alignment with major global frameworks such as the UNEP-FI Principles for Responsible Banking, UN Global Compact, SDGs, and Egypt Vision 2030.

ALEXBANK Seventh Annual Sustainability Report confirms the bank's dedication and aspiration towards a sustainable path of prosperity, capable of ensuring long-lasting value to all stakeholders.

This is also to express the bank's appreciation and gratitude to ALEXBANK's employees for their unwavering dedication and the exceptional efforts that were exerted in a year during which relevant complexities had to be dealt with.



**Ziad Bahaa El-Din**

Non-Executive Chairman of the BoD,  
Representative of Intesa Sanpaolo



**Dante Campioni**

Managing Director & CEO



ALEXBANK's iconic building in Alexandria by the Mediterranean Sea.

# ABOUT THIS REPORT

ALEXBANK has been a steadfast advocate for sustainability within the Egyptian banking sector since 2017. We are pleased to present our Sustainability Report for the year 2023, underscoring our enduring commitment to align with Egypt's vision and promote responsible business practices. This report serves as evidence of our ongoing dedication to transparency and accountability, as we strive to contribute positively to environmental and societal concerns.

Our comprehensive report covers our ESG guidelines, performance, and activities, and demonstrates our commitment to transparency with all stakeholders. As we prioritize sustainability, we will continue to share our accomplishments and advancements with the wider community.

## Scope And Reporting Period

Our seventh sustainability report presents ALEXBANK's ESG performance across our material topics based on impact assessment and stakeholder engagement. The scope of this report is limited to ALEXBANK's offices and branches located in Egypt. The reporting period spans from January 1, 2023, to December 31, 2023. Consequently, the report may present specific data and insights that fall within the boundaries established by this scope.

Throughout this report, ALEXBANK is herein referred to as "ALEXBANK", "the Bank", or "it".

## Reporting Frameworks

ALEXBANK ensures compliance with all legal and regulatory requirements, as well as the guidelines set forth by its parent company and the Central Bank of Egypt's (CBE) sustainable finance requirements, regarding ESG disclosures. The report has been prepared in accordance with current ESG regulations. ALEXBANK's sustainability reporting

is aligned with various frameworks and standards mentioned below, either within the content of this report or through separate statements and annexes, as necessary:



ALEXBANK has reported in accordance with the GRI Standards for the period of 1 January 2023 to 31 December 2023. We have also conducted a materiality assessment based on GRI 3: Material Topics 2021. In addition, we adhere to GRI reporting principles: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability.



SASB

SASB Standards on Commercial Banks have been used to report ESG issues most relevant to our financial performance. Therefore, these standards have been considered during the preparation of our materiality assessment.



TCFD

ALEXBANK being part of Intesa Sanpaolo has complied with TCFD Principles in disclosing its governance, strategy, management of risks and opportunities, and metrics and targets concerning the financial implications of climate change.



UNGC

ALEXBANK has reported on implementing ten UNGC Principles to disclose how we fulfil our fundamental human rights, labor, environment, and anti-corruption responsibilities.



SFDR

In accordance with the Sustainable Finance Disclosure Regulation (SFDR), ALEXBANK has diligently complied with its principles. Our disclosure encompasses key aspects, including governance, strategy, management of ESG risks and opportunities, along with the integration of specific metrics and targets related to the financial implications of sustainability factors.

# ABOUT THIS REPORT

## Forward Looking Statements

This report may contain certain forward-looking statements relating to the Bank's business. These may be identified in part through the use of forward-looking terminology such as "will", "planned", "expected", and "forecast". Such statements reflect the bank's current views concerning future events and are subject to certain risks, uncertainties, and assumptions. Many factors could also cause the company's actual results, performance, decisions, or achievements to be materially different from any future results that may be expressed or implied by such forward-looking statements.

## Assurance

Masader Environmental and Energy Services S.A.E, a corporate sustainability consulting firm has provided a limited assurance statement on the content of this report.

For further details, please refer to the [Statement of Assurance](#).



# ABOUT ALEXBANK & OUR STRATEGIC DIRECTION

Established in 1957, ALEXBANK is today one of Egypt’s leading private sector banks, participated by the Intesa Sanpaolo Group since 2007.

ALEXBANK owns one of the largest private sector branch networks with a total of 173 branches located in every major Egyptian governorate employing over 4,380 individuals who proudly serve about 1.9 million customers, playing a vital role in Egypt’s economic present and future. ALEXBANK actively serves the widest spectrum of segments by providing value added financial products, services and solutions to Retail, Small Business, Medium and Corporate Enterprises.

ALEXBANK is currently in the midst of a radical digital transformation aimed at providing our customers with the most unique of banking experiences, via our seamless multi-channel experience incorporating Internet & Mobile Banking, Cards, Electronic wallets, and the latest generation of point-of-sale & ATMs, all powered through the power of Big Data and empowered by key players in the Fintech ecosystem.

## Parent Company

Intesa Sanpaolo is Italy’s leading banking group – serving families, businesses and the real economy, with a distinctive business model in Wealth Management, Protection & Advisory, highly focused on digital and Fintech, and wholly-owned product factories in asset management and insurance.

Intesa Sanpaolo has a significant international presence of 4,293 branches and 20.8 million customers globally, across 12 countries in Central Eastern Europe, Middle Eastern and North African regions, and an International Corporate Network formed of Corporate Hubs, Representative Offices, Branches and Banks active in 25 countries across the globe.

The Group’s strong ESG commitment includes providing €115 billion in impact lending by 2025 to communities and for the green transition, and €500 million in contributions to support people most in need, positioning Intesa Sanpaolo as a world leader in terms of social impact.

Intesa Sanpaolo is committed to Net Zero by 2030 for its own emissions and by 2050 for its loan and investment portfolios. An engaged patron of Italian culture, Intesa Sanpaolo has created its own network of museums, the Gallerie d’Italia, to host the bank’s artistic heritage and as a venue for prestigious cultural projects.



**115** BN EUR

BY 2025

to society and the green transition



**500** BN EUR

BY 2025

in support of people in need



**NET ZERO EMISSIONS BY 2030**

in terms of own emissions



**NET ZERO EMISSIONS BY 2050**

in terms of portfolio



Intesa Sanpaolo headquarters

# ABOUT ALEXBANK & OUR STRATEGIC DIRECTION



## ITALY

3,232 Branches



## AMERICA

2 Branches

1 Representative Office



## AFRICA

173 Branches

1 Representative Office



## OTHER EUROPEAN COUNTRIES

760 Branches

1 Representative Offices



## ASIA

7 Branches

6 Representative Offices



## AUSTRALIA/OCEANIA

1 Branch

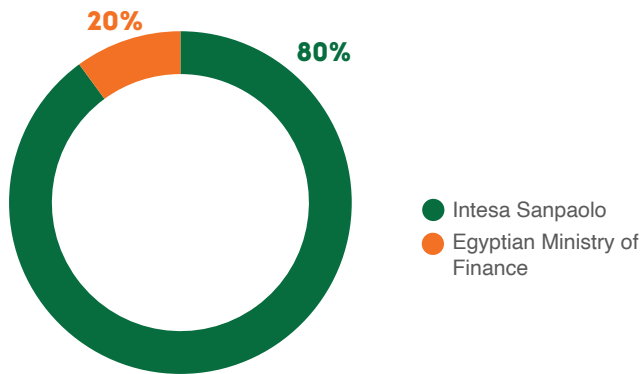


Intesa SanPaolo's headquarters embodying modernity and innovation in the heart of Turin, Italy.

# ABOUT ALEXBANK & OUR STRATEGIC DIRECTION

## Ownership

Joint Stock Company with Intesa Sanpaolo's ownership in ALEXBANK being 80% (-1 share)\*



## Mission & Values

Conscious of the value of our activity in Egypt, we promote a style of growth that is attentive to financial strength and capital solidity, sustainable results and the creation of a process based on the trust deriving from customer and shareholder satisfaction, a sense of belonging on the part of our employees and close monitoring of the needs of the community and the local area.

## Values

### Equality and Inclusion

We are committed to avoiding any discrimination in our conduct and to respecting differences in gender, marital status and family situation, age, ethnicity, religious belief, political and trade union affiliation, socio-economic status, nationality, language, cultural background, physical and mental condition, or any other characteristic of a person, including those related to the expression of their thoughts.

### Environmental Protection

We promote efficient and conscious use of all resources, avoiding waste and always favoring sustainable choices over time. We are committed to combating climate change, protecting nature and biodiversity, and supporting the transition to a sustainable, green, and circular economy.



### Excellence

We set ourselves the goal of continuous improvement, forward thinking, anticipating challenges and fostering creativity aimed at innovation, both recognizing and rewarding merit.



### Transparency

We are committed to making transparency the basis of our actions, our communications, and our contracts to allow all those who have dealings with us to make informed, conscious and independent decisions.



### Integrity

We pursue our goals with honesty, fairness, and responsibility, in full and true respect of the rules and professional ethics and in the spirit of the agreements signed.



### Respect For Specific Qualities

Our aim is to combine large-scale operations with profound local roots and be a bank with a broad vision, which makes people and communities come first.



Students enjoying Khatwa Khadra card game.

\* Representing legal share, Ahmed Said El-Fallal owns 0.000025%.

# ABOUT ALEXBANK & OUR STRATEGIC DIRECTION

## Values of Individual

The value of each single person is a guide for our mode of operation: we use listening and dialogue as tools to continuously improve our relationships. We take care of people's health and safety to provide a professional experience that respects physical and psychological well-being.

## Lines of Business

### Mass Retail and Affluent

ALEXBANK offers modern and convenient financial services to its retail and private customers through the development and distribution of value-based products, services, and consumer solutions and provides comprehensive and competitive banking services efficiently and sustainably.

### Micro, Small, and Medium-Sized Enterprises (MSMEs)

The Bank provides financial solutions and access to credit for Micro, small, and medium-sized businesses that improve cash flow and acquire new assets.

### Treasury

Responsibly managing and investing the pool of customers' deposits, to maximize interest rate margin and generate capital gains for the Bank. Handling the Bank's liquidity, Banknote requirements, fixed income portfolios, currencies positions and the Bank's direct investment portfolio.

### Digital Banking

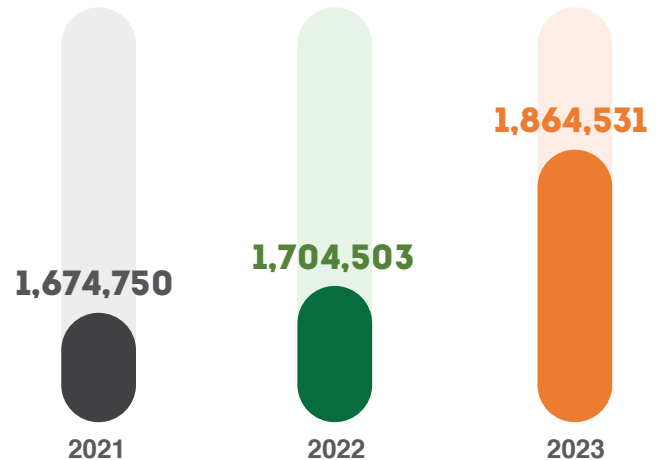
ALEXBANK provides a complete and accessible banking experience through its digital banking services and application, in addition to the expansion in developing digital corners in the physical branches.

## Corporate and Investment Banking

ALEXBANK offers high-quality and sophisticated credit assessments to fit the needs of different corporations working in diversified sectors. The Bank supports clients with cash management, trade finance, credit assessments, complex transactions, and to growing trade business. The lines of business that serve corporate customers are domestic large corporate and mid-corporate, multinational clients, investment banking, financial institutions, and transaction banking.

## Bank Profile

### Growing our Customer Base over the Years (Total Number of Customers)

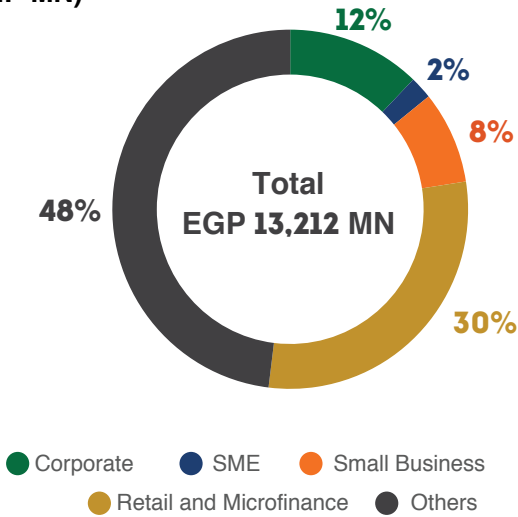


**9%**

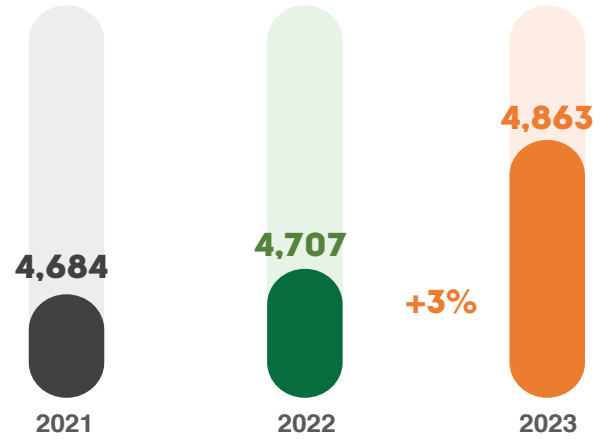
Growth in total number of customers from 2022 to 2023

# ABOUT ALEXBANK & OUR STRATEGIC DIRECTION

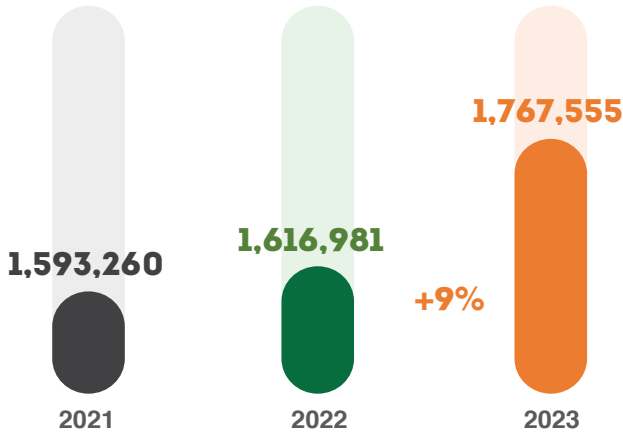
**Gross Income per Type of Business Activity (EGP MN)**



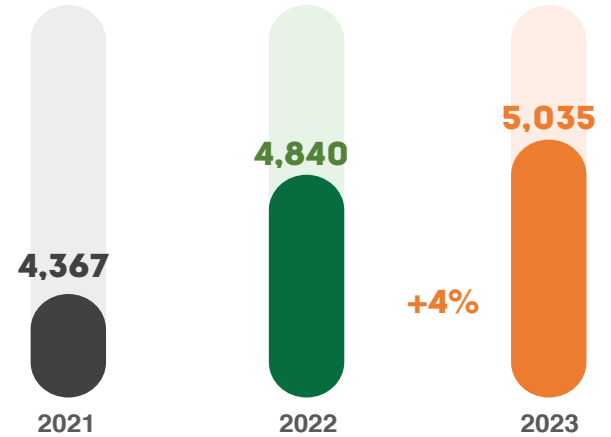
**Corporate Banking (Total Number of Customers)**



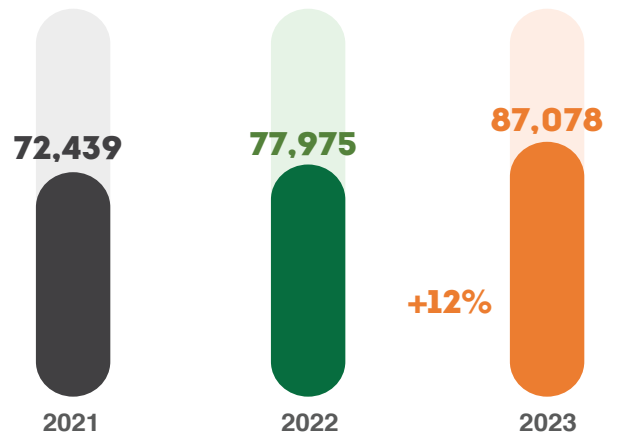
**Retail Banking (Total Number of Customers)**



**SMEs Banking (Total Number of Customers)**



**Small Business Banking (Total Number of Customers)**



# ALEXBANK IN THE EVOLVING BANKING LANDSCAPE



2023 has witnessed a remarkable development regarding ESG goals achievement at the level of the International Subsidiary Banks Division in realization of the parent company's ESG high level strategy influenced by global objectives such as the SDGs and key international discussions with particular attention to local context of the subsidiaries we are operating in. Our ESG journey has been characterized in 2023 by strong synergies and dialogue with ALEXBANK which has been taking proactive stance in exchanging sustainability expertise promoting a pervasive culture of sustainability and enabling ESG to take deep roots across every business aspect of operations founded on strong governance of ESG matters. In accordance with the Parent Company's goal to become the first impact bank globally with significant investment directed towards high impact social projects, ALEXANK continues to demonstrate profound investment in community resilience through structured donations to people in need. We look forward to an even better ESG performance during 2024 and to jointly continue to strengthen our brand position as a sustainable impactful Group.



**Alice Grittini,**  
ISP International  
Subsidiary Banks  
Division - Sustainability  
Manager

In the ever-evolving banking landscape, ALEXBANK, as a prominent player in the Egyptian financial sector, is actively adapting to the changing dynamics while aligning its activities with the country's sustainability goals. Egypt's financial sector faces the dual challenge of rapid population growth and pressing socio-environmental issues, demanding a proactive response from banking institutions.

ALEXBANK always prioritizes people in everything pursued, with continuous refinement of the ESG vision and alignment to strategic goals in order to serve the target of value creation and innovation. Beyond the direct impact, ALEXBANK aims to manage the far-reaching indirect impact of its services, initiatives and decisions. Between economic, social, governance, and environmental impact, the Bank takes pride in the significant projects undertaken, covering health, education, craftsmanship, financial inclusion and beyond.

ALEXBANK researches the market needs by focusing on the local context and considering how its journey can maximize the collective interest of stakeholders. On this collaborative path, rather than simply imposing new requirements on clients and vendors, the Bank looks at how it can ensure a smooth and effective ESG approach so that every stakeholder is motivated to operate responsibly and become part of the sustainability transition.

## Regulatory Pursuits

At ALEXBANK, we recognize our commitment to comprehensive compliance and sustainable banking practices, understanding the importance of adhering to the regulations of the CBE as well as to the global standards through our affiliation with the Intesa Sanpaolo Group. To ensure our sustainability reporting is transparent and of high quality, we continuously align our operations with the GRI Sustainability Reporting Standards.

As signatories of the United Nations Principles for Responsible Banking (UN-PRB), we are dedicated to

# ALEXBANK IN THE EVOLVING BANKING LANDSCAPE

aligning our business strategy with the Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change. This commitment places us at the forefront of responsible banking, contributing to an inclusive society and a sustainable future.

In response to the evolving regulatory environment and acknowledging the value of international best practices, ALEXBANK is prepared and eligible to comply with the Sustainable Finance Disclosure Regulation (SFDR) and the Corporate Sustainability Reporting Directive (CSRD). These directives, rooted in the EU, are in harmony with our core values, which emphasize the disclosure of sustainable activities and risks to enable investors to make informed decisions based on reliable and standardized sustainability data.

Our adherence to these principles and regulations signifies ALEXBANK's unwavering dedication to the principles of responsibility, transparency, and accountability in all aspects of our operations. We are committed to meeting the expectations of our customers and stakeholders and to setting a benchmark for compliant banking practices both within Egypt and in the international banking landscape.

## Paving the way to Climate Action<sup>1</sup>

ALEXBANK is at the forefront of financial institutions, aligning its operations with the instructions of Group Intesa Sanpaolo to fulfill Egypt's obligations and serve the commitments that have been set. The Egyptian National Climate Change Council (NCCC) has requested a comprehensive national climate change strategy until 2050 to address the impacts of climate change.

In addition, Egypt is steadfast in its commitment to transition towards clean energy sources and develop the necessary urban infrastructure. To achieve this, efforts are underway to reduce greenhouse gas (GHG) emissions by 33% compared to business

as usual by 2030. The government has allocated funds towards renewable energy initiatives, with the goal of raising the share of renewable energy in the nation's electricity mix to 42% by 2035<sup>2</sup>.

Aligning with Intesa Sanpaolo's requirement to set targets and specify a list of projects for the time horizon 2030 and 2050 to decarbonize our operations, ALEXBANK has developed its Emissions Plan as part of the Bank's commitment to reduce its operational emissions and contribute to the overall national goals in combating climate change influenced by the momentum created by COP 27 hosting in Egypt.



Embracing the beauty of the vibrant Egyptian country side.

<sup>1</sup> Read more under Our Commitment to the Environment

<sup>2</sup> [Egypt's National Climate Change Strategy \(2050\)](#)

# ALEXBANK IN THE EVOLVING BANKING LANDSCAPE

## Dedication to Sustainable Finance<sup>3</sup>

ALEXBANK's Sustainability & Sustainable Finance office is well established and operating on the ongoing commitment of fostering sustainable finance practices. In 2021, the CBE issued comprehensive directives aimed at promoting sustainable finance practices within the banking sector<sup>4</sup>. Consequently, the CBE's guidelines have prompted banks to adopt new procedures for evaluating ESG risks and impacts resulting in the issuance of ALEXBANK's sustainable finance policy in 2023. ALEXBANK is pursuing the long-term strategic goal of forming a stronger risk management system and following Intesa Sanpaolo's guidelines, in 2022, the Bank has succeeded in formalizing its localized ESG policy for the governance of ESG Risks.

## Enhancing Financial Inclusion<sup>5</sup>

ALEXBANK actively seeks opportunities in line with Intesa Sanpaolo's directions and as per the CBE's guidelines. The CBE introduced the National Financial Inclusion Strategy (2022-2025)<sup>6</sup>, which seeks to enhance access to formal financial services for marginalized populations, promote financial literacy, strengthen financial infrastructure, and improve financial inclusion for women and people with disabilities.



Sewing a future where women's voices are heard.



Our journey with sustainability and ESG began long before these became recognized. Our leadership has always been forward-thinking, embedding these principles at the heart of our agenda. In 2023, we set explicit targets for sustainable finance and ESG lending, enhancing understanding and engagement at every level of our organization. I'm proud to say we met our sustainable finance KPIs across retail and corporate banking, a testament to our team's dedication. Our commitment extends beyond serving large corporations; we aim to empower and educate all customers, making sustainable finance an inclusive reality. The year 2023 was a delicate act of balancing the rollout of our sustainable finance programs with nurturing market readiness. As we step into 2024, we are poised to build on our firm foundation, advancing our goals and extending our positive impact across various sectors and customer segments.



**Tarek Salah,**  
Head of Retail and  
SME Division

<sup>3</sup> Read more under Responsible and Purposeful Lending

<sup>4</sup> [Sustainable Finance Principles & Regulatory Framework](#)

<sup>5</sup> Read more under Financial Inclusion and Literacy

<sup>6</sup> [Egypt's National Financial Inclusion Strategy \(2022-2025\)](#)

# ALEXBANK IN THE EVOLVING BANKING LANDSCAPE

## Memberships



### Federation of Egyptian Banks (FEB)

ALEXBANK is an active member of FEB, a governmental entity, within its Sustainable Development Committee and Sustainable Finance Committee. FEB provides guidance and assistance for implementing CBE requirements by facilitating access to service providers and information in the market for banks, while also providing a platform for Egyptian banks to share best practices and experiences. ALEXBANK's role includes sharing technical expertise and supporting the implementation of best practices.



### Equator Principles

ALEXBANK has been an adoptee of the Equator Principles since 2012 and has implemented the framework for managing the impacts on the environment and on local communities that may arise from financing large projects.



### Principles for Responsible Banking (PRB)

Following in the footsteps of our parent company Intesa Sanpaolo, which has been a member of the UNEP FI since 2006, ALEXBANK became one of the first banks in Egypt to join UNEP FI in 2019.

Also, ALEXBANK has been one of the founding signatories of the PRB's six principles aiming to align the financial sector activities with the UN SDGs and ISP Business Plan for 2022-2025. ALEXBANK, contributes to the achievement of the parent company targets with regards the Net-Zero emission target in 2050 for the loan and investment portfolios and for asset management and insurance in line with the requirements of Net-Zero alliance memberships (NZBA, NZAMI, NZAOA and NZIA). Aim to align the UN SDGs' financial sector activities and align with Intesa Sanpaolo Group's Business Plan for 2022- 2025. In 2021.



### Egyptian Gender Equity Seal (EGES)

The EGES is a certification awarded to Egyptian companies that aims to promote gender equity and eliminate gender discrimination and practices that hinder the promotion of women in companies following the world Bank gender equity model. The EGES is now institutionalized within the National Council for Women (NCW). ALEXBANK has successfully acquired the certificate in May 2022.



United Nations  
Global Compact

### United Nations Global Compact (UNGC)

ALEXBANK has been a signatory of the United Nations Global Compact initiative since 2014. The UNGC is an international organization, and its policies are multifaceted, addressing ten universal principles to promote environmental welfare, human rights, and ethical practice. The Bank's membership ensures business operations are approached through a framework that is both ethical and sustainable.



A potter is proudly displaying his pottery artwork.



# ESG PROGRESS & COMMITMENTS

2023 ESG Performance Highlights  
Promoting Inclusivity in Our Services

20  
22



# ESG PROGRESS & COMMITMENTS

## 2023 ESG Performance Highlights

### Governance



Adoption of the Sustainable Finance Policy in accordance with the implementation of the CBE Sustainable Finance Framework.



**11%** Female representation in the Board of Directors



**0** Cases

Non-compliance Legal cases



**92%** of **total employees** have completed the ESG Awareness Training



### ACTIVE ESG GOVERNANCE STRUCTURE

- ESG forum with regular meetings
- Nomination of ESG Champions

### Prosperity



**13.3** Bn EGP

Net income from core banking activities



**19%**

Retail new sustainable production



**18%**

Corporate & SMEs new sustainable production



**26.3** Mn EGP

CSR Donations (+19% YoY)



**162,540**

Direct Beneficiaries of CSR projects and events



**+100**

Mn EGP in support of the Circular Economy.



**1.9** Mn EGP

Customers (+9% YoY)



**16%**

YoY increase in microfinance lending



**11%**

Agribusiness Loans of MSMEs Portfolio



**66%**

Net interest income increase compared to 2022



**20%**

Of Branches are accessible



**76%**

YOY increase in Net Profit, with EGP 5,006 Mn

# ESG PROGRESS & COMMITMENTS

## 2023 ESG Performance Highlights

### People and Community



**31%** of **females** from the total workforce

**21%** of **females** in management position

**42%** of **females** new hires

**4,380**

Total number of employees



**3.5%**

of ALEXBANK's employees are with **disabilities**



**ZERO**

Health and safety accidents in 2023



**90%**

of total employees received training

### Environmental Stewardship



**94.7** tons

**Wastepaper** recycled



**1,471** kg

**Material weight of ATM** Enclosures recycled in 2022 and 2023



**90%**

of local suppliers from total suppliers in 2023

**10,873** mtCO<sub>2</sub>e

**Scope 1+2 emissions** (26% reduction compared to 2022)

**1,908.95** kgCO<sub>2</sub>/employee

**Scope 1+2 Emissions** Intensity per employee (21% reduction compared to 2022)

**5,754** mtCO<sub>2</sub>e

**Scope 3 emissions**

**79.29** kgCO<sub>2</sub>/m<sup>2</sup>

**Scope 1+2 Emissions** Intensity per area (17% reduction compared to 2022)

**16,627** mtCO<sub>2</sub>e

**Total Scope 1+2+3 Emissions** (17% reduction compared to 2022)

**63%**

**Reduction in** Scope 1 emissions

# PROMOTING INCLUSIVITY IN OUR SERVICES

We understand that inclusivity goes beyond providing financial services; it's about creating an environment where everyone, regardless of their background or circumstances, can thrive.

Inclusivity is not just a goal at ALEXBANK; it's a guiding principle that permeates every aspect of our operations. We are dedicated to ensuring that our services empower and uplift individuals and communities, fostering a more inclusive and equitable society. We constantly aim to champion inclusivity in various aspects of our services:

## Financial Inclusion and Literacy

We firmly believe that access to financial services is a fundamental right. ALEXBANK is committed to extending financial services to underserved and unbanked communities, both in urban and rural areas. Through innovative products and services, we aim to bring more people into the financial mainstream, fostering economic empowerment and resilience.

We believe that knowledge is key to financial empowerment. ALEXBANK is committed to providing financial education and literacy programs to help our customers make informed financial decisions, thereby enhancing their financial well-being.

## Digitalization

In today's digital age, we are dedicated to making our digital services accessible to all. We ensure that our Mobile application and Internet Banking platforms are user-friendly, accommodating various needs, including those with disabilities. Our commitment to digital inclusivity is exemplified in the equal accessibility to everyone starting from our customers and employees and extending to our regulators and partners so that they can benefit from our digital services seamlessly.

## Diversity and Inclusion

A diverse workforce is a source of strength and innovation. We embrace diversity and inclusion within our organization, fostering an environment where employees of various backgrounds can thrive. We are dedicated to providing equal opportunities for growth and development, regardless of gender, ethnicity, or other factors.

## Customer-Centric Approach

We listen to our customers' feedback and needs, ensuring that our products and services cater to a wide range of preferences and requirements. We strive to offer personalized solutions that meet the unique financial goals and aspirations of each customer.

## Community Engagement

Beyond our banking services, we actively engage with the communities we serve. Our corporate social responsibility initiatives are designed to support local development, education, and empowerment, contributing to the overall well-being of the communities we operate in.

## Partnerships

We collaborate with various organizations, including nonprofits and governmental entities, to leverage their expertise and resources in promoting inclusivity. Together, we work towards creating a more inclusive financial ecosystem.

# PROMOTING INCLUSIVITY IN OUR SERVICES

## Our Commitment to Responsible Banking

### Advancing Responsible Banking: Target Development for Circularity and Financial Inclusion

As a founding signatory of the Principles for Responsible Banking, ALEXBANK is committed to addressing circularity and promoting financial inclusion, aligning with national and international sustainability directives. Under Principle 2, “Impact Analysis and Target Setting,” the bank is actively working to set ambitious targets in these vital areas. Collaborating with stakeholders and leveraging its membership with UNEP FI since 2019, ALEXBANK has initiated impact analysis to inform its target-setting process. By utilizing UNEP-FI’s impact analysis tool and analyzing its portfolio, ALEXBANK selected Circularity and Finance (Financial Inclusion) as the most significant impact areas to prioritize and set targets on which aligns with the Parent Company’s direction and country’s priorities.

### Stakeholder Involvement in Responsible Banking

Importantly, we recognize the significance of involving all stakeholders in our journey towards responsible banking. We are committed to communicating these preliminary targets transparently and collaboratively, seeking approval and alignment with our bank stakeholders. This ensures that our objectives are not only ambitious but also reflective of the values and priorities of our partners and customers.

### Intesa Sanpaolo’s Commitment to Net-Zero

Intesa Sanpaolo has chosen to pursue the “Net Zero” goal by 2050 for its own emissions, for loans and investments portfolios and asset management by joining:

- The Net-Zero Banking Alliance (NZBA) through Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management Ireland;

- The Net Zero Asset Managers Initiative (NZAMI) through Intesa Sanpaolo Vita,
- The Net Zero Asset Owner Alliance (NZAOA) and,
- The Net-Zero Insurance.

In the 2022-2025 Business Plan, the commitment was confirmed through the publication of the carbon neutrality target for own emissions already in 2030 with 100% of energy purchased from renewable sources at Group level, targets aligned with net zero by 2030 in the following sectors (Oil & Gas, Power Generation, Automotive, Coal mining) and by protecting and regenerating natural capital.

### Climate Stress Testing in ICAAP Book

The climate stress testing exercise was initially introduced in the Internal Capital Adequacy Assessment Report in 2023, the exercise aims to assess the impact of the climate risks (physical and transitional risks) the bank has on counterparties depending on their business activities, and the geographical context. Accordingly, the testing aims to identify the highly exposed sectors within ALEXBANK’s portfolio. The bank used the NGFS climate scenarios in this exercise.



An Ebda3 Men Masr artisan from Wahat admires cultural creations, a testament to heritage.



# FOSTERING DIALOGUE AND IMPACT

Stakeholder Engagement  
Materiality

26  
28



# FOSTERING DIALOGUE AND IMPACT

ALEXBANK's 2023 sustainability report emphasizes its dedication to sustainable practices and responsible banking through active stakeholder engagement and materiality assessment. The bank has established a thorough process to connect with stakeholders, ensuring that their input and insights influence decision-making and sustainability strategies. Recognizing the importance of material issues, which are those with substantial impacts on operations and of great concern to stakeholders, ALEXBANK aligns its resource distribution,

objective setting, and progress tracking with these areas of focus, adhering to leading frameworks and standards for sustainability reporting. This method is directed at enhancing transparency, accountability, and effectively meeting stakeholder expectations.



Their different abilities lighten up the room.

# STAKEHOLDER ENGAGEMENT

## Our Commitment to Responsible Banking

ALEXBANK continues to adopt and improve effective communication channels with various stakeholder groups across its departments and business lines. Separate channels are maintained to engage both internal and external stakeholders for gathering feedback, informing planning and strategy, and conducting materiality assessments. Internally, detailed meetings were held with top management

to identify key focus areas, and testimonials were gathered and included in the report. Externally, ALEXBANK communicated with selected clients, including large corporate clients as well as microfinance clients in the agribusiness sector, to share their success stories and experiences with the bank. Testimonials from ALEXBANK’s successful partners were also collected and showcased to highlight their perspectives.

Group	Channels	Frequency	Topics and Issues	Topics and Issues		
				Events And Initiatives	Consultation	Information
<b>Employees</b>	<ul style="list-style-type: none"> <li>▪ Calls and conference calls</li> <li>▪ Company internet and email</li> <li>▪ Physical sessions</li> <li>▪ Virtual meetings</li> <li>▪ Internal or external surveys</li> <li>▪ Interviews</li> <li>▪ Quizzes</li> <li>▪ Simulations</li> <li>▪ Training sessions</li> <li>▪ Service Now</li> </ul>	Daily, Weekly, Monthly, Quarterly, Annually, Biannually, Ad hoc	<ul style="list-style-type: none"> <li>▪ Career development and workplace wellbeing</li> <li>▪ Healthy and safe working conditions</li> <li>▪ Business continuity</li> <li>▪ Awareness and surveys</li> <li>▪ News and business updates</li> <li>▪ Compliance</li> <li>▪ Daily operations</li> <li>▪ Product &amp; business development</li> <li>▪ Implementation, training, and testing</li> <li>▪ Complaints, Inquiries, and feedback</li> <li>▪ Compensations &amp; benefits</li> <li>▪ Regulations announcement</li> <li>▪ Data management &amp; loyalty</li> <li>▪ 77% of total employees have completed &amp; passed the quiz for ESG training</li> </ul>	✓	✓	✓
<b>Customers</b>	<ul style="list-style-type: none"> <li>▪ calls and conference calls</li> <li>▪ Videos</li> <li>▪ Emails</li> <li>▪ In-branch material</li> <li>▪ Internal or external surveys</li> <li>▪ Personal meetings</li> <li>▪ Audits &amp; investigations</li> <li>▪ External Visits</li> <li>▪ Public Portal</li> <li>▪ Text messages</li> <li>▪ Social media</li> </ul>	Daily, Weekly, Monthly, Annually, Ad hoc	<ul style="list-style-type: none"> <li>▪ Complaints handling and management</li> <li>▪ Information security awareness</li> <li>▪ Commercial campaigns</li> <li>▪ Updates and offers of products and services.</li> <li>▪ Accessibility and convenience</li> <li>▪ Continuity of business quality of service</li> <li>▪ Health and Safety measures</li> </ul>	✓	✓	✓
<b>Suppliers and Business Partners</b>	<ul style="list-style-type: none"> <li>▪ Calls and conference calls</li> <li>▪ Emails and handbooks</li> <li>▪ Internal or external surveys</li> <li>▪ Physical sessions</li> <li>▪ Virtual meetings</li> </ul>	Daily, Weekly, Bimonthly, Monthly, Quarterly, Biannually, Annually, Ad hoc	<ul style="list-style-type: none"> <li>▪ Complaints Resolution</li> <li>▪ Information Security awareness</li> <li>▪ Supplier assessment and contract conditions</li> <li>▪ Reviewing and amending policies, processes, and work maps of banks' departments</li> <li>▪ Monitoring and evaluation</li> <li>▪ Legal Consultancy</li> <li>▪ Initiatives discussion</li> </ul>	✓	✓	✓

# STAKEHOLDER ENGAGEMENT

Group	Channels	Frequency	Topics and Issues	Topics and Issues		
				Events And Initiatives	Consultation	Information
			<ul style="list-style-type: none"> <li>Branding designs</li> <li>Employees internal &amp; external activities</li> <li>Gifts &amp; giveaways</li> <li>System enhancements, features additions &amp; integration</li> <li>Trainings, mentorship &amp; coaching</li> <li>Surveys &amp; Market trends</li> <li>Regulations updates</li> <li>External hiring</li> </ul>			
<b>Communities and NGOs</b>	<ul style="list-style-type: none"> <li>On-ground activations</li> <li>Formal communications</li> <li>Social media platforms</li> <li>Community forums and workshops</li> <li>Partnerships and collaborations</li> </ul>	Monthly, Quarterly, Biannually, Annually, Ad hoc	<ul style="list-style-type: none"> <li>CSR and Social Development</li> <li>Communications and initiatives</li> <li>UNEP-FI membership, UNGC, and supranational reporting (EIB, EBRD, GGF, CBE, and Central Agency for Public Mobilization and Statistics)</li> <li>Sustainability Publications</li> </ul>			
<b>Governments and regulators</b>	<ul style="list-style-type: none"> <li>Emails</li> <li>Calls</li> <li>Portals</li> <li>Formal letters</li> <li>Physical sessions</li> <li>Virtual meetings</li> <li>Formal communications</li> </ul>	Daily, Weekly, Monthly, Quarterly, Biannually, Annually, Ad hoc	<ul style="list-style-type: none"> <li>CBE reporting</li> <li>Compliance with CBE, FRA, GAFI, ACA, MCDR regulations</li> <li>CBE Inspections</li> <li>CBE Initiatives</li> <li>Updates on products and services</li> <li>Garnishments and seizures</li> <li>Approval of new products</li> <li>Insurances, and salaries taxation</li> <li>Permits &amp; initiatives</li> </ul>			
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Reports</li> <li>Calls</li> <li>Meetings</li> <li>Internal engagements</li> </ul>	Daily, Weekly, Quarterly, Ad hoc	<ul style="list-style-type: none"> <li>Legal Consultancy</li> <li>Streamlining Processes</li> <li>Ensuring the corporate governance rules and regulations</li> <li>Group rules engagement</li> </ul>			

# MATERIALITY

The materiality assessment conducted by ALEXBANK adheres to GRI standards and is significantly influenced by the UNEP-FI portfolio impact assessment tool. While the Bank’s material topics closely mirror those of the Group, they are adapted to better align with the local context. Building on previous comprehensive materiality assessments, the material topics highlighted in this report have been revised to capture the most noteworthy shifts in impact areas and high-level priorities over the reporting period.

## Materiality Assessment

The annual assessments are essential for shaping the Bank’s ESG and business strategies, ensuring they meet stakeholder needs and align with national and international priorities. This year, in line with the Intesa Sanpaolo Group’s approach, the assessment follows the updated 2021 GRI Sustainability Reporting Standards, enriched by diverse data from the Bank’s stakeholder engagement.

The 2023 materiality analysis at ALEXBANK has been enhanced by the GRI Universal Standards 2021. The process includes a thorough analysis of ALEXBANK’s economic, environmental, social, and human rights impacts. The 2023 assessment has been conducted through the following series of structured phases:

### 1. Understanding the wider context

ALEXBANK has gained a comprehensive understanding of the wider context by studying trends in the financial sector, global sustainability issues, priorities of the parent company, and Egypt’s national priorities. Compliance with the Central Bank of Egypt and the evolving regulations affecting their group Intesa Sanpaolo has also been taken into account.

### 2. Identification of actual and potential positive and negative impacts, and the rising challenges, risks and opportunities

The Bank has identified actual and potential

impacts, as well as emerging challenges, risks, and opportunities, through interviews conducted by an independent consultant with stakeholders. This process, informed by the UNEP-FI tool and previous assessments, helps ALEXBANK focus on risk mitigation and opportunity exploitation by aligning business strategies, setting ESG goals, and updating policies and procedures.

### 3. Assessing the significance of impacts of our material topics

To assess the significance of material topics’ impacts, ALEXBANK engaged an external consultant. They evaluated positive and negative impacts using stakeholder inputs, ESG data, risk assessments, and the bank’s operational framework, while positive impacts were measured by stakeholder feedback, customer and employee retention, and ESG initiatives.

### 4. Final prioritization and validation of material topics for reporting

These material topics are presented below in order of high significance and importance, and they have been further aligned with Intesa Sanpaolo’s key ESG and climate topics outlined in the 2022-2025 Business Plan.



Standing proudly within the timeless walls of a Pharaoh’s temple.

# MATERIALITY

Material Topics	Potential/ Actual – Positive/ Negative Impacts Generated	
	Positive	Negative
<b>Responsible &amp; Purposeful Lending &amp; Investment</b>	<ul style="list-style-type: none"> <li>Funding projects with positive social and environmental impacts;</li> <li>Supporting sustainable businesses and initiatives, fostering economic growth.</li> <li>Purposeful lending in sectors like renewable energy or SMEs could significantly boost economic development and job creation.</li> </ul>	<ul style="list-style-type: none"> <li>Non-compliance with responsible lending practices, resulting in defaults or bankruptcies;</li> <li>High-risk lending could be particularly harmful in Egypt's fluctuating economic climate resulting in financial losses.</li> </ul>
<b>Green Transition Finance</b>	<ul style="list-style-type: none"> <li>Supporting renewable energy projects and sustainable infrastructure,</li> <li>Facilitating the transition to a low-carbon economy, reducing greenhouse gas emissions and supporting our Clients' low-carbon transition;</li> <li>Egypt is increasingly investing in renewable energy; thus, green finance can support national goals to diversify energy sources.</li> </ul>	<ul style="list-style-type: none"> <li>Financing projects with unintended negative environmental consequences;</li> <li>Inadequate due diligence leading to greenwashing or false claims.</li> </ul>
<b>Sustainable Agribusiness Development</b>	<ul style="list-style-type: none"> <li>Investing in sustainable agribusiness can help preserve Egypt's vital agricultural landscape, support food security, and encourage sustainable practices among farmers.</li> <li>Promoting sustainable agriculture, protecting ecosystems, and improving livelihoods, and promoting job creation.</li> </ul>	<ul style="list-style-type: none"> <li>Supporting agricultural practices that damage the environment or exploit labor is detrimental, particularly given the significance of the Nile and its delta to Egypt's agriculture. Irresponsible practices can exacerbate ecological degradation and water resource depletion.</li> <li>Deforestation, water pollution, or labor rights violations in the supply chain.</li> </ul>
<b>Environmental Stewardship</b>	<ul style="list-style-type: none"> <li>Implementing environmentally sustainable initiatives and resource efficiency measures;</li> <li>Supporting local suppliers and adopting green procurement practices.</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient environmental policies or practices;</li> <li>Pollution, habitat destruction, and resource depletion pose significant threats to Egypt's rich biodiversity and natural habitats. Without proper stewardship, these ecosystems could suffer, negatively affecting tourism and local communities alike.</li> </ul>
<b>Financial Inclusion and Literacy</b>	<ul style="list-style-type: none"> <li>Providing access to financial services for underserved populations;</li> <li>Empowering individuals, reducing poverty, and promoting economic inclusion.</li> </ul>	<ul style="list-style-type: none"> <li>Exclusion of marginalized groups from financial services;</li> <li>Many Egyptians remain unbanked, and financial exclusion can perpetuate poverty and limit economic growth.</li> </ul>
<b>Good Governance and ESG Risk Management</b>	<ul style="list-style-type: none"> <li>Implementing transparent governance structures and effective risk management practices;</li> <li>Mitigating financial, environmental, and social risks, fostering trust and accountability.</li> <li>Strong governance can set ALEXBANK apart as a leader in corporate responsibility, building trust with both local and international stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Weak oversight and governance leading to unethical practices;</li> <li>Non-compliance with regulations, corruption, or bribery.</li> <li>Governance issues could undermine confidence in Egypt's financial institutions, which is critical for attracting foreign investment.</li> </ul>
<b>Integrity in Corporate Conduct</b>	<ul style="list-style-type: none"> <li>Promoting a culture of integrity, honesty, and ethical conduct;</li> <li>Building trust with stakeholders, enhancing reputation, and attracting responsible partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Fraudulent or unethical behavior by employees or management;</li> <li>Breach of ethical standards, misrepresentation, or insider trading;</li> <li>Unethical behavior could have significant repercussions in a market sensitive to trust and reputation.</li> </ul>

# MATERIALITY

Material Topics	Potential/ Actual – Positive/ Negative Impacts Generated	
	Positive	Negative
<b>Data Management &amp; Cybersecurity</b>	<ul style="list-style-type: none"> <li>Robust data protection measures and cybersecurity protocols;</li> <li>Safeguarding customer data, ensuring privacy, and maintaining digital trust.</li> <li>Strong data management can help ALEXBANK lead by example in a region where digital security is paramount.</li> </ul>	<ul style="list-style-type: none"> <li>Data breaches, privacy violations, or unauthorized access to customer information;</li> <li>Loss or theft of sensitive data, compromising customer trust;</li> <li>Cybersecurity is of growing concern in Egypt, with digital transformation expanding rapidly.</li> </ul>
<b>Digitalization &amp; Accessibility</b>	<ul style="list-style-type: none"> <li>Enhancing digital services and ensuring accessibility for all customers can significantly improve banking accessibility, particularly benefiting individuals in remote areas.</li> <li>Enhancing convenience, efficiency, and inclusivity of financial services.</li> </ul>	<ul style="list-style-type: none"> <li>Exclusion of individuals with limited digital access or skills;</li> <li>Technological barriers, the digital divide, and the exclusion of marginalized communities are significant challenges in Egypt. Rural and less affluent areas face limited access to digital resources, exacerbating disparities in technology adoption.</li> </ul>
<b>Retention, Enhancement, Diversity &amp; Inclusion of Our People</b>	<ul style="list-style-type: none"> <li>Fostering a diverse and inclusive work environment, promoting employee well-being;</li> <li>Attracting and retaining talent, enhancing employee satisfaction and productivity through competitive employee remuneration, employee benefits, and professional and career development opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Discrimination, unfair treatment, or lack of diversity in the workplace;</li> <li>High employee turnover, poor work-life balance, or limited career growth opportunities can lead to turnover of high calibers.</li> </ul>
<b>Community Development &amp; Empowerment</b>	<ul style="list-style-type: none"> <li>Investing in community projects, social initiatives, and philanthropy;</li> <li>Supporting local economies, empowering communities, and addressing social challenges.</li> </ul>	<ul style="list-style-type: none"> <li>Disregard for community needs, displacement, or negative social impacts.</li> <li>Lack of community engagement, inadequate support for local development;</li> <li>Financing of projects or activities with current or potential negative impacts on the communities.</li> </ul>
<b>Quality of Service &amp; Customer Experience</b>	<ul style="list-style-type: none"> <li>Delivering excellent customer service and personalized experiences;</li> <li>Enhancing customer satisfaction, loyalty, and positive brand perception.</li> </ul>	<ul style="list-style-type: none"> <li>Poor customer service, inadequate complaint resolution, or product/service failures;</li> <li>Inconsistent service quality, long waiting times, or unmet customer expectations.</li> </ul>
<b>Health, Safety, and Wellbeing</b>	<ul style="list-style-type: none"> <li>Prioritizing employee health, safety, and well-being in the workplace.</li> <li>Creating a healthy and supportive work environment, improving employee morale and productivity.</li> </ul>	<ul style="list-style-type: none"> <li>Unsafe working conditions, health hazards, or lack of employee well-being programs;</li> <li>Occupational accidents or injuries, employee burnout or stress-related issues.</li> </ul>

# MATERIALITY

### Legend: Topic Group

- Governance
- Prosperity
- Planet
- People

### Legend: Topic Dynamics<sup>7</sup>

- Change in score/ranking
- ✗ No change from 2021













### Legend: Key ESG and climate topics of the Intesa Sanpaolo 2022-2025 Business Plan

- Unparalleled support to address social needs
- Strong focus on financial inclusion
- Continuous commitment to culture
- Accelerating on commitment to Net-Zero
- Promoting innovation
- Supporting clients through the ESG/climate transition
- Our People are our most important asset







Ranking	Pillar	2023 Material Topics	Status	Challenges, Risks, and Opportunities (Local and global perspective)	Rationale: Topic change from 2022 to 2023 (ALEXBANK's response and performance)	Key ESG topics of the Intesa Sanpaolo 2020-2025 Business Plan
1	<span style="color: orange;">●</span> <span style="color: green;">●</span>	Responsible & Purposeful Lending & Investment		<p><u>Challenge/Risk:</u> High inflation and currency devaluation. Volatility of the market and rising interest rates presented significant challenges to our lending initiatives. Integrating social lending goals into our portfolio.</p> <p><u>Opportunity:</u> Driving positive social and environmental impact through financing and investment. Tailoring lending products and services based on the needs of each customer category.</p>	<ul style="list-style-type: none"> <li>The bank focuses on externally financing initiatives that promote social inclusion and environmental stewardship.</li> <li>A shift in focus towards microfinance and social lending showcases ALEXBANK's dedication to supporting underserved communities.</li> <li>ALEXBANK has released a sustainable finance policy, emphasizing its commitment to responsible financing.</li> <li>The establishment of explicit targets for sustainable finance and achievement of sustainable finance KPIs highlight ALEXBANK's success in integrating ESG objectives into its lending practices.</li> <li>ALEXBANK is working on setting portfolio targets according to UNEP FI principles, ensuring alignment with international sustainability standards.</li> </ul>	

<sup>7</sup> The topic titles have remained consistent between FY 2022 and FY 2023. The only alterations occurred in relation to the increase or decrease in impact significance, influenced by the dynamic nature of the topics and emerging challenges, risks, and opportunities during the reporting period.













# MATERIALITY

Ranking	Pillar	2023 Material Topics	Status	Challenges, Risks, and Opportunities (Local and global perspective)	Rationale: Topic change from 2022 to 2023 (ALEXBANK's response and performance)	Key ESG topics of the Intesa Sanpaolo 2020-2025 Business Plan
2		Green Transition Finance		<p><b>Challenge/Risk:</b> High inflation and currency devaluation. Market dynamics and the impact of increasing interest rates on lending programs. Striking a balance between implementing sustainable finance programs and addressing market readiness and awareness.</p> <p><b>Opportunity:</b> Early stage of green transition finance in Egypt but highly growing, specifically in climate finance. early stage of green transition finance in Egypt but emphasizes its growing importance, especially in financing projects aimed at reducing carbon emissions.</p>	<ul style="list-style-type: none"> <li>Grant offerings of up to 15% on loans for energy-efficient machinery.</li> <li>Integration of ESG considerations into lending policies, setting a new standard in green financing and operational efficiency.</li> <li>Collaboration with the EBRD to launch financing products for energy-efficient machinery, resulting in a 50% reduction in carbon emissions.</li> <li>A commitment to capital financing for energy-efficiency machinery despite profitability risks, recognizing its crucial role in energy conservation.</li> <li>Setting clear goals for sustainable finance and ESG objectives since 2023, increasing awareness and familiarity across the organization.</li> </ul>	
3		Sustainable Agribusiness Development		<p><b>Challenge/Risk:</b> Promoting sustainable practices in the agribusiness sector. Market dynamics and the impact of increasing interest rates on lending programs. Low financial literacy.</p> <p><b>Opportunity:</b> Supporting the development of sustainable agriculture and food systems. Tailoring lending products and services based on the needs of each customer category.</p>	<ul style="list-style-type: none"> <li>Providing financing and advisory services to promote sustainable agriculture, supporting farmers in adopting sustainable practices, and investing in projects that enhance food security and promote sustainable farming practices.</li> </ul>	
4		Environmental Stewardship		<p><b>Challenge/Risk:</b> Compliance with emerging regulatory requirements for assessing the organization's carbon footprint annually.</p> <p><b>Opportunity:</b> Reducing operational footprint and promoting environmental stewardship.</p>	<ul style="list-style-type: none"> <li>Optimizing network operations, adopting a hybrid work model, reducing square footage and emissions in branches, achieving significant energy reductions, recycling paper waste and obsolete ATM machines, and integrating sustainability aspects into internal procedures.</li> </ul>	
5		Financial Inclusion and Literacy		<p><b>Challenge/Risk:</b> Need for financial inclusion and literacy in Egypt.</p> <p><b>Opportunity:</b> Empowering individuals with financial knowledge and bringing them into the banking sector. Potential for growth and the need to support and develop Egypt's underserved sectors.</p>	<ul style="list-style-type: none"> <li>Making changes in the leadership team to advance financial inclusion, partnering with Vodafone Cash to serve millions of customers engaged in financial inclusion products, and raising customer awareness and education through edutainment videos and financial education campaigns.</li> </ul>	

# MATERIALITY

Ranking	Pillar	2023 Material Topics	Status	Challenges, Risks, and Opportunities (Local and global perspective)	Rationale: Topic change from 2022 to 2023 (ALEXBANK's response and performance)	Key ESG topics of the Intesa Sanpaolo 2020-2025 Business Plan
6	●	Good Governance and ESG Risk Management		<p><b>Challenge/Risk:</b> Dynamic regulatory landscape and emerging requirements, including sustainable finance directives by the CBE, and ESG-related directives imposed on a Group level such as the CSRD. Data collection process and aligning disclosure requirements across the Bank.</p> <p><b>Opportunity:</b> Integrating a risk appetite framework and ESG limits into credit lending, elevating ESG discourse to board-level priority.</p>	<ul style="list-style-type: none"> <li>Establishing a dedicated Sustainable &amp; Sustainability Finance Office, launched an internal ESG forum, enhancing top management engagement, committing to initiatives supporting disaster management, and aligning business direction with ESG principles.</li> <li>Leveraged an ESG Score Card for all vendors, transcend traditional risk assessments, integrating comprehensive evaluations that encapsulate legal compliance and robust vendor capabilities.</li> </ul>	Cross-cutting
7	●	Integrity in Corporate Conduct		<p><b>Challenge/Risk:</b> Setting new benchmarks for ethical standards and corporate conduct.</p> <p><b>Opportunity:</b> Adopting updated codes of ethics with embedded ESG aspects.</p>	<ul style="list-style-type: none"> <li>Implementing a hybrid work model, setting ethical standards, and adopting Intesa Sanpaolo's Code of Ethics with enhanced ESG aspects.</li> </ul>	Cross-cutting
8	●	Data Management & Cybersecurity		<p><b>Challenge/Risk:</b> Cyber warfare and the need for robust cybersecurity measures. The need to digitize all operations, could pose several challenges including integration issues, cybersecurity threats, downtime and service disruptions, among others.</p> <p><b>Opportunity:</b> Efficient data management for effective ESG practices and sustainable growth.</p>	<ul style="list-style-type: none"> <li>Prioritizing cybersecurity, enabling effective ESG practices, ensuring customer safety, protecting transactions, and leveraging data for better targeting and cost optimization.</li> <li>HSE department has digitized their internal data management systems and fully eliminated paper records and archives, this is planned to be implemented across all departments.</li> </ul>	
9	●	Digitalization & Accessibility		<p><b>Challenge/Risk:</b> Limited data infrastructure in rural areas for cost-efficient access to digital banking.</p> <p><b>Opportunity:</b> Meeting the digitalization needs of Egypt's growing population.</p>	<ul style="list-style-type: none"> <li>Aiming to triple digital transactions, and double the digital customer base in 2024, expanding B2B partnerships, enabling digital initiatives, and expanding paperless operations.</li> <li>We currently have about 150,000 active digital customers, with another 70,000 on our wallet platform.</li> </ul>	

# MATERIALITY

Ranking	Pillar	2023 Material Topics	Status	Challenges, Risks, and Opportunities (Local and global perspective)	Rationale: Topic change from 2022 to 2023 (ALEXBANK's response and performance)	Key ESG topics of the Intesa Sanpaolo 2020-2025 Business Plan
10		Retention, Enhancement, Diversity & Inclusion of Our People		<p><b>Challenge/Risk:</b> Retaining and enhancing a diverse and inclusive workforce. Limited female inclusion across the board due to the heavy workload, work-life imbalance, and lack of facilities.</p> <p><b>Opportunity:</b> Fostering a culture of diversity, inclusion, and employee growth, and offering flexible work options to increase female inclusion.</p>	<ul style="list-style-type: none"> <li>Implementing retention programs, promoting diversity and inclusion through recruitment and talent development, offering employee training and development opportunities, and ensuring equal opportunities for career advancement.</li> <li>ALEXBANK demonstrates a firm commitment to gender equality with 31% of its workforce being women and 21% in management roles.</li> <li>The Bank upholds a specific Sexual Harassment Policy to ensure a safe and respectful work environment.</li> <li>The hiring rate at ALEXBANK is gender-balanced, with 42% of new hires being women.</li> </ul>	
11		Community Development & Empowerment		<p><b>Challenge/Risk:</b> Funding and project viability may be affected by Egypt's economic fluctuations. The challenge lies in addressing diverse needs and disparities across regions within communities.</p> <p><b>Opportunity:</b> Expanding collaborations and partnerships, leveraging innovative solutions and technology presents an opportunity to enhance the efficiency and scalability of community development projects.</p>	<ul style="list-style-type: none"> <li>ALEXBANK has demonstrated a strong commitment to community development and empowerment by strategically identifying and addressing local needs. ALEXBANK's initiatives, aligned with the visions of the Central Bank of Egypt, Corporate Social Responsibility (CSR), and Sustainable Development Office, contribute to UN Sustainable Development Goals and Egypt's vision for 2030. The bank's dedicated approach is reflected in a 19% increase in the budget for CSR projects, reaching EGP26.3 million in 2023 compared to EGP 22.1 million in 2022.</li> </ul>	
12		Quality of Service & Customer Experience		<p><b>Challenge/Risk:</b> Meeting customer expectations and delivering high-quality service.</p> <p><b>Opportunity:</b> Enhancing customer experience and loyalty.</p>	<ul style="list-style-type: none"> <li>Implementing customer-centric strategies, leveraging digital solutions for seamless banking experiences, and continuously improving service quality through customer feedback and data analysis.</li> </ul>	
13		Health, Safety, and Wellbeing		<p><b>Challenge/Risk:</b> Ensuring the health, safety, and wellbeing of employees and customers.</p> <p><b>Opportunity:</b> Creating a safe and healthy work environment, through building renovation, enhanced operating procedures and policies.</p>	<ul style="list-style-type: none"> <li>Implementing health and safety protocols, providing mental health support, promoting work-life balance, and fostering a culture of wellbeing through employee wellness programs.</li> <li>The sustainable renovation of our facilities reflects our belief in creating efficient, future-proof work environments.</li> </ul>	



# GOVERNANCE

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# GOVERNANCE

ALEXBANK manifests an accurate and effective governance framework as a facilitator for the establishment of a concise success plan. Backed up with the strong, concrete governance of Intesa Sanpaolo, the robust framework of ALEXBANK's governance is maintained through consistent, thriving innovation synchronized with streamlined communication, internal controls,

strategy, performance metrics, close monitoring and transparent reporting, and effective talent acquisition, which result in the development of an overall effective board oversight, strong policies and cogent procedures.



Each door is a gateway to a different journey.

# GOOD GOVERNANCE

## Definition

A robust governance foundation enables ALEXBANK's long-term success and business continuity. They include appropriate arrangement mechanisms and procedures, such as internal controls, reporting, decision-making approach, strategy, metrics and targets.

## Commitment

Keeping sight on the firm values shaping corporate culture in an honorable manner that drives business growth and an impetus for reinforced ethical business conduct and extended shared benefit for the economy and society alike.

## Management Approach

ALEXBANK continuously allocates resources to enhance its governance structure, recognizing its crucial role in ensuring the bank's sustained prosperity. The bank's governance framework is established on robust board supervision, well-defined policies, and streamlined communication, internal controls, strategy implementation, performance measurement, and reporting mechanisms.



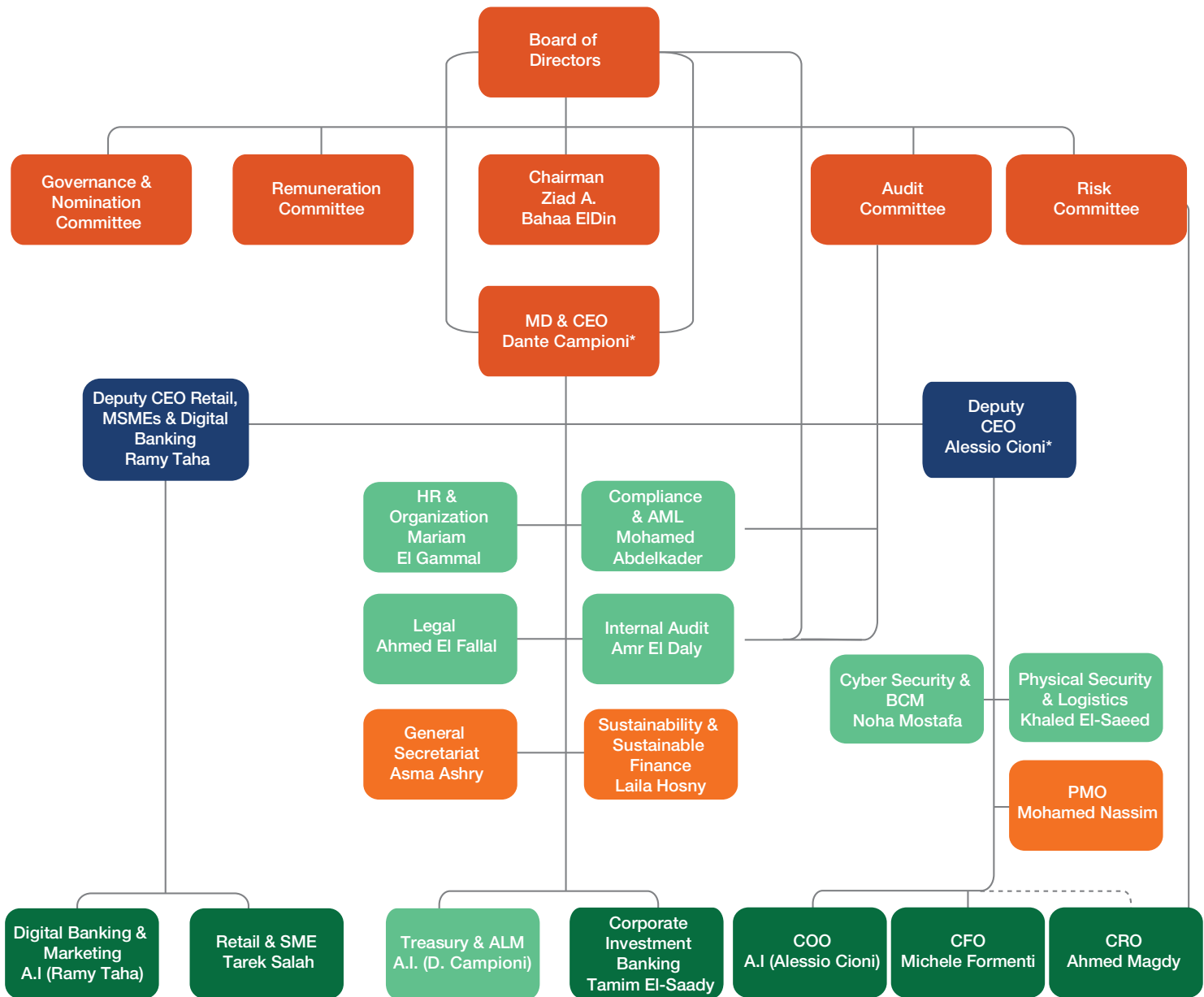
Following the ripple effect of COP27 held in Egypt during 2022 and the evolving national ESG regulatory landscape, ALEXBANK remains dedicated to ESG and adherent with the CBE sustainable finance requirements. During 2023, ALEXBANK has been able to proactively address ESG emerging needs thanks to clear ESG goal driven objectives supported by a rigorous sustainability governance structure comprised of an ESG forum and an active network of ESG champions across the bank. Looking ahead, as economic challenges surrounding our operations intensify, ALEXBANK is well-positioned to carry on its ESG mandate by supporting the bank's customers with ESG innovative solutions and being ahead of the curve in terms of the latest ESG trends concerning sustainable banking. This year is not just a new chapter, but rather a new milestone in the ESG narrative, where words are embodied into actions, thus shaping a resilient and responsible ALEXBANK.



**Alessio Cioni,**  
Deputy CEO and ESG  
Manager

# GOOD GOVERNANCE

## Organizational Chart



Deputy CEO   Office   Division   DEPT.

\* Board of Directors Members

# GOOD GOVERNANCE

## Board of Directors

**9** Members  
Board of Directors

**11** % Female  
Representation

**2** Members  
Executive Board Members



**DR. ZIAD AHMED BAHAA EL-DIN**

NON-EXECUTIVE CHAIRMAN



**MR. DANTE CAMPIONI**

CHIEF EXECUTIVE OFFICER AND  
MANAGING DIRECTOR



**MR. CARLO PERSICO**

NON-EXECUTIVE DEPUTY CHAIRMAN



**MR. ALESSIO CIONI**

EXECUTIVE BOARD MEMBER & DEPUTY CEO



**MRS. ALESSANDRA ALCESI**

NON-EXECUTIVE BOARD MEMBER



**MR. GIANFRANCO PIZZUTTO**

NON-EXECUTIVE BOARD MEMBER



**MR. STEFANO COZZI**

NON-EXECUTIVE BOARD MEMBER



**DR. EHAB MOHAMMED HASSAN**

NON- EXECUTIVE BOARD MEMBER



**MR. KHALED NOFAL<sup>12</sup>**

NON-EXECUTIVE BOARD MEMBER

# GOOD GOVERNANCE

The Board of Directors at ALEXBANK serves as the main executive body, with responsibilities that include supervising business conduct, protecting shareholder and customer rights, and complying with relevant laws and resolutions. It is responsible for setting strategic objectives, overseeing senior management, ensuring effective internal controls and risk management, and maintaining the Bank's stability and reputation. The Board follows the CBE Corporate Governance Principles and holds regular meetings, allowing participation via video or teleconference when necessary. Its role is crucial in providing strategic guidance, upholding integrity, and driving the overall performance of ALEXBANK.

## Board Highlights in 2023

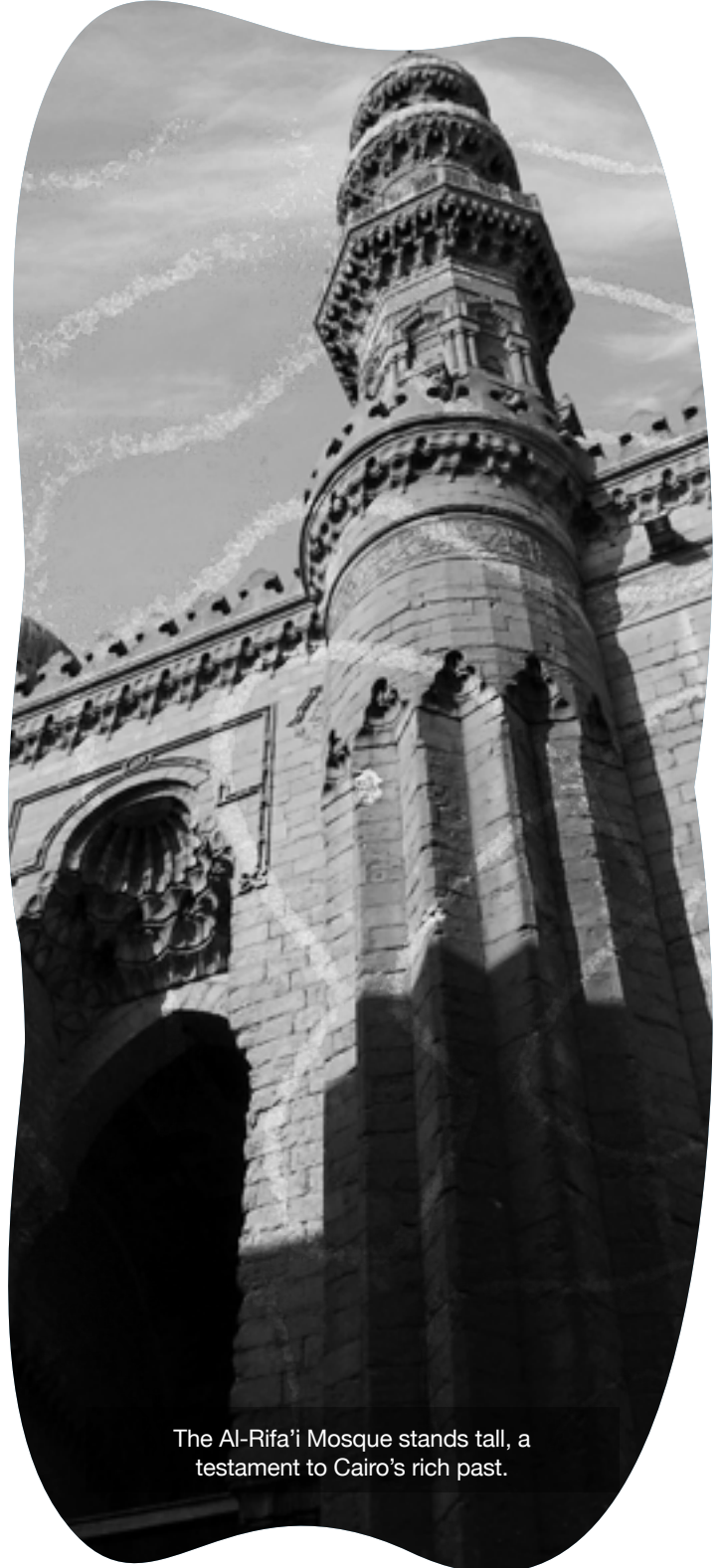
Mrs. Sherine El Sharkawy, resigned as of 18<sup>th</sup> January 2023.

Based on the CBE approval dated 25<sup>th</sup> October 2023, the amendment of the capacity of: Mr. Carlo Persico to become "Non-executive Deputy Chairman" instead of "Non-executive Board Member"- ISP Representative. Mrs. Alessandra Alcesi to become "Non-executive Board Member" instead of "Non-executive Deputy Chair"- ISP Representative.

Mr. Khaled Nofal, appointed as of 1<sup>st</sup> November 2023.

## Board Selection and Remuneration

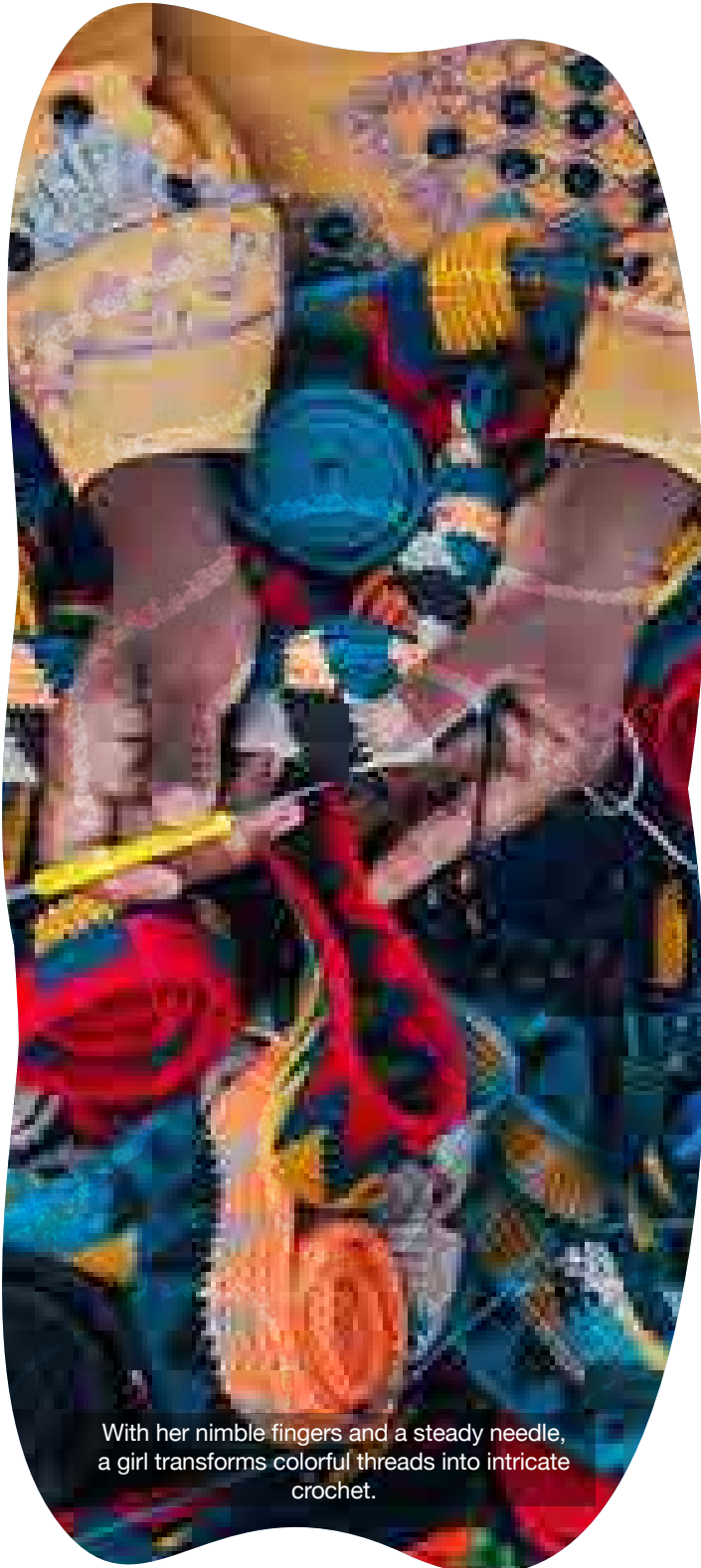
ALEXBANK adheres to a governance process where board members are carefully selected and nominated following local regulations, with the process necessitating both shareholder approval and an endorsement from the Central Bank of Egypt. The constitution of the Board and the appointments from the previous year are slated for review and approval at the Annual Shareholders Meeting on March 21, 2024. During the fiscal year 2023, the Board of Directors convened nine times to ensure the effective governance of the bank. The remuneration policies at the bank are structured to ensure fairness, with a focus on reflecting the importance of the role and responsibilities,



The Al-Rifa'i Mosque stands tall, a testament to Cairo's rich past.

<sup>11</sup> Mr. Khalid Nofal joined ALEXBANK as of 1<sup>st</sup> November 2023 and Mrs. Sherine El Sharkawy, resigned as of 18<sup>th</sup> January 2023.

# GOOD GOVERNANCE



With her nimble fingers and a steady needle, a girl transforms colorful threads into intricate crochet.

particularly for those in regulatory positions. The Remuneration Committee is tasked with the critical review of the executive performance, including the CEO, against their key performance indicators (KPIs) to determine merit-based bonuses. Furthermore, the Risk Committee plays a pivotal role in assessing these remuneration policies to ascertain their alignment with the bank's overall risk profile, capital, and liquidity, as per the Risk Appetite Framework.

## Appointment/Composition of the Board

The Board at ALEXBANK is comprised of a diverse group of 5 to 11 members, which may include representatives for juridical persons. This composition is designed to maintain a balance between executive and non-executive members and includes a diversity mandate to foster a range of perspectives. Board members are appointed for three-year terms, which can be renewed once, and these appointments are made by the General Assembly and are subject to CBE approval. Should a position on the Board become vacant, the Board has the authority to appoint a temporary replacement until the appointment receives the necessary formal approval. Leadership within the Board is structured so that the Chairperson is chosen from among the non-executive members, and in the event of their absence, one or more Deputy Chairpersons are in place to fulfill the Chairperson's duties.

## Board Assessment

The governance structure is underpinned by a rigorous self-assessment framework that mandates annual evaluations of the Board's performance as a whole and of each individual member. This evaluative process is initiated with an Annual Questionnaire that is distributed in December and expected to be completed by the following mid-January. The Board Chairperson manages this assessment process, which may include one-on-one meetings with Board members. The collated results of these self-assessments are reviewed by the Governance & Nomination Committee, which then forwards its findings to the Board of Directors. The Board of Directors acknowledges these findings and takes any necessary actions to address areas identified for improvement.

# GOOD GOVERNANCE

## Committees

### Board Committees

The Board currently has four committees that are tasked with supporting the Board in the decision-making process. The Board Committees (Audit, Risk, Remuneration and Governance & Nominations) have been convened 28 meetings with a minimal number of circulations compared to 25 in 2022.

### Risk Committee

Members	Role
<b>Mrs. Alessandra Alcesi</b>	Chair
<b>Mr. Alessio Cioni</b>	Member
<b>Mr. Stefano Cozzi</b>	Member

The Risk Committee is a standing Committee established by the Board of Directors of the Bank in accordance with Parent Company guidelines, Bank's internal regulations, laws, rules and regulations set by the competent Authorities.

The Committee has respectively recommended advisory and supporting functions towards the Board of Directors with particular reference to the effective risks monitoring and overall risk management framework of the Bank.

The Committee shall perform its functions according to the principles of independence and autonomy.

### Remuneration Committee

Members	Role
<b>Mrs. Alessandra Alcesi</b>	Chair
<b>Mr. Carlo Persico</b>	Member
<b>Mr. Gianfranco Pizzutto</b>	Member

The Remuneration Committee is a body of the Board of Directors set with the purpose to support the Board of Directors in all activities concerning remuneration in independently assessing the remuneration principles and providing support to the Board of Directors concerning the adoption and regular review of the general principles of the Policy.

supports the Board of Directors in supervising the implementation of the remuneration rules, and reviews the processes and practices related to remuneration and compliance with the Policy and Intesa Sanpaolo Group Policies; ensures the involvement of the competent Bank's Functions in the process of preparation and control of the Remuneration and Incentive Policies and practices.

### Governance & Nominations Committee

Members	Role
<b>Mr. Carlo Persico</b>	Chair
<b>Mrs. Alessandra Alcesi</b>	Member
<b>Mr. Gianfranco Pizzutto</b>	Member

The Governance and Nominations Committee is a Committee of the Board of Directors of Bank of Alexandria set with the purpose to regularly evaluate the Bank's governance system; support the Board of Directors in the consulting, selection and propositional tasks regarding the composition of the Board of Directors and its Committees.

### Audit Committee

Members	Role
<b>Mr. Gianfranco Pizzutto</b>	Chair
<b>Mr. Carlo Persico</b>	Member
<b>Mrs. Alessandra Alcesi</b>	Member

The Audit Committee is a standing Committee established by the Board of Directors in accordance with Parent Company guidelines, Bank's internal regulations, laws, rules and regulations set by the competent Authorities.

The Committee has respectively recommended advisory and supporting functions towards the Board of Directors with particular reference to the periodic evaluation of the adequacy and effectiveness of the overall internal control system of the Bank.

The Committee shall perform its functions according to the principles of independence and autonomy.

# GOOD GOVERNANCE

## Management Committees<sup>13</sup>

ALEXBANK has nine permanent Management Committees responsible for making daily decisions on critical operational activities. Each decision making, advisory and consultative committee was established by the Board and reports to the Board on their respective areas. The Management Committees have convened 148 meetings throughout the year compared to 127 meetings in 2022.

### Executive Management Committee (EXCO)

The EXCO is the highest Management Committee and is a permanent decision making and advisory Committee mandated to manage and monitor day to day activities and affairs of the Bank, to ensure alignment with bank strategy, and the efficient use of the Bank's resources. Additionally, the committee serves as the key forum for all matters related to corporate governance.

Members	Role
Mr. Dante Campioni	Chief Executive Officer and Managing Director
Mr. Alessio Cioni	Deputy CEO and interim Chief Operating Officer
Mr. Ramy Taha	Deputy CEO Retail, MSMEs & Digital Banking
Mr. Ahmed Magdy	Chief Risk Officer
Mr. Tarek Salah	Head of Retail and SME
Mr. Michele Formenti	Chief Financial Officer
Mr. Tamim El Saady	Head of Corporate Investment Banking

### Credit Risk Governance Committee (CRGC)

The CRGC is a permanent decision-making and advisory Committee whose mission is to ensure a qualified and coordinated management of credit risk within the exercise of credit prerogatives of the Bank and in compliance with the applicable laws, Group regulations and Parent Company strategic decisions. The Committee's main responsibility

is to define, and update credit risk strategic guidelines and credit management policies based on the constant credit portfolio monitoring and, for Product Governance purposes, to analyze and assess issues related to the launch and monitoring of the products that imply credit risk.

Members	Role
Mr. Dante Campioni	Chief Executive Officer and Managing Director
Mr. Alessio Cioni	Deputy CEO
Mr. Ahmed Magdy	Chief Risk Officer
Mr. Tamim El Saady	Head of Corporate Investment Banking
Mr. Tarek Salah	Head of Retail and SME
Mr. Mohamed Abdel Kader	Head of Compliance & AML

### Credit Committee (CC)

The CC of ALEXBANK was established by the Board of Directors in compliance with the Articles of Association of the Bank. The CC is the highest permanent decision-making committee of the Bank regarding performing counterparties, whose main responsibility consists in adopting credit decisions in line with the issued strategic guidelines and credit policies, while acting within the credit prerogatives of the Bank and in compliance with the applicable laws and Group regulations.

Members	Role
Mr. Dante Campioni	Chief Executive Officer and Managing Director
Mr. Alessio Cioni	Deputy CEO
Mr. Ahmed Magdy	Chief Risk Officer
Mr. Basil Elshoubary	Head of Credit Underwriting
Mr. Tamim El Saady	Head of Corporate Investment Banking
Mr. Tarek Salah	Head of Retail and SME

No changes were introduced to the management committees' responsibilities during 2023. Read more on their general roles within the Bank's structure in ALEXBANK Sustainability Report 2021, page 19

# GOOD GOVERNANCE

## Problem Assets Committee (PAC)

The PAC is the highest permanent decision-making Committee of Bank regarding risky and non-performing counterparties whose main responsibility consists in taking necessary measures in order to prevent and mitigate credit losses connected with risky and deteriorated assets, while acting within credit prerogatives of the Bank and in compliance with the applicable laws and Group regulations.

Members	Role
<b>Mr. Dante Campioni</b>	Chief Executive Officer and Managing Director
<b>Mr. Alessio Cioni</b>	Deputy CEO
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Ahmed Zidan</b>	Head of Credit Management

## Assets & Liabilities Management Committee (ALCO)

The ALCO is a permanent decision-making and consultative committee, focused on financial risks governance, on the active value management issues, on the strategic and operative management of assets and liabilities and on Financial and Liability Product Governance in compliance with Parent Company guidelines, Bank's internal regulations, laws, rules and regulations set by the competent Authorities.

The Committee, acting within the limits of the delegations and competences established by the Board of Directors, is dedicated to Financial Risk Governance and Assessment, Operative Management and Product Governance for Financial and Liability Products.

Members	Role
<b>Mr. Dante Campioni</b>	Chief Executive Officer and Managing Director
<b>Mr. Alessio Cioni</b>	Deputy CEO
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Michele Formenti</b>	Chief Financial Officer
<b>Mr. Tamim El Saady</b>	Head of Corporate Investment Banking
<b>Mr. Tarek Salah</b>	Head of Retail and SME
<b>Mr. Mohamed Abdel Kader</b>	Head of Compliance & AML

## Operational Risk Committee (ORC)

The ORC is a permanent decision-making and advisory committee whose mission is to ensure a qualified and competent management of operational risk issues (ICT/cyber risk inclusive), in compliance with the applicable laws, Group regulations and internal procedures.

Members	Role
<b>Mr. Dante Campioni</b>	Chief Executive Officer and Managing Director
<b>Mr. Alessio Cioni</b>	Deputy CEO and interim Chief Operating Officer
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Michele Formenti</b>	Chief Financial Officer
<b>Mr. Mohamed Abdel Kader</b>	Head of Compliance & AML

## Change Management Committee (CMC)

The CMC is responsible for the strategic management of changes within the Bank's overall operations through the definition and monitoring of the Bank's project portfolio, prioritizing the respective projects and investments in line with the Bank's strategy, monitoring of the related activities and spending as well as solving any escalated issues.

Members	Role
<b>Mr. Dante Campioni</b>	Chief Executive Officer and Managing Director
<b>Mr. Alessio Cioni</b>	Deputy CEO and interim Chief Operating Officer
<b>Mr. Ramy Taha</b>	Deputy CEO Retail, MSMEs & Digital Banking
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Michele Formenti</b>	Chief Financial Officer
<b>Mr. Tamim El Saady</b>	Head of Corporate Investment Banking
<b>Mr. Tarek Salah</b>	Head of Retail and SME
<b>Mrs. Noha Mostafa</b>	Head of Cybersecurity and Business Continuity Management

# GOOD GOVERNANCE

## Internal Controls Coordination Committee (ICCC)

The ICCC is a permanent advisory committee, acting within the limits of the delegations and competences established by the Board of Directors, with the aim to strengthen the coordination and the cooperation among the various Bank’s control functions, facilitating the integration of risk management processes.

Members	Role
<b>Mr. Amr ElDaly</b>	Head of Internal Audit
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Michele Formenti</b>	Chief Financial Officer
<b>Mr. Mohamed Abdel Kader</b>	Head of Compliance & AML Department
<b>Mrs. Mariam El Gammal</b>	Head of HR & Organization

## Tender Committee

The Tender Committee is ALEXBANK’s topmost procurement decision-making body established with the aim to ensure that ALEXBANK makes effective decisions when selecting suppliers and contractors for goods and services on a tender basis.

The Committee is functioning on a permanent basis to approve the awarding of contracts and select the tender winners for procurement of goods, services or assets in full compliance and respect of ALEXBANK “Procurement rules” issued by ALEXBANK ISGS Procurement Service.

Members	Role
<b>Mr. Dante Campioni</b>	Chief Executive Officer and Managing Director
<b>Mr. Alessio Cioni</b>	Deputy CEO and interim Chief Operating Officer
<b>Mr. Ahmed Magdy</b>	Chief Risk Officer
<b>Mr. Michele Formenti</b>	Chief Financial Officer Chief of Requesting Function

## Advisory Forum to the CEO on Legal Investigations

This forum serves as an advisory body supporting the CEO in decisions related to legal investigations concerning the bank’s employees. Its responsibilities include preparing consolidated advisory opinions with recommendations for the CEO on each incident. These opinions encompass clear assessments of investigated wrongdoings, their root causes, potential mitigating actions, and recommended sanctions, providing a comprehensive basis for the CEO’s decisions, often augmented by additional qualified opinions.

## ALEXBANK Joint Steering Forum

The primary objective of this forum is to ensure effective monitoring of the bank’s projects. It convenes regularly to discuss project progress with divisional and departmental heads, ensuring successful project delivery and maximizing benefits. Additionally, the forum oversees ALEXBANK’s capital investments in projects, holding monthly meetings for comprehensive review. It also ensures project management team engagement by providing updates on project details, including employee involvement, project weight, and time consumed, all factors considered in employee key performance indicators (KPIs).



An artisan’s hands weaving stories of craftsmanship

# GOOD GOVERNANCE

## ESG Forum

ALEXBANK's ESG Forum is the primary governance body responsible for developing and overseeing the Bank's ESG strategy. It ensures that business practices meet ESG standards and stakeholder expectations while following the ISBD management committee's guidelines. The Forum integrates ESG principles into all business areas with the aim of achieving and exceeding the goals set by the Intesa Sanpaolo Group and regulatory authorities.

## Decision-Making and Strategic Role

The ESG Forum identifies and navigates ESG risks and opportunities, aligns initiatives with the bank's strategic objectives, and evaluates the effectiveness of these efforts for potential adjustments. It also coordinates ESG activities across departments, implements strategies, and reports to the Executive Committee and Board of Directors. The Forum fosters diversity and inclusion, guides regulatory compliance, and shapes communication strategies.

## Governance and Operations

Decision-making within the Forum requires a two-thirds quorum and majority vote, with the Chairperson holding veto power. Bi-monthly meetings ensure consistent ESG oversight. The ESG Manager leads the Forum, with an Acting Chairman as a backup, emphasizing the comprehensive integration of ESG practices bank-wide.

## ESG Champions Network

In 2023, ALEXBANK established a network of ESG champions, nominated by their department heads, to facilitate the execution of the bank's ESG plan. Monthly meetings with the sustainability team ensure up-to-date ESG knowledge and proactive identification of possible challenges.

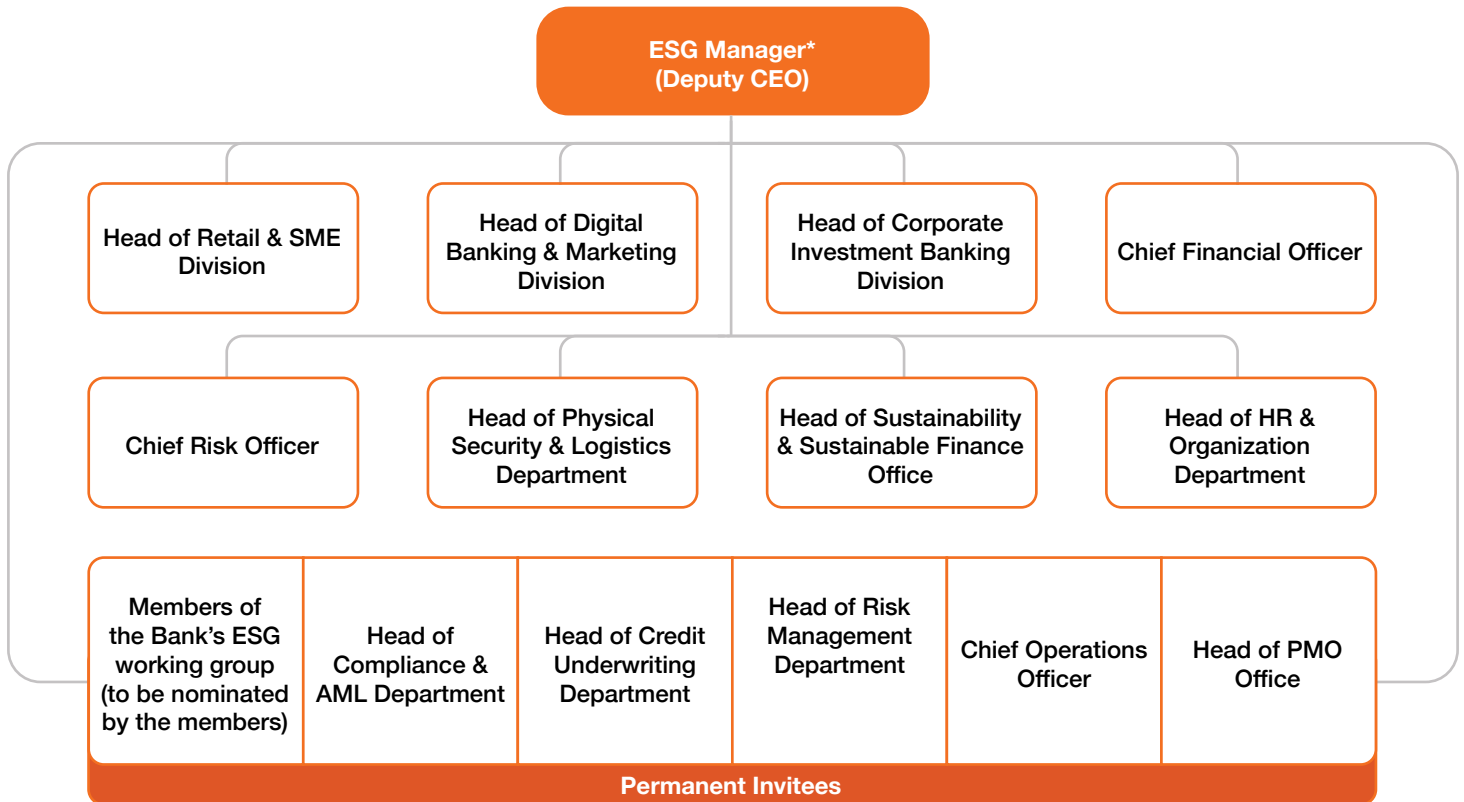
The ESG Forum and Champions embody ALEXBANK's commitment to sustainable and responsible banking, demonstrating the bank's robust governance structure aimed at fostering impactful ESG initiatives.



Handmade lanterns creating a mesmerizing display

# GOOD GOVERNANCE

## ESG Forum Members



Learning a timeless craft while preserving our heritage.

\* The ESG Manager is the Chairperson of the Forum. In the absence of the Chairperson, he/she can appoint an Acting Chairman who is going to lead the meeting on his/her behalf.

# GOOD GOVERNANCE

## ESG Data Governance

In 2023 and under the framework of the Parent Company, ALEXBANK has embarked on new project streams falling under the ISBD ESG Data Strategy project in order to contribute to the Parent Company regulatory reporting requirements and avail a wider number of data needs that could lead to business opportunities and realize a higher quality of reporting.

### Regulatory Green Assets Ratio (GAR)

The GAR is a financial measure used to assess the sustainability of a company or investment portfolio. It is calculated by dividing the total value of a company's or portfolio's environmentally sustainable assets by the total value of all its assets.

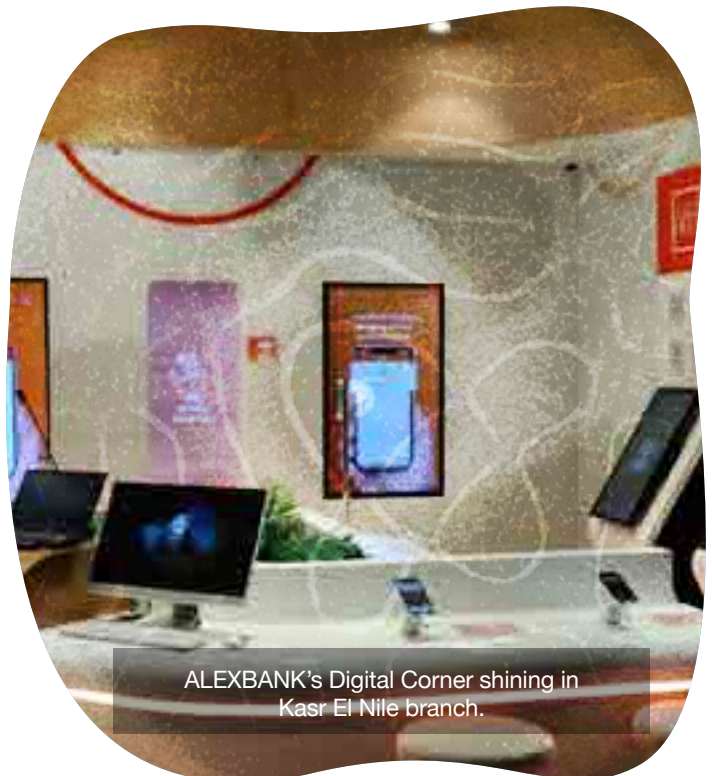
Intesa Sanpaolo abides by the regulations set by the European Union (EU), as part of the EU's commitment to sustainable finance is EU Regulation 2020/852 ("EU Taxonomy"), which aims to direct capital towards economic activities considered environmentally sustainable. This result is a prudential disclosure that is represented by the Green Asset Ratio. ALEXBANK is required by Parent Bank to provide the data needed for regulatory requirements.

### Sustainability Flag

In light with the adoption of the Rules for the classification of sustainable lending products and the objectives to increase lending to sustainable finance activities, ALEXBANK has been part of the sustainability flag initiative to identifying credit transactions that may be categorized as sustainable assigning specific attributes (Sustainability Category, Flag Net Zero, Flag Taxonomy Alignment).

## Enhancing Governance Efficiency: Introducing the "Workflow Normativa" Tool

A new tool, "Workflow Normativa," has been developed to cater to the needs of key users at the Parent Company level. This tool, initially designed for managing Governance Documents and Rules, aims to facilitate and streamline the processes involved in drafting, sharing, issuing, and implementing Group Regulations across various subsidiaries. Its primary objectives include automating the drafting, sharing, and approval processes, ensuring the verification, adoption, and implementation of Group Regulations by subsidiary companies, providing monitoring tools for customization and implementation, as well as offering reporting and monitoring capabilities for tracking the progress of personalization and implementation efforts undertaken by these subsidiary entities. Through the introduction of this tool, the Bank aims to enhance governance efficiency and foster better compliance throughout the organization.



ALEXBANK's Digital Corner shining in Kasr El Nile branch.

# GOVERNANCE OF ESG RISKS

## Definition

ESG Risk encompasses the potential financial impacts that environmental, social, and governance factors may have on the Bank, its counterparties, or invested assets. These impacts can influence other traditional risk categories such as credit, market, operational, reputational, and liquidity. ESG Risks include climate and environmental risks, which manifest as physical risks, due to the effects of the changing climate, and transitional risks, which are financial losses incurred during the adjustment to a more environmentally sustainable economy. ALEXBANK acknowledges the significance of redirecting capital flows towards sustainable investments to achieve sustainable and inclusive growth.

## Commitment

ALEXBANK has integrated ESG roles and responsibilities into their primary risk management framework, following the guidelines of Intesa Sanpaolo for managing ESG Risks. The Bank aims to thoroughly evaluate all ESG risks associated with operations and lending to prevent any internal or external impacts. The ESG Risk Management Framework is based on several key actions:

- **Identification and Assessment:** The Bank identifies high-risk sectors and evaluates both the negative and positive ESG impacts during lending. It requires environmental consultant assessments for projects over EGP 200 million, as mandated by the Central Bank of Egypt, and applies criteria to classify sustainable products and lending transactions.
- **Monitoring:** The Bank performs annual climate stress tests to understand the impact of ESG risks on its portfolio and adheres to reporting standards set by both the Central Bank of Egypt and the European Central Bank. Additionally, the Bank calculates its Green Asset Ratio to measure alignment with the Green European Taxonomy.

- **Mitigation:** ALEXBANK takes action to reduce exposure to sectors that are deemed high risk, following the lead of its parent company.
- **Communication:** ALEXBANK promotes its ESG strategy through various internal platforms, including a local ESG Forum for senior management and bi-weekly ESG Champions meetings with business function representatives to discuss ESG projects and topics. The Bank also aims to disseminate its Environmental and Social Risk Management strategies to all Bank functions through training and capacity building, in line with Group plans and regulatory instructions.

## Management Approach

ALEXBANK follows the group's guidelines for governing ESG risks and has adopted new rules for the Classification of Sustainable Products and Lending Transactions. These guidelines define the roles and responsibilities of the Chief Risk Officer (CRO) Area in the management of ESG risks.



Colorful handmade pouch made by the hands of incredible women of Al Khalifa, old Cairo.

# GOVERNANCE OF ESG RISKS



Capturing serenity within the historic walls of Old Cairo mosques.



It's gratifying to reflect on our proactive response to the evolving regulatory environment, an initiative we undertook in concert with Intesa San Paolo, our parent company. Our leadership in sustainable finance is powered by an integrated approach to ESG governance and a stringent assessment process. We've established a risk appetite framework (RAF) with specific ESG limit scores to ensure these considerations are intrinsic to our credit lending cycle and customer assessments, as well as to manage potential ESG risk exposures. In recent years, we've fortified our risk governance, particularly with ESG risks. This year, we've released our sustainable finance policy, underscoring our commitment to green financing. Our focus remains steadfast on minimizing negative ESG exposures, guided by a clearly defined list of risk factors.



**Ahmed Magdy,**  
Chief Risk Officer

# GOVERNANCE OF ESG RISKS

## Key Policies

- Sustainable Finance Policy
- Equator Principles Policy
- Guidelines for the Governance of ESG Risks
- Rules for the Classification of Sustainable Products and Lending Transactions
- Guidelines for the Governance of the Group's Most Significant Transactions
- Rules for Lending Operations in the Coal Sector
- Rules for Lending Operations in the Unconventional Oil & Gas Sector

## ESG Impacts Identification & Addressal

ALEXBANK's operations can result in ESG impacts that necessitate remedial measures, these impacts are identified based on the Intesa Sanpaolo Guidelines for ESG Risk Governance and ALEXBANK's Sustainable Finance Policy, in line with the Circular on Sustainable Finance issued by the CBE. When assessing new transactions, we adhere to two key criteria: firstly, we determine if the business activity aligns with the "Sensitive Sectors" outlined in our Group's ESG Sectoral Assessment. Additionally, we evaluate whether the transactions are subject to the Equator Principles, as defined in ALEXBANK's Equator Principles policy. In these instances, a thorough ESG and Reputational Risk Clearing is conducted through our Enterprise Risk Management to ensure compliance with our policies and guidelines, including the Rules for Lending Operations in the Coal Sector and Rules for Lending Operations in the Unconventional Oil & Gas sector.

## Incorporation of ESG Factors in Credit Analysis

ESG risks are integrated into credit analysis through the ESG and Reputational Risk Clearing process for transactions related to sensitive sectors and the flagging of sustainable lending transactions in accordance with the Rules of Classification of Sustainable Products and Lending Transactions.

The ESG and Reputational Risk Clearing Process is applied to ESG Sensitive sectors that are:

	Agriculture, fishery, and livestock		Chemicals, Rubber and Plastics
	Construction Materials – Concrete, lime, and plaster		Automotive Manufacturing
	Defense		Mining (other than coal)
	Coal mining		Gambling
	Oil and gas		Power Generation
	Forestry		Tobacco
	Metals- Non-Ferrous metals		Metals – Steel Industry

ALEXBANK has successfully developed its internal processes for the identification and flagging of sustainable transactions and lending products in compliance with the rules for classification of sustainable products and lending transactions and the updated new product governance oversight (POG). These foundational frameworks resulted in the identification of 12 retail products as sustainable products and 8 deals as sustainable transactions\*.



Crafted by the skilled hands of the women of Al Qusair, this breathtaking artwork resonates with the vibrant essence of the Red Sea's wonders.

\* For further details on ALEXBANK's ESG Lending portfolio, please refer to the section "Responsible and Purposeful Lending".

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Definition

Corruption, bribery and money laundering are known for eliciting illegal behavior and weakening financial institutions and structure leading to the increase of macroeconomic instability. Proper identification methods, reporting channels and constant training are offered by ALEXBANK to cutoff such activities from happening.

Competition in the banking sector is pivotal in ensuring the increase of social welfare. Due to the high risks associated with banking operations, the stability of the sector needs to be ensured. The Bank enforces a strong anti-competitive behavior policy and training in order to eliminate any internal risks from arising while ensuring the enrollment of new and innovative products and solutions to increase customer base and market presence.

## Commitment

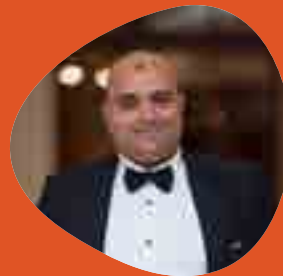
Values, principles, standards, and norms; how they are promoted and upheld within the Bank's global operations, business partners, and suppliers. This also includes a commitment to transparency and accountability.

## Management Approach

In 2023, ALEXBANK maintained its unwavering commitment to the rules and regulations set by ISP, the CBE and the Egyptian government. Following the major policy revisions in 2022, the bank continues to prioritize compliance, integrity, anti-corruption measures and employee training. It has also adopted updated compliance processes and policies, reaffirming its dedication to upholding the highest ethical standards. ALEXBANK avoids having any commercial relationships with suppliers considered to have a significant risk of incidents of forced or compulsory or child labor. All employees have the right to join unions and vote in elections of the unions' board. All employees are free to participate in any form of workers/professional organizations.



“We are at the forefront of adapting to the dynamic regulatory landscape, seamlessly aligning with the Central Bank of Egypt’s (CBE) firm directives on sustainable finance. These directives, which were significantly sharpened last year, are not merely regulatory requirements but catalysts for innovation and growth within our institution. They’ve prompted us to expand the horizons of our business, mirroring our sustainability objectives and our unwavering commitment to ethical banking practices. We haven’t just integrated these changes; we’ve embraced them, allowing us to respond with agility and ensuring that every new regulation bolsters our approach to responsible banking. This swift incorporation of regulatory changes into our daily operations exemplifies ALEXBANK’s ability to balance stringent compliance with our mission to drive sustainable and inclusive economic growth.”



**Mohamed El Bedewy,**  
Head of Regulatory,  
Risk Assessment &  
Reporting Office

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Adapting Strategies: 2023 Policy Updates

At ALEXBANK, we understand the significance of regularly evaluating and optimizing our internal policies and processes to ensure they align with our strategic objectives and values. Over the past year, our bank has undertaken a comprehensive assessment of our existing protocols and documentation, seeking input from subject matter experts across all departments. The primary objective of this initiative was to take a comprehensive approach in identifying areas where we can implement best practices to drive long-term success and make a positive impact.

After conducting a thorough analysis, the team has put forth several recommendations that focus on enhancing employee development, diversity and inclusion training, promoting environmentally sustainable operations, fostering volunteerism and philanthropy, and upholding ethical governance. These recommendations aim to strengthen our organizational framework and align our practices with industry standards and societal expectations.

Furthermore, the bank ensures that the structure and content of our policies remain consistent with the relevant communicated ISP Group Rules/Guidelines. We recognize the importance of adhering to both local and internal regulatory controls and requirements to maintain compliance and promote a culture of accountability.



Candles crafted by skilled artisans.

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Adapting Strategies: 2023 Policy Updates

<p><b>IT Governance and IT Processes:</b> Enhanced governance structures and streamlined IT processes for improved efficiency and data security.</p>	<p><b>Financial Portfolio Policy:</b> Clarified risk tolerance, and diversification strategies for financial asset management.</p>	<p><b>ALEXBANK Sustainable Finance Policy:</b> Defined sustainable finance framework and integrated sustainability into the bank's governance and operations.</p>	<p><b>Guidelines for the Governance of ESG Risks:</b> Established roles for ESG risk management, aligning with sustainability and compliance, yet guidelines are not localized.</p>
<p><b>Fintech Engagement Framework:</b> Provided guidelines for evaluating and integrating fintech solutions, focusing on innovation and sector competitiveness.</p>	<p><b>Audit Charter:</b> Defined the mission, scope, and responsibilities of ALEXBANK's Internal Audit Department, emphasizing independence and authority.</p>	<p><b>Combating Sexual Harassment Policy:</b> Introduced clear definitions, reporting mechanisms, and support systems for sexual harassment incidents.</p>	
<p><b>Compliance Policy V.9:</b> Updated compliance policy to reflect changes in macro-processes, activities, and information flows.</p>	<p><b>Compliance Rulebook:</b> Implemented new AML thresholds, MIS Portal for reports, Advisory Log format, and monitoring for strategic partnerships.</p>	<p><b>Regulating Transactions with Related Parties and Associated Entities Policy: Special controls for managing conflict of interest risks.</b></p>	<p><b>Intesa Sanpaolo Group Rules for Management of Gifts and Entertainment Expenses:</b> Set guidelines and limits for handling gifts and entertainment expenses.</p>
<p><b>Rules for First Level Controls on Trade Finance Transactions:</b> Established requirements for AFC risk oversight in trade finance operations.</p>	<p><b>Rules for List Management on Embargoes, Anti-terrorism, and Anti-money Laundering:</b> Standardized controls for screening against various lists.</p>	<p><b>Group Rules for Combating MLTF:</b> Adopted a new transaction monitoring model, replacing old systems with NetReveal.</p>	<p><b>Rules on Transaction Monitoring Suspicious:</b> ALEXBANK adopted NetReveal for transaction monitoring, replacing Norkom Detica.</p>
<p><b>ALEXBANK Anti-Corruption Guidelines:</b> Outlined principles and processes for managing corruption risk and monitoring operations.</p>	<p><b>Rules for the Validation of Commercial Initiatives: Defined risk assessment, supervision, and control processes for commercial activities.</b></p>	<p><b>Guidelines for Complaints and Petitions Management:</b> Set model for managing complaints and petitions to supervisory authorities.</p>	<p><b>Financial Inclusion Procedures:</b> Implemented inclusive banking products/ services and focused on financial literacy and outreach.</p>
<p><b>PwD Procedures:</b> Improved accessibility in facilities and digital services for Persons with Disabilities, including staff training and adaptive technologies.</p>	<p><b>Elderly and Illiterate Procedures:</b> Tailored assistance, specialized staff training, and appropriate materials for the elderly and illiterate.</p>		

## Bank Policies Published in 2023

<b>HR Digital Data Management Procedures</b>	<b>Work Methods Procedures</b>	<b>Merit Cycle Procedures</b>
<b>ALEXBANK Profit Sharing Procedures</b>	<b>Instructions To View and Acknowledge</b>	<b>Medical Care Procedures</b>

## Bank Policies and Procedures Review and Alignment

To ensure the effectiveness of internal regulations, the bank diligently reviews and aligns its policies with the latest approved organizational structure. This process guarantees adherence to roles and

responsibilities within the updated organizational code. Major policies and procedures developed or updated in 2023 include:

<b>ALEXBANK Diversity &amp; Inclusion Principles</b>	<b>ALEXBANK Employee for Social Media Policy</b>	<b>ALEXBANK ICT Risk Policy</b>
<b>Policy for Health, Safety, and Environment Office</b>	<b>Persons With Disabilities (PWD) Procedures</b>	<b>Instant Payment (IPN) Procedures</b>
<b>Third-Party Review Procedures</b>	<b>Sustainable Finance Procedures</b>	<b>Vodafone Cash Procedures</b>
<b>Unsecured Personal Loans Procedures</b>	<b>MAHFAZTY Procedures</b>	<b>MEZZA Prepaid Card Procedures</b>

## Publishing Activities on the Bank's Intranet

To enhance staff awareness, knowledge, and skills regarding internal regulations, the bank publishes various types of internal regulations, including policies, procedures, and group rules, on its intranet. This facilitates easy access and ensures that employees stay informed. In 2023, approximately 110 documents were published on the bank intranet, fostering a culture of compliance and efficiency.



**110**

Documents published on the Bank's intranet in 2023

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Upholding Integrity in Business: ALEXBANK's Updated Code of Ethics

In 2023, ALEXBANK kicked off the localization process of the Parent Company's updated code of ethics, setting forth a significant milestone in its commitment to upholding integrity and ethical conduct in all aspects of its operations. ALEXBANK holds a steadfast dedication to ESG matters, mirroring the direction of its parent company, a global leader in addressing social issues and combating climate change. By localizing the Group's policies and procedures, ALEXBANK aims to formalize and disseminate its core principles, values, and corporate commitments. These principles serve as the foundation guiding the Bank's decisions and actions, encapsulating its corporate culture.

Through adherence to this code, ALEXBANK aims to uphold the highest international and national ethical standards in its activities and business management, promoting conduct aligned with ethical norms. Moreover, the code integrates sustainability principles as integral components of the Bank's corporate strategy, recognizing their crucial role in shaping a positive impact on the planet and society. By considering social and environmental concerns, ALEXBANK seeks to minimize risk exposure and enhance its reputation. The code comprises three primary sections: the Charter of Relations, outlining the mission, principles, values, commitments, and responsibilities of the Intesa Sanpaolo Group and ALEXBANK; the Principles of Conduct in stakeholder relations; and the Implementation and Governance mechanisms, delineating the mechanisms for enforcing and overseeing adherence to the code.

### Fraud Prevention and Transparency, and Commitment to Member Care

ALEXBANK demonstrates its commitment to member care by actively investigating suspected fraud cases related to medical consumption. Through collaboration with the insurance company

and third-party administrators (TPA), the bank takes necessary actions against confirmed fraud cases in coordination with relevant departments. This proactive approach includes monitoring, tracking, and halting abnormal or unjustified medical consumption by members or their families, resulting in the termination of service for confirmed fraudulent cases. These efforts align with ALEXBANK's principles of transparency, justice, and ethical conduct, while optimizing resources and minimizing loss ratios.



Embracing the timeless allure of Old Cairo.

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Combatting Corruption: Guiding Principles

In alignment with the Intesa Sanpaolo Group Anti-Corruption Guidelines, ALEXBANK has established its own Anti-Corruption Guidelines to systematically identify and mitigate corruption risks within its business activities. These guidelines delineate the principles, sensitive areas, and roles and responsibilities necessary for effective risk management.

These Guidelines are obligatory for all corporate officers and personnel of the Bank, as well as external stakeholders involved in the Bank's activities. They undergo periodic reviews and amendments, with any changes subject to approval by the Board of Directors after consultation with relevant stakeholders.

ALEXBANK has also initiated a program that involves a thorough Data Quality Clean-up Exercise, a functional restructuring of the AML function with the establishment of competence centers, and a review of the AML Control Processes and Procedures Methodology. These efforts aim to achieve full control over AML aspects, including KYC (Know Your Customer), the AML System, and AML Functions.

Furthermore, ALEXBANK's Compliance Department has conducted extensive awareness campaigns, including e-learning training courses on Compliance Ethics, Anti-corruption measures, and anti-fraud practices. These initiatives aim to equip staff with the knowledge and tools necessary to uphold ethical standards in their daily work. The updated Anti-Corruption Guidelines are readily accessible on the intranet, ensuring easy reference for all employees. Furthermore, specialized training programs focused on Compliance Ethics are provided to new hires, underscoring ALEXBANK's ongoing efforts to foster a culture of compliance and integrity among its staff.

In 2023, a total of 3,603 members underwent training through the LEA Intesa Sanpaolo e-Learning platform, reflecting the bank's commitment to preventing corruption and promoting ethical conduct.

## Strengthening Compliance and Detection: ALEXBANK's NetReveal Implementation

In response to regulatory requirements and the need to enhance security in mobile wallet transactions, ALEXBANK implemented the NetReveal solution, aiming to establish a targeted platform for monitoring customers and transactions associated with mobile wallets. The implementation strategy focused on automating control over all wallet transactions, improving monitoring capabilities, and detecting potential risks or fraudulent activities. By leveraging NetReveal, the bank aimed to streamline monitoring processes, provide real-time insights into mobile wallet activities, and proactively mitigate risks.



The unique interiors of Al Khalifa, Old Cairo.

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## ALEXBANK Integrated Internal Control System Regulation:

This regulation outlines the guidelines for ALEXBANK’s internal control system, prepared in compliance with legal and regulatory frameworks. It delineates the duties and responsibilities of various participants, including corporate bodies, committees, managerial committees, control functions, and independent auditors. The regulation emphasizes the interaction among functions with control responsibilities, defining information flows within the internal control system at ALEXBANK’s organizational level. ALEXBANK tailors its internal control coordination system according to business features and local laws, ensuring alignment with regulatory requirements and operational efficiency.

### Contribution to COSO

ALEXBANK contributes to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) by identifying stakeholders, roles, and responsibilities. It shares internal regulations via the bank intranet and collaborates with relevant stakeholders to embed necessary controls within regulatory frameworks, aligning with the Central Bank’s ongoing efforts to enhance internal control systems in the banking sector. This effort is in accordance with Article 125 of the Central Bank and Banking System Law No. 194 of 2020, which mandates external auditors to submit reports on financial statements to the Central Bank before the General Assembly.

### Building Ethical Culture: ALEXBANK’s Commitment to Control and Governance Training

ALEXBANK placed a strong emphasis on control and governance training programs to ensure employees uphold integrity and compliance. In 2023, 3,912 employees completed control programs on topics such as anti-money laundering, fraud detection, anti-corruption, and principles of governance, accounting for 71,850 training hours.

This indicates ALEXBANK’s commitment to building an ethical culture and preventing misconduct. The high participation rate of 92% of banking staff demonstrates the bank’s success in reaching most employees with crucial governance material.

 **3,912**  
No. of Participants

 **71,850**  
No. of Training Hours



During Marco Rottigini’s, Chief of International Subsidiary Banks Division of ISP and Dante Campioni, ALEXBANKs MD and CEO visit to Bagaweet project in Al Qusair.

# UPHOLDING INTEGRITY IN CORPORATE CONDUCT

## Managing Conflicts of Interest

ALEXBANK has implemented stringent conflict of interest policies to ensure fair dealings with related parties, which are meticulously reviewed by the Compliance Department. The Board of Directors, under the leadership of the Board Chairperson, promotes the Bank’s integrity by mitigating conflicts and offering independent input. They regulate potential conflicts involving board members and shareholders and set guidelines for acceptable gifts. Senior management actively enforces these conflict prevention policies. The bank ensures full transparency by disclosing its conflict-of-interest policies, board structure, and ethical guidelines through various public channels. The Board also conducts semi-annual assessments of internal conflicts using related party and privacy forms.

## Ensuring Transparency and Accountability: ALEXBANK’s Violation Reporting Process

ALEXBANK’s Violation reporting process enables employees to voice concerns through designated channels, fostering a culture of transparency and accountability. Whistleblowing reports are assessed by the internal audit team, which takes necessary actions and consults with the CEO for further recommendations. The Bank maintains a commitment to educating its staff on compliance and anti-corruption through various initiatives and maintains an open-door policy to encourage direct communication with superiors.

## Whistleblowing Circular

ALEXBANK issued a circular to reinforce the critical role of the internal whistleblowing system for reporting unethical behavior promptly and confidentially through the designated email address, “whistle-blowing@ALEXBANK.com”. This policy, which aligns with the bank’s high standards of integrity and compliance with the Intesa Sanpaolo Group, CBE, and local laws, is essential for fostering a culture of accountability and driving improvements in the business’s ethical framework.

## Data Quality Clean-up: Egyptian Dreams Project

Through the Egyptian Dreams project, ALEXBANK is focused on improving the quality of its customer data, prioritizing high and medium-risk profiles, and employing a sample-based method for low-risk clients. The initiative involves reorganizing the AML function, revising control processes, and fortifying the control framework to ensure data accuracy, operational efficiency, and adherence to regulatory standards.



These smiles are the promise of a future filled with sunshine.

# QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

## Definition

People with disabilities are being marginalized and excluded from basic financial offerings and products. Today, ALEXBANK is developing its retail and branch infrastructure to ensure proper accessibility to persons with disability (PwD) along with its ongoing yearly disability training and inclusion initiatives. Ensuring proper customer retention and great experience not only allows for the sustainability of the Bank, but it also ensures consumer dignity and rights are maintained. The Bank offers constant incentives, capacity building solutions and customer integration in CSR activities as means to ensure such. ALEXBANK operates on a multitude of levels to ensure all customers are satisfied. Constant upgrades to the banking experience, regular training and proper complaints management systems are implemented.

## Commitment

Quality of service and customer experiences are essential for the Bank's reputation and profitability. They require effective systems, clear protocols, dedicated teamwork, and continuous two-way communication.

## Management Approach

At ALEXBANK, the quality of service is at the heart of our mission. We are dedicated to providing our customers with the highest standards of excellence in every interaction. Our unwavering commitment to customer satisfaction drives us to continuously improve and innovate, ensuring that each customer's experience is seamless, personalized, and meets their unique needs. We continue our commitment to customer satisfaction by annually updating its "FAQ" (Frequently Asked Questions) resource. This resource provides quick, ready-made legal answers for employees, ensuring efficient legal support for better service to Corporate, Retail, and SME customers.



ALEXBANK's El Gouna branch blends modern convenience with the laid-back charm of Egypt's Red Sea coastal paradise.

# QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

## Enhancing Customer Protection and Complaints Management at ALEXBANK

ALEXBANK is committed to enhancing customer protection measures, with ongoing efforts to keep tracking complaints also by gender and customer segments. Our Customer Rights Protection Office collaborates with stakeholders to analyze complaint trends and underlying causes, aiming at identifying possible areas of development to improve the customer experience.

In this context, efforts were undertaken in 2023 to achieve a more granular categorization of received complaints to pursue a better understanding of the underlining reasons for complaints, and more easily identify possible areas of improvements for existing products, their offering, and the applied commercial processes. The total number of written complaints with requests received by the bank in 2023 reached the number of 2,674, compared to 2,306 in 2022. Of these, the number of 810 (30.3%) were accepted and finalized in 2023 vs. 971(42.1%) in 2022, confirming an achieved improvement of the service level provided to customers.

## Online Unsecured Loans

At ALEXBANK, we elevate the borrowing experience with our Personal Loan offerings, designed with simplicity and customer satisfaction at the forefront. Our digitally accessible unsecured loans dispense with the need for asset security, presenting tailored fixed interest rates ranging from 11.99% to 19.74%, contingent on our customers' credit and financial history. We champion a transparent, cost-effective borrowing journey by eliminating establishment fees, early repayment charges, and penalty fees.

## Surveying Customer Satisfaction

In the fourth quarter of 2023, a benchmarking survey has been launched in order to assess the level of customer satisfaction of ALEXBANK and the Market. According to a representative sample of 2000 individual customers at market level, overall ALEXBANK is very well appreciated by its customers (Net promoter score is **43 points** vs 40 of the market) mainly thanks to products and channels that meet their financial needs.



**81.6 %**

overall average satisfaction ATM's Customers as a result of an internal survey done through phone calls.



**72.3 %**

overall satisfaction rate evaluating both interior and exterior of branches as well as employees' knowledge and appearance through Mystery Shopping visits done in 335 branches.



**ALEXBANK Achieves No. 1 Rank Based on Net Promoter Score (NPS)**



**83.9 %**

overall satisfaction among **Mass and Magnifica customers** according to the **European Customer Satisfaction Index**, covering the main four factors: Bank's image, products, channels of communication, and after-sales service.

# DIGITALIZATION AND ACCESSIBILITY

## Definition

As the banking industry evolves into a multi-channel service provider, so does ALEXBANK. Customers are currently able to access and conduct financial activities anywhere and at any time leading to an increase in financial activities as well as demand for new solutions. This fast-paced shift cannot occur without proper risk assessment, a well-structured privacy and cybersecurity plan, market study and correct and inclusive accessibility options. The Bank ensures that all new digital services provided are well studied and heed customer needs. Future systems of shifting to a digital operation to cut environmental impacts are under study.

## Commitment

Digitalization and accessibility serve a common purpose of improving the quality of services, expanding outreach, and helping the Bank align with contemporary society's pace.

## Management Approach

Digitalization has emerged as a crucial factor in revolutionizing the operations of ALEXBANK, enabling it to stay ahead in a rapidly evolving financial landscape. The implementation of the Horus program in 2022 has undoubtedly been a resounding success, proving to be a significant and valuable addition to the core banking system. This initiative has streamlined processes, improved efficiency, and empowered employees to provide exceptional services. ALEXBANK constantly demonstrates its commitment to meeting customer needs and staying ahead. Horus program reinforces ALEXBANK's vision and sets the stage for continued growth and innovation through technology.



In the realm of ALEXBANK's digital transformation, it has been more than an evolution; it's a revolution in efficiency and environmental stewardship. We are pioneering ESG contributions through three main pillars. First, by harnessing cutting-edge technologies, we're not only finalizing commissions but also consolidating services to minimize consumption and streamline operations. Our commitment to reducing the carbon footprint is intrinsic to our digitization efforts, enabling seamless, eco-friendly remote work possibilities. Lastly, we're fervently enhancing our digital applications to ensure our customers enjoy unparalleled access to ALEXBANK's services from anywhere, anytime. This digital paradigm shift is coupled with a strategic push towards a paperless environment, dramatically cutting down paper usage and fostering a fully digitalized banking ecosystem. Together, these initiatives encapsulate our ambition to lead the banking sector into a sustainable, technologically advanced future.



**Pietro Bianchi,**  
Head of ICT  
Department

# DIGITALIZATION AND ACCESSIBILITY

## Digital Banking Performance



**274%**

Growth in total transactions compared to 2022



**121%**

Growth in Digital Transactional customers compared to 2022



**26%**

Growth in Mobile & Internet Subscribed user



**48%**

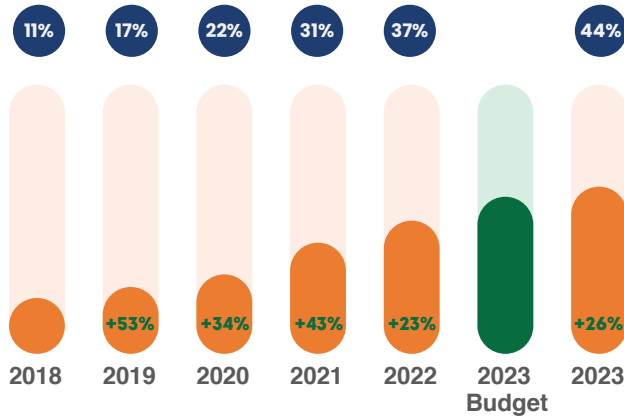
Active customers compared to 2022



**78% (+35PP)**

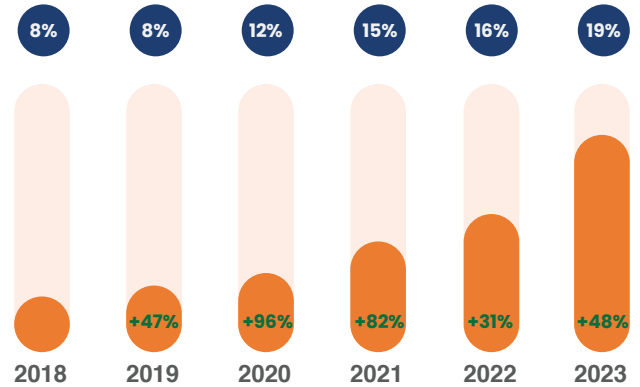
E-ratio for deposits units in 2023

### ALEXBANK Customers With Digital (K)



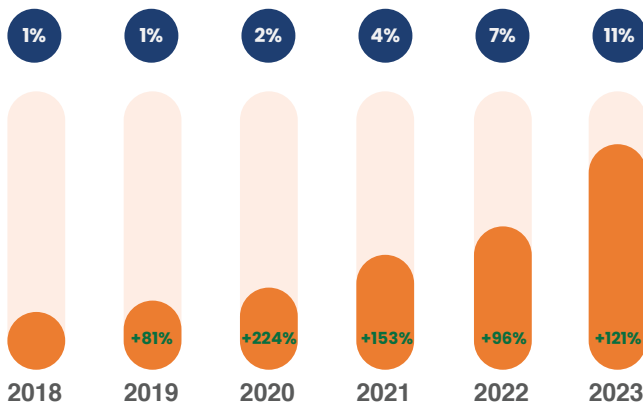
● Share of customers with Digital from Total Bank base

### ALEXBANK Active Digital Customers (K)



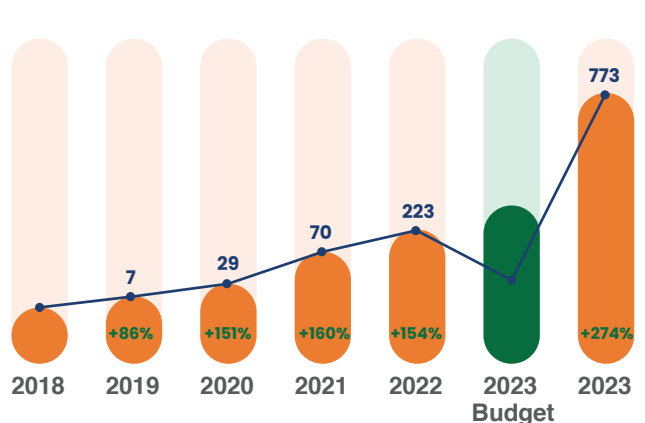
● Share of Digital Active customers from Digital base

### ALEXBANK Transactional Digital Customers (K)



● Share of Transactional customers from Digital Base

### ALEXBANK Digital Transactions (K)



● # of Transactions ● Monthly Run Rate

# DIGITALIZATION AND ACCESSIBILITY

## ALEXPOINTS

ALEXBANK launched ALEXPOINTS program in July-19, offering our customers a unique value proposition. To stay ahead of the curve, we leverage the power of data and a mobile-first approach to stay competitive in Egypt's evolving loyalty landscape, delivering exceptional value and fostering deeper customer relationships.

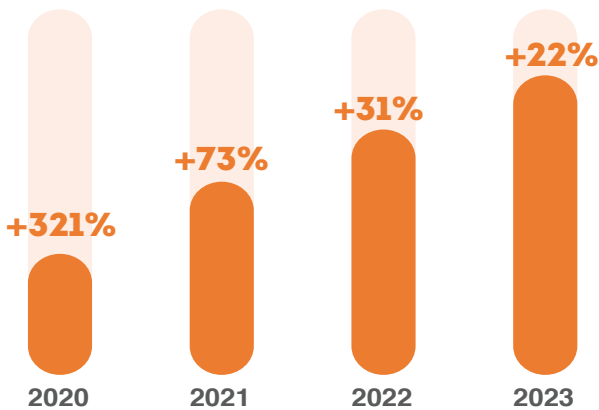
Through our data driven approach and analytics, ALEXBANK customers are rewarded for every purchase transaction, digital transaction & bank segment upgrade with points, value vouchers and instant discounts.

The program overall has marked remarkable customers' engagement and significant growth rates; the program was officially launched in July 2019 and since the closing of 2019 (Dec-2019) the redemption rate increased to reach of 55% as of Dec 2023.

New registrations to the ALEXPOINTS app have increased in 2023 to reach 75K vs 53K in 2022.

Number of redemptions transactions have also increased by 22% in 2023 reaching 70K Vs. 55K in 2022 thus reflecting the great appeal of our program to the customers.

### Redemptions TRX YoY



In 2023, ALEXBANK has implemented the Target Points Wallet, a wallet segmentation-based strategy, to increase card usage and encourage dormant customers to accumulate points. The Bank focuses on raising customer awareness of the pointing system and highlighting the perceived value of these points.

## Digital Accessibility

Egypt has been witnessing a lot of efforts towards digitalization, which comes with a lot of opportunities to reach more customers. Accordingly, ALEXBANK has carefully examined the accessibility of its services to better make use of digital opportunities to enable customers to reach the bank's products and services easily.



ALEXBANK pioneering the future of Digital Banking.

\* For more information, please visit "<https://www.ALEXBANK.com/en/retail/alexpoints.html>" ALEXPOINTS Program page

# DIGITALIZATION AND ACCESSIBILITY

## ALEXBANK's Digital Corners

ALEXBANK's Digital Corners, established in January 2022, embody the bank's DIGICAL approach by creating a one-stop-shop for customer onboarding, advisory, and digital sales within selected branches. These corners aim to accelerate the convergence of physical and digital spaces in banking. They are designed to cater to People with Disabilities, featuring sCalling Pods for video calls in sign language and wheelchair accessibility. ALEXBANK plans to have 24 Digital Corners by 2025, contributing to commercial effectiveness and reducing branch transaction costs by over 50%. These innovative spaces bridge the gap between physical and digital banking, providing a seamless and inclusive banking experience.



**97%**

SEO Site Score



**3%**

Growth

## ALEXBANK's Website

ALEXBANK's website meets the diverse needs of our customers, enhancing their digital banking journey. Tailored to accommodate users with visual impairments, the site offers features such as adjustable font sizes, color inversion options, and a web reader. This ensures that all customers can access information about the bank's products and services, both by reading and listening, for a more inclusive online experience. Additionally, the platform is user-friendly, with intuitive navigation and secure access to banking services, making it easier for everyone to manage their finances efficiently and effectively.

## Paperless Banking Approach

ALEXBANK has adopted a paperless banking approach in order to reduce papers printing associated with the bank's operations and services to customers capitalizing on the bank's advanced digital solutions. As part of this initiative, the bank has eliminated the print of marketing materials including brochures and banners and replaced them with electronic versions. Initial login pins for new customers are being sent via SMS instead of printed papers and customers are relying heavily on Digital Banking by making transfers and deposits booking which results in reducing the number of printed papers. Additionally, the bank has introduced the e- brochures through the QR code scan as part of the welcome pack sent to affluent customers. The quantity of paper saved from digital banking initiatives is 1,069,715.26 kg.



**60%**

Reduction in paper consumption as a result of the Go Green implementation of the paperless secretarial activities

## CR-ISP Solution

The New CR-ISP Solution aims to enhance ALEXBANK's Customer Relationship Management (CRM) capabilities and improve customer interactions and satisfaction. The success will be measured by improved response times, increased engagement, accurate data, and reduced CRM-related complaints. The added value includes an enhanced customer branch experience, increased retail sales, and cost savings from streamlined CRM operations. Overall, ALEXBANK targets to elevate CRM capabilities, leading to improved customer satisfaction and tangible business benefits.

# DIGITALIZATION AND ACCESSIBILITY

## Teradata Decommission

The objective is to decommission the Teradata platform and seamlessly migrate data into the existing infrastructure, prioritizing data integrity and minimizing disruptions. The success of this endeavor will be measured by error-free data migration, minimal downtime, and secure data transfer to maintain compliance. The added value includes cost reduction, space optimization, and reduced power consumption. Additionally, the migration will enhance data accessibility and analytics capabilities, enabling better decision-making based on comprehensive data analysis.

## Mobile Banking Tutorial Campaign

ALEXBANK's Mobile Banking Tutorial Campaign was developed with the objective of guiding and educating customers on the mobile banking features to facilitate the process of customers getting on boarded, transferring and booking a CD/TD through ALEXBANK Mobile & Internet Banking. The initiative also hammers on the convenience and seamless experience of the Mobile Banking application and to build behavior and sustain engagement & dependency on ALEXBANK's digital banking platform. This initiative results in increasing the amount of digital activity, transactive base and total number of transactions.

## Digital Banking Acquisition

The primary objective of this initiative is to raise awareness on ALEXBANK's digital services and increase Digital Banking Acquisition in terms of Active and transactive customers (January till the end of October). To achieve this, ALEXBANK has developed an incentive system to attract customers to utilize ALEXBANK's digital services, through rewarding them with monthly rewards such as vouchers & incentive points on their digital activity, including activation and transactions, through Mobile & Internet Banking or Insta-pay through ALEXBANK accounts.

## Ma7fazty Digital Wallet



**31%**

**Growth** in Ma7fazty transactions in 2023 compared to 2022

Ma7fazty, the digital wallet offered by ALEXBANK, currently has a total of **125,928** registered users as of December 2023. In terms of transactions, Ma7fazty facilitated a total of **3.6 million** transactions by December 2023, representing a significant 31% growth compared to the **2.7 million** transactions recorded at the end of 2022. The platform also maintains a monthly average of **22,087** actively transacting wallets, with a monthly average transaction count of **297,981** and a transaction volume of **EGP 416.8 million**. Overall, Ma7fazty continues to establish itself as a reliable digital wallet, providing seamless and secure financial services to its ever-growing user base.



# DIGITALIZATION AND ACCESSIBILITY

## Digital Loyalty Boost: Engaging Customers with Targeted ALEXPOINTS Rewards

A comprehensive loyalty program designed to enhance customer acquisition and engagement through the strategic use of ALEXPOINTS, tailored to customer behavior and wallet segmentation, with the goal of activating dormant customers and bolstering digital transactions.

## Advancing Fintech in the Middle East and Africa

ALEXBANK participated as a platinum sponsor in the Seamless North Africa Conference. The theme of the event was “The Gateway to Fintech in the Middle East and Africa”, highlighting the growing importance of financial technology in the region. ALEXBANK’s deputy CEO, Alessio Cioni took part in a panel discussion titled “Opening financial ecosystems with APIs: Navigating the open and digital future, reaching inclusivity and meeting customer demand.”. The panel focused on the potential of APIs to enable new business models, revenue streams for financial institutions and more, and also, emphasized the importance of security and privacy.

## Credit Cards New Designs

Creating new cards design for all our credit cards, and guaranteeing our credit card holders fresh designs, up to the most recent design trends.



ALEXBANK’s Deputy CEO, Alessio Cioni in a Panel discussion to explore the transformative potential of fintech advancements.

# PRIORITIZING DATA PRIVACY AND CYBERSECURITY

## Definition

According to the Cost of a Data Breach Report 2021, financial industries have suffered on average \$5.72 million in losses directly connected to data breaches. ALEXBANK drives a huge cybersecurity and privacy operation, capitalizing on daily adaptation to new and emerging risks. Following the most updated frameworks and international standards is at the core of providing customer privacy and data security accompanied by imposing newer cybersecurity protocols and capacity building.

## Commitment

Privacy and security of personal and business data for clients, employees, and business partners should be protected as technology and digitalization become essential aspects of contemporary life.

## Management Approach

ALEXBANK places a strong emphasis on data privacy and cybersecurity to protect customer information and maintain a secure banking environment. The Bank implements robust measures to safeguard sensitive data. ALEXBANK complies with data privacy regulations and invests in advanced cybersecurity technologies to proactively detect and mitigate threats. Regular employee training ensures a high level of awareness and preparedness.



“Cybersecurity has become a business imperative the scale and sophistication of cybercriminal activity increases day by day and to mitigate the associated risks, it is essential that organizations work to develop more robust security measures and implementing strong security practices and awareness at all organization levels.

In 2023 ALEXBANK cybersecurity posture was one of the main pillars, as we initiated a program “Cybersecurity Resilience” to increase the maturity level in this critical field focusing on 3 main areas: tools and technology, Procedures and processes, human resources. This program has achieved its target with very satisfactory outcomes significantly boosting the cybersecurity posture of ALEXBANK.

Furthermore, resilience is equally vital. In the face of increasingly complex cyber threats and potential disruptions, BCM team worked during 2023 to ensure that critical systems and operations remain robust and resilient. This includes having contingency plans in place, implementing redundancy measures, and continuously monitoring and updating our cybersecurity protocols to stay ahead of emerging threats.”



**Noha Moustafa,**  
Head of Cybersecurity  
and Business  
Continuity Management  
Department

# PRIORITIZING DATA PRIVACY AND CYBERSECURITY

## Integrated Approach to Cybersecurity: Safeguarding Customers and Managing Digital Risks

ALEXBANK has synchronized its cybersecurity strategy with the Central Bank of Egypt's December 2021 framework, reflecting a proactive stance against the evolving digital threats. In 2023, the Bank initiated various cybersecurity measures focusing on prevention, resilience, recovery, managing third-party risks, combating cyber fraud, and enhancing governance.

The Bank's Cybersecurity and Business Continuity department safeguards customer data, emphasizing confidentiality, integrity, and availability. By leveraging advanced technologies and strong controls, ALEXBANK aims to protect customers' digital interactions and ensure continuous digital service availability, especially during unplanned interruptions, via well-developed continuity plans.

ALEXBANK employs a formal incident response process alongside a Crisis Management Model with an escalation matrix for rapid access to a Crisis Governance committee comprising senior management. This committee is tasked with the efficient handling of escalated incidents, engaging stakeholders in decisions, and allocating resources as needed. For issues not reaching emergency status, the Bank adheres to a communication protocol with relevant parties to evaluate the situation and ensure responses are consistent with the bank's risk appetite.

## Digital Challenges, Strategic Solutions

The global cyber risk landscape has seen significant changes due to increased digitalization, the COVID-19 pandemic, and geopolitical friction. Digitalization has broadened potential cyber-attack targets, especially as customer engagement in

digital channels has grown. The shift to remote work has also provided new opportunities for cybercriminals, who have developed novel scams exploiting these conditions. Furthermore, geopolitical strife has led to state-sponsored hacking aimed at disrupting enemy nations, as observed in conflicts like those involving Russia and Ukraine or in the Middle East.

In response to this rapidly changing threat environment and heightened risks, ALEXBANK, part of the Intesa Sanpaolo Group, has crafted a cybersecurity strategy based on four new pillars. This strategy is central to the Cyber 2022-2025 Business Plan, focusing on customer protection, bank security, compliance with cyber regulations, and the creation of a holistic cyber strategy that enhances digital trust within an ESG framework.



# PRIORITIZING DATA PRIVACY AND CYBERSECURITY

## Policies and Procedures Risks

<p><b>ALEXBANK Security Principles</b></p> <p>ALEXBANK has adopted national and international security standards, following the strategic approach of the Parent Company. These standards are crucial for safeguarding stakeholders through various models, processes, and technological solutions designed to analyze and mitigate risk scenarios.</p>	<p><b>ALEXBANK Cybersecurity Guidelines</b></p> <p>The Bank has updated guidelines clarifying the roles and responsibilities of corporate structures in cybersecurity and incident handling. This includes involvement from the Board of Directors to the Training and Development departments, with a strong emphasis on raising employee cybersecurity awareness.</p>	<p><b>General Security Rules for Information Asset Protection</b></p> <p>Updated guidance was provided for protecting the Bank's information assets, including minimum-security requirements and specific controls for user access, network configuration, and vulnerability mitigation.</p>	<p><b>Security Rules for Specific Areas and Authentication</b></p> <p>Minimum security requirements for specific operational areas were revised, covering the secure preparation, production, and delivery of payment cards, network design, and protection of internet and mobile Banking applications. Revised authentication measures for various stakeholders, including users, system administrators, and customers, were introduced. These updates encompass different authentication methods and the management of credential life cycles.</p>
<p><b>Security Rules for Configuration and Change Management</b></p> <p>The Bank has solidified measures for configuration and change management, ensuring robust controls for managing and monitoring configurations and changes, as well as asset registration.</p>	<p><b>Security Rules for Access Management</b></p> <p>Updates to the security measures for managing access to the Bank's information systems were made, covering identification, authentication, and authorization processes.</p>	<p><b>Security Rules for Incident Management</b></p> <p>The Bank has defined minimum requirements for identifying, monitoring, responding to, and managing security incidents, aiming to protect the confidentiality, integrity, and availability of information assets.</p>	<p><b>Security Rules for Fraud Prevention and Management</b></p> <p>A common framework was established for all personnel, including outsourced staff, to manage system fraud scenarios, emphasizing rules for mitigating fraud risks.</p>
<p><b>Security Rules for System and Application Life Cycles</b></p> <p>Security measures for the life cycles of systems and applications were updated to ensure continuous adherence to information security pillars throughout designing, development, testing, production deployment, and disposal phases.</p>	<p><b>Security Rules for Third-Party and Cloud Service Management</b></p> <p>Revised security measures for relationships with third parties were introduced to minimize risks and protect the pillars of information security.</p>	<p><b>Security Rules for User Profiling</b></p> <p>The Bank updated measures for defining and managing user profiles, ensuring secure and appropriate access to the Bank's systems.</p>	<p><b>Cybersecurity Behavioral Rules</b></p> <p>Guidance for users on protecting the Bank's information assets was updated, including safe internet browsing, secure document management, and the use of IT tools.</p>
<p><b>Security Operation Center Processes</b></p> <p>The Security Operation Center's activities and workflows, such as technical security tests and phishing analysis, were documented and updated, ensuring a robust response to cybersecurity incidents.</p>	<p><b>Intesa Sanpaolo Group Crisis Management and Business Continuity</b></p> <p>The Bank implemented a Crisis Management Model with documented rules for activating countermeasures during crises. Additionally, Business Continuity Guidelines were updated to align with Intesa Sanpaolo Group's principles and policies.</p>	<p><b>SWIFT Secure Zone Standards</b></p> <p>The Bank adheres to the high security standards required for SWIFT communication, dividing the network into zones with specific security controls to ensure secure financial transactions.</p>	<p><b>Security Rules for Encryption and Masking</b></p> <p>Updates were made to the cryptographic techniques used for data protection, including encryption and hashing, to maintain the confidentiality, integrity, and availability of sensitive data.</p>

# PRIORITIZING DATA PRIVACY AND CYBERSECURITY

## Elevating Security Standards: ALEXBANK's Integrated Cyber Defense

The integration of the below Cybersecurity initiatives not only aligns with regulatory demands but also builds a foundation of trust with its customers by showcasing a commitment to the highest standards of digital security. Through these efforts, ALEXBANK has significantly strengthened its defense against the dynamic and sophisticated cyber threats facing the financial industry today.

## Fortifying Cybersecurity Infrastructure

ALEXBANK has implemented an Endpoint Detection and Response (EDR) tool to provide continuous monitoring of end-user devices, enhancing the Bank's ability to combat cyber threats such as ransomware and malware. Alongside this, the Bank conducted a comprehensive review of its infrastructure security controls, aimed at fortifying the core cybersecurity infrastructure. In tandem with these efforts, Privilege Access Management (PAM) and remote support solutions were introduced to manage and monitor privileged access and ensure an additional layer of control for IT service desk remote sessions. Data Leakage Prevention (DLP) strategies were also rolled out across various communication channels to safeguard against unauthorized data exposure.

## Enhanced Access and Identity Protection

The deployment of Identity Access Management (IAM) tools and dual-factor authentication processes represents ALEXBANK's commitment to stringent access controls. These measures are designed to align access permissions with individual job roles and add an extra layer of security, mitigating the risk of data breaches.

## Strengthening Risk Management

A total restructuring of the cybersecurity function has been undertaken to fully align with the CBE's framework, thus enhancing the cybersecurity governance within the Bank. This was complemented by the initiation of a Cybersecurity Risk function, tasked with developing a comprehensive risk register and assessment processes, which has been instrumental in identifying and closing existing security gaps. The Bank has also undertaken the task of classifying data according to its level of criticality and confidentiality to ensure better data protection.

## Fraud Detection and Response

To address cyber fraud, ALEXBANK has strengthened its monitoring capabilities across all digital channels, thereby reducing fraud risk and enhancing the Bank's ability to monitor cyber risks.

## Ensuring Business Resilience

The Bank has focused on enhancing the coverage of critical systems to ensure resilience in the face of emergencies, alongside conducting Business Continuity Management (BCM) awareness sessions for staff, thereby strengthening the Bank's overall emergency preparedness.



# PRIORITIZING DATA PRIVACY AND CYBERSECURITY



## Building Security Awareness

Awareness campaigns targeting both bank clients and employees have been fundamental to ALEXBANK's cybersecurity strategy. These campaigns aim to foster a culture of security awareness, ensuring that both clients and employees are well-informed and vigilant in protecting their data and the bank's digital assets. In response to the evolving landscape of cyber threats, the bank has implemented specialized training to enhance its cybersecurity measures and safeguard sensitive data. Additionally, ALEXBANK has prioritized the development of a robust corporate culture, reinforcing its core values and fostering supportive and cohesive workplace dynamics.

## Safeguarding ATM Services

Coinciding with ALEXBANK's efforts to further improve and facilitate ATM services-related risks, ALEXBANK has successfully launched its ATM Physical and Cybersecurity system, which helped develop and enhance its ATM security control system.

## Customer Instructions to Prevent Scam Incidents

ALEXBANK developed a short video<sup>12</sup> that advises on protection from scams by instructing customers to not share their personal or banking information, OTP codes or any related numbers with anyone. It also advises to not open any links from unknown sources to avoid hacking or cloning of personal data.

<sup>12</sup> To view the video please refer to this [Link](#)



# PROSPERITY

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# PROSPERITY

By possessing strong financial resilience, ALEXBANK endeavors to achieve its vision of prosperity and maintain its uprising business performance. This is achieved by establishing purposeful sustainable and responsible banking practices, ensuring responsible impact, and having a clear definitive

purpose. Consequently, ALEXBANK is able to advance in progressively contributing stimulating economic growth.



A smile blooms on her face as her vision takes shape on the fabric.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Commitment

ALEXBANK is deeply committed to sustainable business practices and maintaining a strong market presence in Egypt. Central to this commitment is the welfare of its employees, ensuring a supportive and inclusive workplace environment. Additionally, the bank prioritizes providing responsible loans to customers, empowering individuals and businesses to achieve their financial goals while promoting economic stability. As a stable partner to the Egyptian Government, ALEXBANK plays a significant role in supporting national development initiatives and fostering growth for the economy.

## Management Approach

By possessing strong financial resilience, ALEXBANK endeavors to achieve its vision of prosperity and maintain its uprising business performance. This is achieved by establishing purposeful sustainable and responsible banking practices, ensuring responsible impact, and having a clear definitive purpose. Consequently, ALEXBANK is able to advance in progressively contributing stimulating economic growth.

## FY 2023 KPIs



**162** Bn EGP

Total Assets  
(+22% YoY)



**58** Bn EGP

Net loans portfolio  
(+5% YoY)



**133.3** Bn EGP

Customer deposits  
(+21% YoY)



**9%**

YoY growth in  
customer base



**5** Bn EGP

Net profit  
(+76% YoY)



**12** Bn EGP

Net interest income  
(+66% YoY)



**22%**

Of total loans allocated  
to MSMEs



**13.3** Bn EGP

Net income  
(+64% YoY)



**30%**

Cost to income ratio  
(down from 40% in 2022)

# BUSINESS PERFORMANCE AND MARKET PRESENCE



We see sustainable growth as our cornerstone, combining robust economic and financial strategies to maximize profitability and stakeholder value. Our solid foundation, supported by the strongest capital base in Egypt and a strategic risk appetite, enables us to expand lending and explore new business avenues. Furthermore, we're committed to boosting our society, having ESG principles as a key component of our approach.



**Michele Formenti,**  
Chief Financial  
Officer

## ALEXBANK's 2023 Economic Performance and Market Presence

In 2023, ALEXBANK Net Loans increased by 5% compared to 9% along with an increase in 2022 while customer deposits increased by 21% compared to 16% in 2022. Net income went up to 64% YoY to EGP 13.3 Bn compared to 16% in 2022, net interest income went up by 66 % YoY, and net fees and commission income grew up by 49% YoY to reach EGP 1,244 Mn.

ALEXBANK operational efficiency increased, with the cost-to-income ratio standing at 30.4% compared to 40% in 2022.

Overall, the Bank witnessed a 9% YoY increase in customer base driven by Retail and Small Business sector witnessing growth of 9% and 12%, respectively.



A triumph in every stride.

\* Please see [ALEXBANK's Annual Financial Statements](#) for the year ended December 31, 2023 for more details.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Economic Value Distribution

In 2023, ALEXBANK demonstrated a commitment to sustainable growth while navigating economic challenges. The bank's approach to economic value distribution reflected a balance between operational efficiency and the welfare of its employees. Despite a decrease in pension costs by EGP -3 million (-1.02%), totaling EGP 288 million, and a reduction in total salaries cost by EGP -161 million (around -12% lower than 2022), ALEXBANK maintained its course towards sustainability and economic value creation.

The bank's loan portfolio to customers expanded, indicating a strong support for economic activities, with financing for businesses and individuals growing by 7.3% to reach EGP 63.9 billion. ALEXBANK's role as a stable partner to the Egyptian Government was underscored through a significant Corporate Tax payment of EGP 2,393 million for the year.

portfolio on the credit side through bringing new joiners to the portfolio while increasing our credit portfolio with top not large domestic clients. We solidified and increased our product offering with our multinational corporate clients through offering credit, treasury services, cash management and trade finance services needed. We have restructured our mid corporate segment through an approach of enhancing our services by understanding our clients' needs while focusing on a more standardized approach for more efficient time to market. We achieved excellent results for our sustainability target through providing the necessary clean energy / green financing and providing more energy efficient capital expenditure structure. Our transaction banking services kept navigating the hard economic situation in light of the scarcity of foreign currency and ALEXBANK became a top performer across all Intesa Sanpaolo subsidiaries for transaction banking services for 2023. For financial institutions, we opened new relationships with supranational supporting favorable schemes for our SMEs, also adopted financing tools with our correspondents for supporting trade in order to suit our clients' needs within the existing economic environment.



**288** Mn EGP

Pension cost (-1% YoY)



**63.9** Bn EGP

Financing of business and individuals (+7.3% YOY)



**2,393** Mn EGP

Paid corporate tax

## Banking Across Segments

### Corporate & Investment Banking

Corporate and investment banking generated unprecedented growth in profitability levels during 2023 growing by 71% versus 2022 to reach a total net operating margin of EGP 1.658 billion. This was the result of an articulated strategy of focus on maintaining and growing our large corporate



ALEXBANK's Kasr El Nile branch.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Strategy

ALEXBANK corporate and investment banking division focuses on cementing long term relationships with high quality corporate customers across large, mid-caps and multinational corporations. We forge our corporate relationships with diverse range of products from treasury services, credit facilities, cash management, trade finance, and structured finance transactions. We embrace a sectorial approach in our commercial credit strategy ensuring the diversification of our portfolio and value creation for the bank and for our corporate customers. Our strategy mirrors the swift changing economic environment balancing between our customer needs, quality of service, and top risk management practices. We support the Egyptian economy needs for foreign currency and passionately knock the doors of Egyptian exporters to provide them their deserved top-notch service they could get.

## Treasury

Responsibly managing and investing the pool of customers' deposits, to maximize interest rate margin and generate capital gains for the Bank. Handling the Bank's liquidity, Banknote requirements, fixed income portfolios, currencies positions and the Bank's direct investment portfolio.

## Treasury and ALM



**13.5** Mn USD

In Green Eurobonds secured for ALEXBANK's customers

Amidst the headwinds of geopolitical tensions, the Russian Ukrainian war and global markets volatility, and although the Egyptian economy has undergone challenging and destabilizing circumstances, ALEXBANK has managed to maintain a strategic performance plan, enabling it to perseveringly endure the challenges and emerge even stronger compared to last year.

While managing large portion of ALEXBANK's excess liquidity, Treasury adopted efficient portfolio management. Navigating globally rising interest rates and fluctuating durations, masterfully steering the portfolio towards shorter terms, capitalizing on anticipated hawkish policies, consequently, the composition of the balance sheet spreads have improved which was reflected on the financial performance and in respect to all risk parameters.

Treasury successfully launched Egyptian Eurobonds executions and custody services for clients, while promoting Egypt green bonds to our customers contributing positively to our ESG commitments. In total, Treasury managed to secure USD13.5 Mn in Green Eurobonds to ALEXBANK customers.

In line with Intesa Sanpaolo's ESG strategy and the new regulatory requirements that demand greater attention to sustainability, Treasury participated, alongside competent functions, in the acquisition of an EIB loan. This loan is intended to support customers who meet sustainable criteria, facilitating green economy financing aimed at preserving and protecting the environment. Customers will be incentivized to utilize the funds for dedicated Green Economy initiatives outlined in the agreement, which include conservation efforts for fauna and flora, soil, water, air, climate, landscape, cultural heritage, and the built environment.



Skillfully crafting beauty stitch by stitch, her hands weave tales of tradition and creativity with each delicate movement of the needle.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Fixed Income

ALEXBANK successfully manages various securities' portfolio in LCY and FCY, effectively managing Bank's balance sheet liquidity & related risks while locking lucrative returns, as well as promoting diversified products to our customers capitalizing on global relations with international counterparties & service providers.

ALEXBANK successfully transitioned Debt securities activities by registering all its clients on the Egyptian Exchange (EGX) in accordance with the new T-bills trading and settlement procedures.

These procedures involved moving to Exchange traded markets through central clearing and depository entity (ECSD) while successfully design, setup & test ALEXBANK systems to accommodate the new structure.

## Foreign Exchange

Despite the challenging economic outlook, ALEXBANK was able to effectively manage foreign currencies positions, while fulfilling customers' requirements from foreign currency, securing strategic goods requirements. Also following CBE instructions regarding derivative products and banks liberty in pricing FX derivatives, ALEXBANK was able to participate in related derivatives market setup and offers to clients.

## Money Market

Treasury team has successfully introduced FCY and new RFR benchmarks in ALEXBANK ahead of USD and EUR benchmark cessation, and an extra milestone was achieved to avail extra benchmarks on Bank systems (SOFR/ESTR/CONIA). Digitizing interest rate benchmarks input in addition to the automation of money market corridor linked product.

ALEXBANK successfully over-performed/maintained local market performance in money market placements across interest rate benchmarks in 2023.

Being part of CBE MMCG, ALEXBANK participated in the launch of the newly introduced derivatives products in the Egyptian Markets.

## Treasury Corporate Solutions (TCS) & Customer Executions



**1<sup>ST</sup>**

ALEXBANK's Electronic Trading Platform - **the 1st customers' FX platform in Egypt**

Treasury successfully launched Treasury Corporate Solutions Unit, aiming to effectively expand treasury services & products to benefit from the growing diversified existing corporate client base, as well as identifying sales opportunities for potential corporates. TCS & customer execution are mainly responsible for managing Customers' related activities including Foreign Exchange, Fixed Income & Derivatives in both local & foreign currencies, as well as sponsoring ALEXBANK's Electronic Trading Platform "the 1st customers' FX platform in Egypt."

## Direct Investments

The direct investments achieved impressive growth, expanding ALEXBANK mutual funds' client base by 15% and attracting bigger investments with a 25% increase in funds average size. Also, outpaced budgeted dividend growth by over 300% through strong negotiation tactics with partner companies, yielding significant financial gains.

## ALM

ALM's masterful banknote management strategies unlocked a 91% surge in exported LCY banknotes during the past 2 years, effectively eliminating idle cash and minimizing associated losses.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Consumer Banking

ALEXBANK's consumer banking segment, representing **29%** of the bank's total business, showed strong performance in 2023. Gross income reached EGP **3.9 Bn**, indicating effective service

delivery to retail customers. With a **9%** increase, the segment now serves **1,767,555** customers, demonstrating steady growth. This reflects ALEXBANK's ongoing commitment to meeting the financial needs of individuals, contributing to the bank's overall stability and market presence.



**3.9 Bn EGP**

Gross Income  
(+9% YoY)



**29%**

Gross Income share from total business activities



**173**

Branches



**754**

ATMs

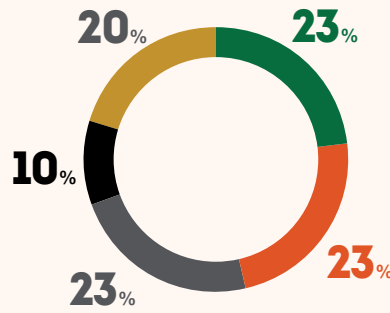
(+14% YoY, and +57% from 2020)



Customers

**1,767,555**

Retail Customers  
(+9% YoY)



- Customers under 32 years
- Customers between 33-42 years
- Customers between 43-52 years
- Customers between 53-67 years
- Customers above 67 years



Cards

**45%**

Debit card POS spend

**44%**

Credit card ticket size

**8%**

Debit card ticket size

**57%**

Credit card ENR

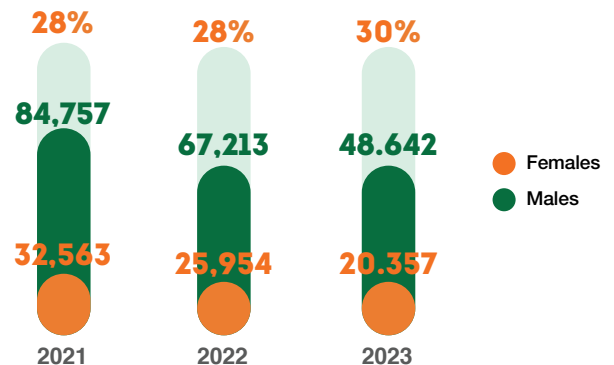
**104%**

Credit card total spend

## Total Loans Granted for Individual Customers

ALEXBANK had a total booked loans count of 68,999 during 2023. In 2023, the median female granted loans were EGP 52k and the median male granted loans were EGP 75k. The diversity ratio in terms of number of granted loans increased by 2 % compared to 2022 as a result of the Bank's continuous efforts to improve gender equity and inclusion.

## Total Number of Loans Granted by Gender



# BUSINESS PERFORMANCE AND MARKET PRESENCE

## ALEXBANK's Strategic Expansion Initiatives

### Western Union Services Expansion

ALEXBANK has continued its Western Union expansion across different branches for enhanced customer experience and wider geographic reach. In this regard, ALEXBANK has launched Western Union Comprehensive training sessions for the front liners employees and new hires ensuring

that ALEXBANKs employees are well-versed in compliance regulations and security measures, and deepening their understanding of WU products and services. Additionally, ALEXBANK has embarked on the roll-out of the bank's API Technology with key partner banks to cater to daily remittance activities and facilitate instant money transfer to mobile wallets as well.



Graceful hands weave tradition.

# BUSINESS PERFORMANCE AND MARKET PRESENCE

## Suez Canal Impact Report

ALEXBANK, in collaboration with SRM Center for Economic Research both members of Intesa Sanpaolo group, hosted an event under the Patronage of the Embassy of Italy in Cairo to unveil its fourth edition of the Suez Canal report titled “The Suez Canal: The impact of war and the pandemic on

maritime routes, an analysis of port competitiveness indicators, the role of Egypt in global trade and the development of the SCZone” analyzing the Suez Canal’s impact amidst global challenges. The report examines maritime routes, Egypt’s role in global trade, and SCZone development.



Gathering waste from the Red Sea through dive cleanups.

# RESPONSIBLE AND PURPOSEFUL LENDING

## Definition

ALEXBANK’s responsible and purposeful lending encompasses various initiatives aimed at promoting sustainable development and societal well-being. This includes supporting sustainable operations through green economy financing for corporates, providing microfinance, and addressing the need for affordable housing. The bank recognizes the vital role of the banking sector in providing employment opportunities, especially through retail, SME, and corporate lending. ALEXBANK’s lending practices align with the principles of responsible lending, prioritizing social and environmental sustainability while contributing to economic growth and community development.

## Commitment

ALEXBANK upholds responsible lending practices both in line with the Intesa Sanpaolo Group’s sustainable transactions and products rules, as well as the sustainable financing activities guided by the CBE’s guidelines. We rigorously assess projects to ensure they align with ESG principles, promoting economic development, social welfare, and environmental sustainability.

## Management Approach

The banking sector has significantly evolved, with a shift in priorities towards facilitating the creation of a prosperous life for individuals. ALEXBANK emphasizes providing financial assistance through lending as a primary activity in its portfolio. This aid is extended to entities dedicated to environmental conservation, as well as disadvantaged individuals and youths lacking opportunities for growth and development. ALEXBANK ensures diligence by adhering to frameworks like the Principles for Responsible Banking and Equator Principles, aiming to maximize the benefits of its strategies.

ALEXBANK, a UNEPFI member since 2019, conducted an impact analysis as the first step in the target-setting process. ALEXBANK has selected Circularity and Finance (Financial Inclusion) as the most significant impact areas to prioritize and set targets on, aligning with the Parent Company’s direction and the country’s priorities.



At ALEXBANK, the integration of ESG practices has evolved to be a cornerstone of our strategy, marking a profound organizational transformation. Our dialogue with the parent now focuses on creating socially impactful lending products and ESG materiality, reinforcing our commitment to sustainable growth. We take pride in our digital customer base and partnerships, touching millions of people with our financial inclusion products and services. Our ambition is to expand our digital footprint through B2B partnerships and initiatives, emphasizing the necessity of digitization in Egypt’s growing population. In 2024, we aim to increase digital transactions and the customer base while addressing the challenge of extending digital banking to rural areas. Financial inclusion and literacy are priorities, emphasized through responsible lending and a holistic, value-driven sustainability approach across all channels.



**Ramy Taha,**  
Deputy CEO Retail,  
MSMEs & Digital  
Banking

# RESPONSIBLE AND PURPOSEFUL LENDING

## ESG Lending Products & Services

ALEXBANK is committed to integrating ESG principles into its lending products and services, aligning with our broader sustainability objectives. With a focus on responsible finance, we offer a range of ESG lending solutions designed to support environmental and social sustainability and uphold strong governance practices. Our retail lending portfolio has been screened against the Parent’s Rules for classification of sustainable

credit products resulting in the identification of 12 lending products as sustainable.

In 2023, retail sustainable products accounted for 19% of our total retail new production, with a notable focus on microfinance lending, small business lending, pension loans. This demonstrates our unwavering commitment to addressing social needs and sustainability challenges while delivering value to our customers and stakeholders.



### 1 Environmental Product



Solar-Green Loans

### ESG Products: Top 3 Social Lending products

#### Product Name



Livestock Finance - IDV



Livestock Finance Small Business



Micro Finance - IDV

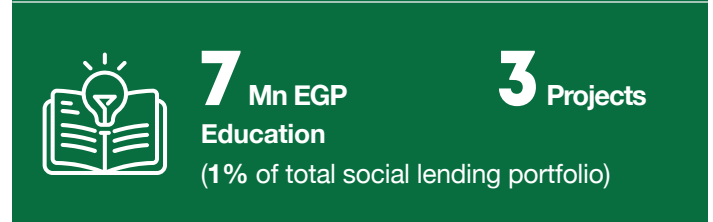
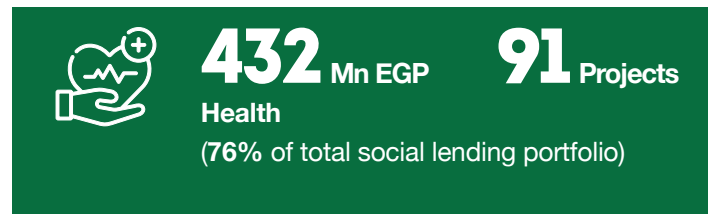
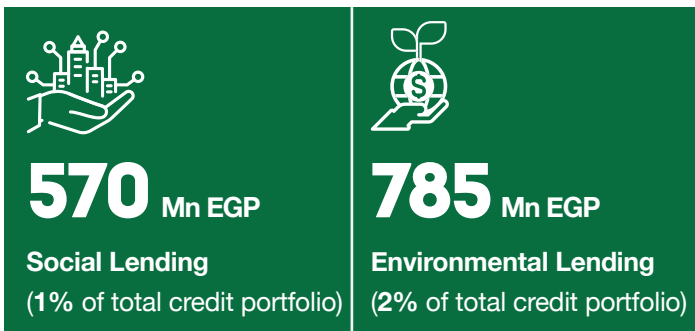
# RESPONSIBLE AND PURPOSEFUL LENDING

## Sustainable Financing in accordance with the CBE Framework

Guided by the sustainable finance framework outlined by the CBE and the classification of environmental and social projects<sup>13</sup>, we identify and prioritize sustainable transactions within our credit portfolio. In 2023, our commitment extended to supporting critical sectors such as healthcare, where a substantial portion of our lending to small business clients is dedicated. By directing financing towards projects that prioritize sustainability and energy efficiency, particularly through the adoption of environmentally sustainable technologies, we aim to promote positive sustainable impacts and drive progress towards a greener future.

## Social Lending Portfolio

Our focus on societal well-being and sustainable development is evident in our allocation of funds across the following social pillars as per the CBE's Classification. The majority, 76%, supports the healthcare sector, followed by investments in education, infrastructure, handicrafts, and sustainable infrastructure. We aim to drive positive change and contribute to the socio-economic progress of Egypt.



<sup>13</sup> For further details about the Central Bank of Egypt's (CBE) social and environmental pillars definitions, please refer to the annex.

# RESPONSIBLE AND PURPOSEFUL LENDING

## Environmental Lending Portfolio

Aligning closely with the CBE's environmental projects classification, our environmental lending portfolio reflects a strong commitment to supporting projects that promote renewable energy, energy efficiency, and waste management. A significant portion, 76%, of our facilities is dedicated to enhancing energy efficiency, followed by investments in renewable energy and waste management initiatives.



**25** Projects

**785** Mn EGP



**138** Mn EGP

**7** Projects

**Renewable Energy**

(18% of total environmental lending portfolio)



**595** Mn EGP

**16** Projects

**Energy Efficiency**

76% of total environmental lending portfolio



**52** Mn EGP

**2** Projects

**Waste Management**

(7% of total environmental lending portfolio)



Glimpses of the limitless sky  
inspire versions of opportunities.

# RESPONSIBLE AND PURPOSEFUL LENDING

## Financing in Accordance with Intesa Sanpaolo Group's Rules for Sustainable Transactions

As part of the Intesa Sanpaolo Group, ALEXBANK also aligns its sustainable lending with the Group's Rules for the Classification of Sustainable Credit Products and Lending Transactions. According to these rules, the credit products and lending transactions are categorized based on sustainability criteria, including environmental, social, governance,

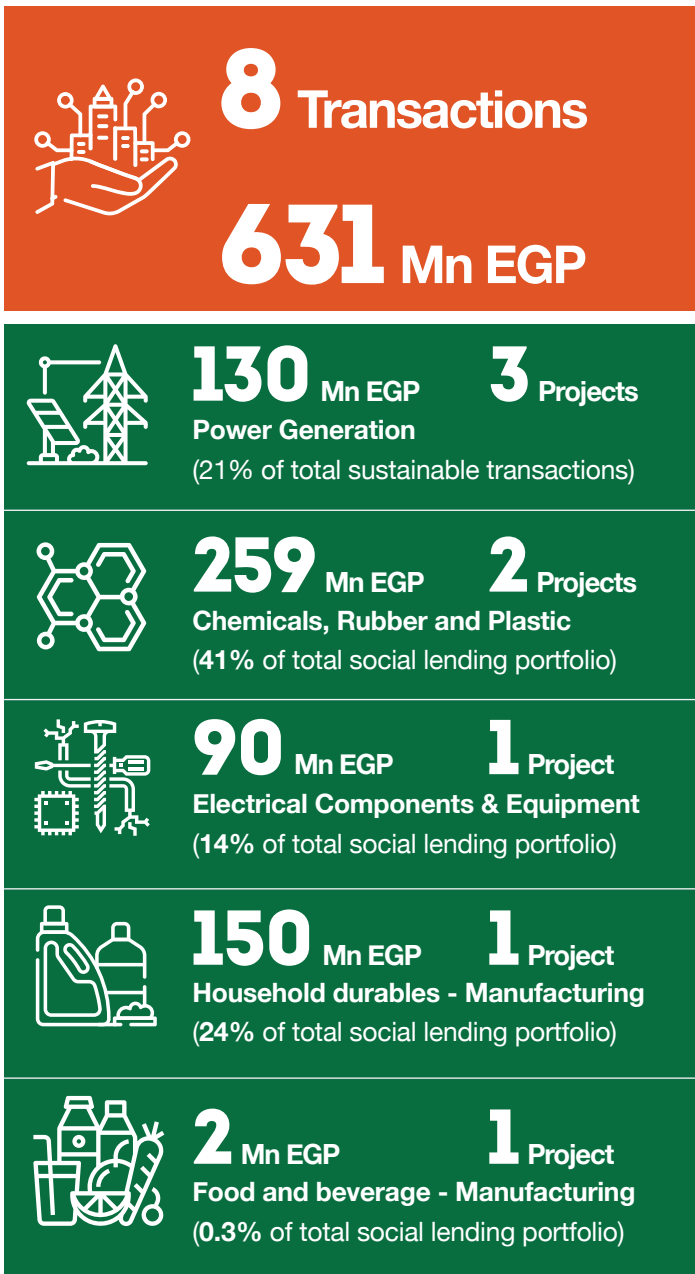
and other sustainability factors. Additionally, there's a category for other sustainability factors, such as transactions with unspecified use of proceeds or those with sustainable covenants/KPIs, all of which must be clearly documented and aligned with the respective sustainability classifications at the proposal stage or throughout the transaction's lifespan.

In 2023, the percentage of Corporate & SMEs new sustainable production has reached 18% in line with the Parent Company's rules.

ALEXBANK has pursued sustainable transactions across sectors, notably in power generation (21% of total), chemicals, rubber, and plastic manufacturing (41%), household durables manufacturing (24%), and electrical components & equipment (14%).

### Driving Growth in the Pharmaceutical Industry: ALEXBANK's Successful Partnership with Orchidia

This case study highlights the successful collaboration between ALEXBANK and Orchidia Pharmaceutical Industries. Orchidia, a prominent player in the Egyptian ophthalmology market, sought to expand its manufacturing capabilities and meet growing market demands. ALEXBANK provided the necessary funding through a medium-term loan to support Orchidia's acquisition of a new production line that would enable the company to increase its production with improved energy consumption. The loan covered **80%** of the total investment cost, with additional financing approved to account for currency devaluation. This partnership enabled Orchidia to double its production capacity to **2.8 million** units per year and introduce innovative products. ALEXBANK's support not only contributed to Orchidia's success but also demonstrated its commitment to fostering growth in key sectors of the economy.



# FINANCING GREEN AND CIRCULAR TRANSITION

## Definition

To proactively address the environmental and social impacts of its portfolio, ALEXBANK has initiated a series of measures aimed at identifying and mitigating these effects through comprehensive assessment and targeted actions. Leveraging tools such as the UNEP-FI portfolio assessment, the bank identifies key activities within its portfolio that contribute to adverse environmental outcomes, including greenhouse gas emissions and resource consumption. ALEXBANK ensures effective management of these impacts by adhering to both the CBE's Sustainable Finance Guidelines and the Intesa Sanpaolo Group Rules for the Classification of Sustainable Credit Products and Lending Transactions. These frameworks offer clear guidelines and classification criteria to promote sustainable financing practices.

Moreover, as part of its commitment to social responsibility, Intesa Sanpaolo announced in its 2022-2025 Business Plan an allocation of €25 billion towards social lending and urban regeneration, aimed at fostering social impact through initiatives promoting financial inclusion.

## Commitment

ALEXBANK prioritizes financing initiatives that promote environmental sustainability, resource efficiency, and the circular economy. Our commitment to the green and circular transition drives investments in projects aimed at reducing carbon emissions, enhancing energy efficiency, and fostering sustainable practices across industries.

## Management Approach

At ALEXBANK, we recognize and embrace the significance of financing the green and circular transition. We understand that transitioning towards sustainable and circular business practices is not only essential for the environment but also presents significant economic opportunities. As a responsible financial institution, we are committed to playing a significant role in driving positive change and supporting initiatives that promote sustainability.

GRI 3-3



A Bedouin woman adorned in traditional garments, presents her handmade wares.

# FINANCING GREEN AND CIRCULAR TRANSITION

## ALEXBANK and EIB Partnership for Green Energy Financing in Egypt



ALEXBANK has partnered with the European Investment Bank (EIB) to invest \$15 million in a Green Economy Financing Facility (GEFF) initiative aimed at promoting renewable energy adoption and energy efficiency in Egypt's industrial, commercial, and agricultural sectors. This collaboration marks a significant step towards accelerating business energy investment across the country, with the primary goal of enabling Egyptian businesses to transition to green energy, reduce energy costs, and contribute to climate action. Aligned with ESG principles and Egypt's 2030 sustainable development goals, the initiative empowers companies to enhance efficiency, reduce energy and water consumption, improve product quality, and boost competitiveness. Supported by the European Bank for Reconstruction and Development (EBRD) and the European Union, the Facility offers financial incentives and technical assistance for eligible projects, focusing on investments in renewable energy sources and energy-efficient technologies within privately owned commercial buildings. These incentives, up to 2% of the Facility Aggregate Amount for borrowers and between 10% and 15% for sub-borrowers, serve to encourage sustainable energy financing and drive positive environmental impact in Egypt's business sector.

## Circular Economy Plafond

**102** Mn EGP

Total transactions under the Circular Economy Plafond in 2023

In 2023 ALEXBANK carried on supporting Intesa Sanpaolo commitment under the umbrella of the Circular Economy plafond which is the dedicated fund to support businesses in their transition process towards more resilient and sustainable business model. the total transactions under the CE Plafond amounted for EGP 102 Mn granted.



A calligrapher channels centuries of culture onto papers.

# FINANCING GREEN AND CIRCULAR TRANSITION

## Advisory Service and Project Finance

Since the introduction of the Investment Banking in late 2014 to back ALEXBANK vision to enforce the corporate & investment banking division with a dedicated and specialized arm to offer investment banking products such as project financing, structured finance as well as tailored made financial products/ services to complement other divisions products and services. ALEXBANK succeeded to achieve multiple key milestones in the financial advisory field through undertaking the exclusive financial advisor role for several mega projects that were concluded throughout the past years in the Egyptian market especially in the infrastructure sector which is a key pillar for the Egyptian economy continuous growth. Currently and following several successful closures for previous projects, ALEXBANK is acting as the exclusive financial advisor for Abu Tartour for Phosphoric Acid Company (“AT-PHOS”) in relation to the development of 500,000 tons per year of Merchant Grade Phosphoric Acid (MGA) Production Plant and Offsite Facilities, with an associated sulphuric acid unit in Abu Tartour, New Valley Governorate, Egypt. The project is one of the mega and strategic projects to the Government of Egypt, as it will secure hard foreign currency inflows during the lifetime of its operation, and will secure many job opportunities, as well as it will rejuvenate the New Valley Governorate with auxiliary industries to service it.

A tailor-made project finance products and services started to be introduced since the inauguration of the investment banking in late 2014, that was backed by ALEXBANK vision to have a specialized team with a complete focus on such kind of transactions that usually require a high level of technical know-how. For the last 5 years, ALEXBANK Investment banking team managed to originate and conclude several mega project finance deals in several sectors that include but not limited to: conventional power plants, renewable energy, waste management, retail, fertilizers, petrochemicals, railway, real estate and energy efficiency in addition to a complete focus on green projects that are aligned with ALEXBANK and Intesa Sanpaolo’s ESG strategic objectives which ultimately aims to enhance their green footprint on the environment.

**GRI 203-1, 203-2**



In 2023, ALEXBANK Corporate and Investment Banking reinforced its dedication to sustainable financing. This was manifested in structuring facilities for clean energy projects aiming at reducing carbon emissions by at least 50%. Corporate banking channeled its medium-term facilities for capital expenditures targeting new machinery and equipment aiming at decreasing power consumption.

Despite economic challenges such as, high-interest rates, lack of foreign currency, the Bank’s prudent assessment towards the economic situation with a selective approach for our client base lead to an unprecedented achievement of growth in profitability and volumes. Our partnership with other supranational organizations highlights ALEXBANK’s forward-thinking strategy in supporting SMEs increasing their capacities while reducing financing costs by offering financial incentives for energy-saving investments. This collaboration not only reinforces our strategy for long lasting corporate relationships but also propels a shift towards green investments, highlighting the Bank’s role in actively promoting sustainable development.



**Tamim EL Saady,**  
Head of Corporate  
and Investment  
Banking Division

# FINANCING GREEN AND CIRCULAR TRANSITION

## Infinity Energy – Saint Gobain Glass Egypt



Egypt is strategically enhancing its renewable energy output, targeting a substantial increase to 55% by 2035, leveraging its wealth of land and renewable resources. This concerted push encompasses a diverse array of energy sources, such as wind and solar power, aligning with the nation’s commitment to ESG principles. The government’s sustainable energy endeavors gained further momentum following the COP 27 conference in Sharm El-Sheikh, spotlighting its dedication to climate action.

The World Bank’s endorsement of Egypt’s green trajectory comes in the form of a new Country Partnership Framework (CPF), which commits to fostering an environment conducive to green, resilient, and inclusive development. Central to this framework is the implementation of the Country Climate Development Report’s recommendations, presented at COP27, and a series of reforms aimed at establishing Egypt as a regional green energy hub.

Intesa Sanpaolo Group’s alignment with sustainability is evidenced by their adherence to key UN Sustainability initiatives and the integration of environmental targets within their corporate strategy. In 2022, the Group’s green and circular economy lending activities were significant, with approximately €6.3 billion in loans issued, highlighting their commitment to environmental stewardship.

In Egypt, ALEXBANK, a joint venture between the Egyptian Government and Intesa Sanpaolo, is harmonizing its operations with the national ESG vision and ISP’s sustainability ambitions. The bank is actively engaging in initiatives that foster economic empowerment, financial inclusion, and educational advancement, alongside custom-tailored green finance solutions.



Growing a brighter, more sustainable tomorrow.

# FINANCING GREEN AND CIRCULAR TRANSITION

A notable achievement of ALEXBANK’s Investment Banking Team is the orchestration of a financial package for the installation of a 4.055 MW Solar Photovoltaic (PV) Power Station dedicated to powering Saint Gobain Glass Egypt’s operations. This initiative is a testament to the synergy between the bank’s strategic expertise and its commitment to sustainable energy solutions. The power station project, supported by a consortium comprising Infinity Energy and Masdar company, not only underscores Saint Gobain’s dedication to sustainable practices but also contributes significantly to the reduction of carbon emissions.

Infinity Energy, a prominent player in Egypt’s solar market, expanded its African footprint with a strategic acquisition in 2023, demonstrating its robust shareholder backing, including the EBRD. This project exemplifies ALEXBANK’s strategic facilitation of investments that meet stringent ESG criteria, reflecting the growing investor demand for ventures that yield sustainable environmental and social benefits. Through such measures, Intesa Sanpaolo and ALEXBANK are at the forefront of integrating sustainable value creation into their business ethos.

Establishment of a Solar Plant with the Capacity of

**4.055 MW**



Embracing sustainability has always been at the core of our vision at Infinity. We believe that responsible business practices not only benefit our environment but also drive long-term economic growth and stability. We are grateful for having Alex Bank as a key partner, financing our SGGE project, which supports renewable solutions for the Saint Goban Factory in Ain Sokhna. This project underscores our shared commitment with Alex Bank to making a positive impact on society through innovative and sustainable solutions, shaping a brighter and greener future for generations to come.



**Mohamed Ismail Mansour,**

Co-Founder and CEO – Infinity

# FINANCIAL INCLUSION AND LITERACY

## Definition

ALEXBANK is dedicated to promoting financial inclusion and literacy in Egypt. As part of our commitment to the strategic objectives outlined by the CBE, we aim to ensure equal access to financial services for all segments of society, including minorities and people with disabilities. Our efforts extend towards banking the unbanked population and supporting the growth of micro, small, and medium-sized enterprises (MSMEs), which play a crucial role in driving the economy and improving social welfare. To achieve this, ALEXBANK offers a range of tailored services, products, and training programs that align with the CBE's vision and the broader national agenda. By actively participating in the CBE's initiatives, we contribute to the sustainable growth of the financial sector while empowering individuals and businesses to enhance their financial capabilities.

## Commitment

ALEXBANK strives to make financial products and services accessible and affordable to all customers and work in extending access to finance to those who have been traditionally left out, improving their awareness and capacities in this regard.

## Management Approach

ALEXBANK places great emphasis on managing and promoting financial inclusion, by providing access to financial services and products to underserved populations such as low-income individuals, women, and marginalized communities including people with disabilities. ALEXBANK's approach to financial inclusion goes beyond mere accessibility. The Bank actively engages in initiatives and collaborations to raise awareness about financial literacy, empowering individuals to make informed financial decisions and manage their finances effectively. Through the Bank's extensive efforts, including organizing events, training sessions, and tailor-made initiatives, ALEXBANK strives to create a community that is financially empowered and capable of driving economic growth.



A potter breathes life into his pottery creations.

# FINANCIAL INCLUSION AND LITERACY

## ALEXBANK's Commitment to Financial Inclusion: Reaching Every Segment of Society

Since 2017, ALEXBANK has been instrumental in advancing financial inclusion through a range of initiatives and activities. Aligned with the Central Bank's financial inclusion initiative ALEXBANK has successfully integrated a diverse array of societal segments, notably including low-income individuals, women, farmers, youth, and individuals with disabilities. This has been achieved through the development of tailored banking products and services designed to meet the unique needs of these groups.

### Driving Microfinance

ALEXBANK's microfinance business has experienced significant growth over the past year, demonstrating a strong commitment to fostering financial inclusion and supporting economic empowerment at both the individual and enterprise levels. With a remarkable YoY growth rate of 16%, the outstanding exposure in microfinance has expanded substantially, indicating a heightened focus on reaching underserved segments of society. Total microfinance lending has surged by 16%, with individual loans increasing by 15% and enterprises by 21%, reflecting ALEXBANK's dedication to providing accessible financial solutions to individuals & enterprises falling under this category.

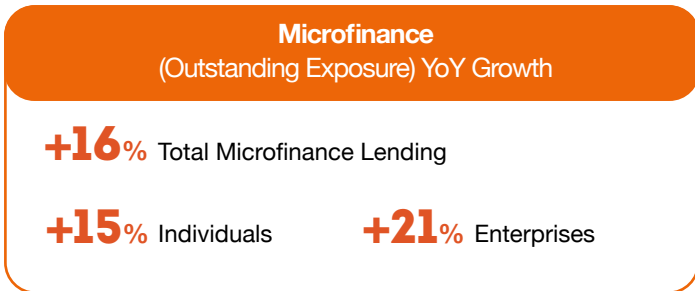
## Ebda3 men Masr (EMM) Microloan for Artisans

As part of Ebda3 men Masr, ALEXBANK designed a microfinance product for Egyptian artisans in order to further empower them. Through competitive interest rates and simplified payments as well as a micro savings account, debit card and mobile wallet, the EMM microloan is reflected in ALEXBANK's efforts to create a microloan tailored to the needs of artisans and the nature of the Egyptian handicraft sector. In addition, a range of customized non-financial services has also been designed including legal advisory services, business skills training sessions, digital marketing training and advisory services, and the opportunity to sell and market products on an e-commerce platform. As of December 2023, 108 microloans have been disbursed and 98 are active while 10 have been fully repaid and closed.



**+2K**

loans disbursed in 2023 with an amount of EGP 80 mln



Smiling towards a future full of opportunities.

# FINANCIAL INCLUSION AND LITERACY

## Empowering Young Entrepreneurs: ALEXBANK's Collaboration with Orange Corners in Upper Egypt

In collaboration with the Kingdom of the Netherlands and Outreach Egypt, ALEXBANK's joint initiative "Orange Corners" has significantly impacted young entrepreneurs in Upper Egypt. Since its launch in February 2021, the program has graduated 96 startups, with 57% being female-led, across diverse sectors such as recycling, agriculture, and waste management. A new program called 'Grow' aims to connect investors and entrepreneurs, providing valuable opportunities for partnerships and access to finance. ALEXBANK's support includes workshops, mentorship, and financial literacy sessions, resulting in 50% of participants becoming banked. This public-private partnership continues to drive sustainable development and economic empowerment in Upper Egypt.



**96**

Startups Graduated through the initiative since its launch in 2021



**57%**

Female-Led Startups



**50%**

Participants becoming Banked

## Inclusive Banking Products and Services

### Ebda' Savings Account

Throughout the year, ALEXBANK has actively promoted the Ebda' savings account, designed specifically for micro-savers and financial inclusion customers. On Farmers Day, recognizing the vital role of agriculture in the Egyptian economy, ALEXBANK provided farmers with Ebda' savings accounts, requiring no minimum opening balance and offering competitive advantages, thereby

ensuring accessible banking services tailored to their needs. On Arab Financial Inclusion Day, ALEXBANK extended its promotion of financial inclusion products, emphasizing the Ebda' account with no account opening fee and no minimum balance requirement, targeting unbanked customers. Additionally, on International Women's Day, ALEXBANK introduced special accounts for new-to-bank women, aligning with the CBE's efforts to boost the number of opened accounts and encourage growth in current and savings accounts. These initiatives aim to support women's economic empowerment by fostering job opportunities and financing micro projects, thus driving financial inclusion and societal progress.

**312%**

increase of Ebda' Savings Accounts opened in 2023 compared to 2022



Capturing the proud moment of Orange Corners graduation ceremony, a testament to determination.

# FINANCIAL INCLUSION AND LITERACY

## ALEXBANK & WFP Open Savings Accounts in Sohag

Under the auspices of the CBE and in partnership with the World Food Program (WFP), ALEXBANK visited a number of villages in Sohag Governorate as part of the activities of financial inclusion, where Ebda' Savings Accounts were opened without any fees or a minimum for opening the account, in addition to issuing Meeza cards for free Providing financial culture programs.

### Youth Account

ALEXBANK recognizes the vital role that young individuals play in shaping the future of the economy. That's why the Bank is dedicated to providing tailored banking solutions through the Youth Account, designed specifically for this dynamic demographic. We firmly believe that fostering financial literacy and independence among youths is crucial for their personal development and the prosperity of our society as a whole. We offer a suite of banking products including benefits and offers, empowering young people to grow financially, and achieve their aspirations.

**11%**

increase in youth customers in 2023 compared to 2022



Equipping women with the tools to navigate the world of finance and secure their financial well-being.

# FINANCIAL INCLUSION AND LITERACY

## Empowering Financial Literacy: ALEXBANK's Initiatives within the FLITIN Network

ALEXBANK has launched initiatives within the FLITIN Network, which stands for Financial Literacy Initiative Network, ISBD's comprehensive network dedicated to promoting financial literacy. This initiative aims to unify and consolidate the impact of financial literacy efforts across Intesa Sanpaolo subsidiaries.

### Money Master Challenge

To commemorate Global Money Week 2023, ALEXBANK launched the "Money Master Challenge" as part of FLITIN, the international financial education network of the Intesa Sanpaolo Group. This competition focuses on money management and saving concepts, engaging middle school students aged 12 to 13 to enhance their understanding of basic financial literacy. Following the qualification stage, the winning class from Metropolitan International School advanced to the international final, where they competed against six other countries and secured the second position.



Students partaking in the Global Money Master challenge during Global Money Week.

## S.A.V.E Ambassadors Initiative



**550** Students



**7** Schools

The S.A.V.E Ambassadors initiative, introduced by ISBD under the FLITIN network to commemorate World Savings Day 2023, targets upper secondary schools keen on engaging their students in sustainability and inclusion issues. ALEXBANK, as part of the Intesa Sanpaolo Group, actively participated in this initiative, which aims to raise awareness among young people about sustainability, circular economy, social inclusion, and financial education. Students aged 14 to 17 from 7 schools in Cairo, including: Ecole Oasis Internationale, Metropolitan International School, Nefertari International School, Roots International School, Own Heliopolis American School, Own Heliopolis British School and British Ramses School were invited to contribute by identifying environmental and social challenges in their communities and proposing innovative solutions. From the submissions received, ALEXBANK selected the top project "BE-ECO | The Eco-Exchange Hub" as the local winner.



**1<sup>ST</sup>** place winner

### BE-ECO | The Eco-Exchange Hub

A comprehensive online platform and mobile app designed to promote sustainability, recycling, and the circular economy. The platform serves as a hub for individuals, students, and businesses to recycle, buy, sell, and exchange secondhand items.



Students embracing the journey of learning.

# FINANCIAL INCLUSION AND LITERACY

## Building Financial Literacy through the Hady Bady Game: A Continued Journey



**61,894** Children

Hady Bady's Reach



**32**

Public Schools



Across

**9** Governorates

Financially savvy children are the foundation of financially literate societies. Firm in this conviction, the Bank has introduced Hady Bady – an Arabic adaptation of the beloved children’s rhyme “Hady Bady” – designed to impart essential financial decision-making skills. Our aim is to empower children to make informed choices about spending, saving for their aspirations, and contributing to those in need.

Embarking on a savings journey, children can explore various activities to earn money, ranging from educational quizzes to community involvement initiatives such as recycling and volunteering at food banks.

This year, the app’s reach has expanded significantly on a national scale, imparting fundamental financial values to children across diverse educational settings. Collaborating with schools, community and youth centers, partner NGOs, orphanages, and centers for children with disabilities, has enabled the wide reach of the App to larger areas of the country.

Our national rollout initiative has already impacted 61,894 children across nine Egyptian governorates, spanning 32 public schools. As part of our commitment to World Savings Day, ALEXBANK has extended the Hady Bady App to eight additional public schools in Bani Sweif and Monofeya throughout October. Moreover, we’ve activated the app for children at the Littlest Lamb orphanage in Cairo, underscoring our dedication to inclusive financial literacy initiatives for marginalized communities across Egypt.

### ALEXBANK launches the second version of Hady Bady application

ALEXBANK presents the second of the application Hady Bady II, featuring enhanced edutainment elements for more engaging experience. The App is available in both Arabic and English on iOS and Android for children aged between 6 to 10 years old.



Children playing 'Hady Bady' - ALEXBANK's financial literacy game.

# FINANCIAL INCLUSION AND LITERACY

## Financial Inclusion Events with the CBE

As part of its commitment to fostering financial inclusion and literacy, ALEXBANK collaborates with partners such as the German Corporation for International Cooperation (GIZ), Opportunities for Women Entrepreneurs in Agribusiness Project, and the World Food Programme in celebration of the CBE's Financial Inclusion Weeks. Across seven governorates in Upper Egypt, ALEXBANK actively engages in conducting financial literacy and awareness sessions within rural villages. These sessions aim to empower residents with essential knowledge and resources to navigate the financial landscape effectively. ALEXBANK also activates offers on account opening and prepaid cards, facilitating access to essential banking services for underserved communities. The bank promotes its agribusiness products, recognizing the critical role of agriculture in these regions.

ALEXBANK's remarkable achievements during the CBE events across all regions of Egypt included reaching 113,459 beneficiaries through on-ground sessions, as well as engaging audiences across the bank's social media channels. Additionally, the bank facilitated the opening of 98,817 accounts, disbursed a total of 61,637 Meeza prepaid cards, opened 16,260 mobile wallets, and established 12,634 other economic activities accounts.



**113,350**

67% Female Participants from total Beneficiaries



**61,637**

total Meeza prepaid cards disbursed of which 19,555 for females (32%)



**6** Governorates

on-ground sessions



**12,634**

Other economic activities: 39% women participation



**168,741**

Total accounts: 58% women enrolled



**16,620**

Mobile Wallet: 23% women registered

### CBE's Financial Inclusion Celebration Events



CBE FI Women's Celebration



CBE FI Arab FI Celebration



CBE FI Youth Celebration



CBE FI Farmers Celebration



CBE FI Savings Week



CBE FI PwD Celebration



Partners



# FINANCIAL INCLUSION AND LITERACY

## Accessible Banking



**20%**

Accessible Branches



**35** Branches

Accessible Branches with ATMs for Mobility Impairment



**50** Branches

Accessible Branches with ATMs for Visual Impairment

### Accessible Branches & ATMs

ALEXBANK is committed to enhancing its infrastructure, a vital step in ensuring an ongoing evolution towards a more inclusive banking experience for all clients. In 2023, the bank focused on renovating five branches across different regions, bringing the total number of updated branches to 35, representing 20% of ALEXBANK's network.

This initiative is aimed at accommodating a wider range of customers, strengthening the financial system's durability, and fostering fairness. Our ongoing efforts include improving accessibility by ensuring most branches are wheelchair-friendly, training staff to better serve customers with disabilities, and providing essential documents in accessible formats such as audio files and Braille. Furthermore, selected ATMs have been equipped to assist visually impaired and wheelchair-bound customers. Looking ahead to 2024, ALEXBANK plans to renovate additional branches, aiming to increase the proportion of accessible branches to 25% of the total network.

### Home Visits for Elderly and People with Disabilities (PwDs)

ALEXBANK is dedicated to ensuring that banking services are accessible to all individuals, including the elderly and people with disabilities (PwDs). As part of this commitment, we offer home visits for eligible customers who may find it challenging to visit the branches. Those eligible for home visits include individuals aged 65 and above with dormant accounts, allowing them to reactivate their accounts conveniently from the comfort of their homes. Additionally, individuals with various disabilities, such as mobility, visual, hearing, or both hearing and visual impairments, are also eligible for this service. Customers can easily request a home visit through our website or by contacting our contact center, demonstrating our commitment to inclusivity and accessibility in banking services.

### Braille Banking Application for the Visually Impaired

In 2023, ALEXBANK worked on the introduction of a banking application in braille format for the visually impaired with all the terms and conditions for opening an account aiming to facilitate the process and serve all consumer segments equally.



ALEXBANK accessible branches are designed to cater to the needs of people with disabilities.

# SUSTAINABLE AGRIBUSINESS DEVELOPMENT

## Definition

The accessibility of the population to adequate, safe, and nutritious food is crucial. ALEXBANK has prioritized lending activities in agriculture and agribusiness solutions to address this need. Currently, ALEXBANK's Agribusiness Loans constitute 11% of its MSMEs portfolio.

## Commitment

Lending to agribusiness has been an increasing priority for ALEXBANK over the past years, recognizing its significant potential to boost the Egyptian economy, the need to feed a growing population within a sustainable food system, and large quantities of food waste and loss in production.

## Management Approach

Recognizing the vital role of agriculture in the economy and the pressing need to address environmental and social challenges, ALEXBANK is committed to fostering sustainable practices within the agribusiness sector. By investing in sustainable agribusiness initiatives, ALEXBANK aims to promote long-term economic growth, preserve natural resources, and enhance the livelihoods of farmers and rural communities. Through innovative financial solutions, knowledge sharing, and partnerships, ALEXBANK strives to support sustainable agriculture, improve food security, and contribute to the overall well-being of society.



Women Leading the Way in Agriculture

## Purposeful Lending: Rural & Agribusiness

**11%**

Agribusiness loans share from total loans to MSMEs in 2023

ALEXBANK aims to lead in agriculture by understanding and addressing farmers' needs and challenges, building trust, and showcasing their success stories. Through international best practices, the bank helps farmers improve quality, increase revenue, and conserve resources. It extends its reach to remote areas for financial inclusion and aligns with Egypt's goals for economic growth and sustainable inclusion.

<b>Livestock Loan for MF and SB</b>	The program targets smallholder and small business farmers, offering them a tailored product to support their livestock rearing efforts instead of with their business cycles.
<b>Crops Loan for MF and SB</b>	A tailored finance scheme to support cultivation activities, with a unique payment cycle matching with the business proceeds, targeting SB and MF.

## Agri-Finance: Empowering the Agriculture Value Chain:

ALEXBANK is committed to financing agricultural and agri-food production by providing a diverse portfolio of customized products. Recognizing the significance of the agricultural sector in Egypt's GDP formation, the bank aims to address the sector's needs by offering favorable credit conditions to sustainable business projects. The Agri-Finance project places farmers at the center, listening to their needs and supporting regenerative agriculture practices. Collaboration with private sector entities, NGOs, and public institutions is encouraged to contribute to the sector's sustainable development.

# SUSTAINABLE AGRIBUSINESS DEVELOPMENT

## WFP Smallholder Farmers Programme

ALEXBANK and World Food Program’s Partnership under the umbrella of the WFP’s Smallholder Farmers Support Program in Upper Egypt to offer microfinance products such as individual microloans and individual livestock microloans to smallholder farmers in Upper Egypt.

### Transforming the Livelihoods of Smallholder Farmers in Egypt

In collaboration with the World Food Programme (WFP), the bank led a national agricultural development project aimed at fostering livelihoods, economic growth, and resilience in the agribusiness industry through innovative financing and comprehensive interventions. These included community awareness sessions, capacity-building training, financial inclusion efforts, technical training on land consolidation, mechanization, and soil leveling, as well as providing seeds and fertilizers. With a focus on women’s empowerment and waste management, the project aimed to create sustainable employment opportunities and enhance the productivity and water use efficiency of smallholder farmers.

### Empowering Female Farmers: A Sustainable Livelihood Project in Al-Minya

ALEXBANK, in collaboration with Life Vision, implemented the project “Creation of Sustainable Livelihoods for Impoverished Small-Scale Female Farmers in Al-Minya.” This initiative focuses on conducting 36 sessions of Farmer Field Schools and Farm Business Schools in two villages located in Al-Minya governorate, targeting 400 direct female farmers and 1,000 indirect beneficiaries. The project aims to provide female farmers with experiential learning opportunities, focusing on new and improved farming and irrigation practices, as well as livestock care. The training curriculum covers various aspects directly linked to enhancing the

capacity and productivity of smallholder farmers in their local context, including agricultural vocational training, social training, financial literacy sessions, entrepreneurship and business skills development, product development, marketing skills training, and business counseling.



**36**

Sessions



**400**

Direct Beneficiaries



**1,000**

Indirect Beneficiaries



Fostering accessibility for financial inclusion and literacy.

# SUSTAINABLE AGRIBUSINESS DEVELOPMENT

## Our Business Success Stories

### From 50 to 300: Ragab Ewis' Cattle Fattening Journey

In 2018, Ragab Ewis founded his cattle fattening business in Fayoum, North Upper Egypt. Seeking to accelerate the growth of his venture, he turned to ALEXBANK for a small business loan. Ragab was granted a loan under the CBE initiative, which offered a favorable 5% interest rate. At the outset, Ragab managed a herd of 50 cattle. With the financial assistance provided, he has significantly expanded his operations, now overseeing 300 calves and 45 milking cows.

### Khaled Farhat's Cattle Fattening Success

In 2012, Khaled Farhat began his cattle fattening business. Seeking to expand his venture, he approached ALEXBANK in 2015 for a small business loan. Khaled secured a loan under the A.D.P program to increase his cattle holdings. Renewing annually, he benefited from CBE's 5% interest initiative. At the time of the loan, Khaled managed 40 cattle. With the financial support from ALEXBANK, he now oversees 150 calves and 10 milking cows, marking a significant growth in his business.

### Abdel Fadel Ahmed's Dairy Expansion Success

Abdel Fadel Ahmed, based in Fayoum, North Upper Egypt, initiated a milking business in 2015 with 60 mixed breed milking cows. Over the years, he secured three milking loans from 2019 to 2023 to acquire an additional 140 high-yielding mixed breed cows. With this support, Abdel Fadel expanded his business to 190 productive and potential milking cows. Now eyeing further expansion, he plans to apply for an additional loan to acquire 50 more cows.

### From 35 to 250: Hameada's Remarkable Growth in Cattle Fattening Business

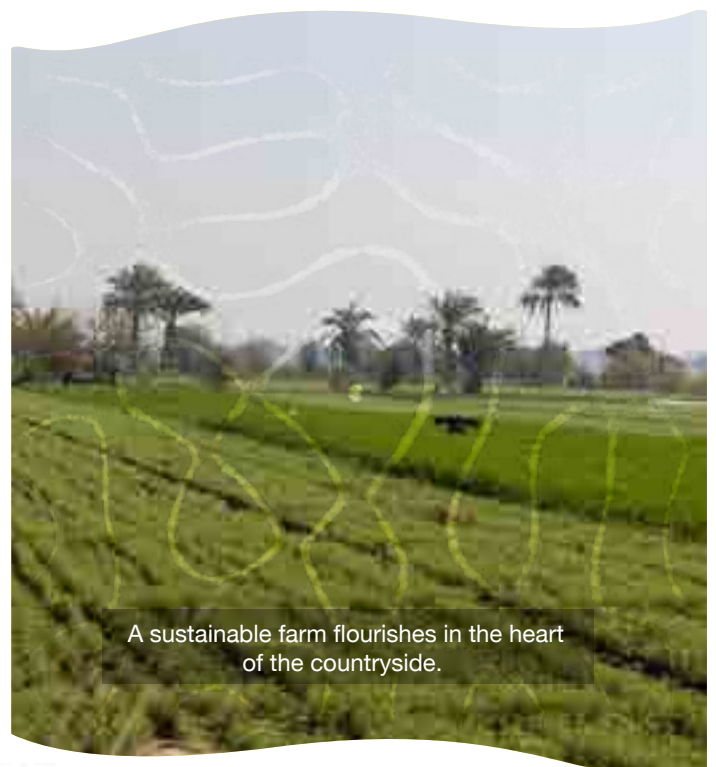
In 2019, Hameada embarked on a cattle fattening venture in Fayoum, North Upper Egypt. Recognizing the potential for expansion, she approached ALEXBANK for a small business loan to accelerate her business's growth. Through the CBE's 5% interest initiative, Hameada obtained the necessary funds to increase her cattle inventory annually. Initially starting with 35 cattle heads, the boost provided by the loan enabled her to now own 250 calf heads.

### From 45 to 200: Safa's Success in Expanding her Milking Business

In 2019, Safa operated a milking business comprising 45 mixed breed milking cows. Recognizing the potential for growth, she secured three milking loans from ALEXBANK in 2019, 2021, and 2023. These loans played a crucial role in enabling her to acquire an additional 135 mixed breed cows with higher milk productivity. As a result, Safa successfully expanded her business and now possesses a total of 200 productive and to-be productive heads. Her journey exemplifies the transformative impact of financing on agribusiness and female entrepreneurship.



ALEXBANK's agribusiness journey illuminating the path to agricultural excellence.



A sustainable farm flourishes in the heart of the countryside.

# SUSTAINABLE AGRIBUSINESS DEVELOPMENT

## Empowering Women Entrepreneurs in Agribusiness through OWAP

The Opportunities for Women in Agribusiness project (OWAP) is partnering with ALEXBANK and Ayadi Al-Khair Association to empower women entrepreneurs in agribusiness. They facilitate access to essential business funding through financial linkage events, bridging the gap between dreams and resources. This partnership focuses on providing financial education and diverse funding sources, enabling women in remote areas to grow their businesses and conquer financial barriers. Beyond financial support, connecting women entrepreneurs with funding sources fosters innovation and sustainability, contributing to local community development. OWAP's holistic approach demonstrates its commitment to transforming agribusiness and promoting sustainable development.

The project aims to enhance the economic wellbeing of women in the agribusiness sector in two governorates of Upper Egypt (Beni Sueif and Al-Minya), expand their participation in the workforce and to support entrepreneurship. The Bank will be supporting the project's entrepreneurship program to ensure the establishment of fifty small, registered, female-led environmentally sustainable startups. Entrepreneurs will also be receiving financial literacy sessions to raise their awareness and aid them with the needed financial literacy skills, as well as offer grants to 10 promising projects worth a total of EGP 100,000.



**50**

Female-led Startups to be Established



**10**

Number of Projects to Receive Funding



**100,000** EGP per Project

Financing Amount



**250**

Beneficiaries Reached



# SUSTAINABLE AGRIBUSINESS DEVELOPMENT

## Driving Agricultural Sustainability: ALEXBANK's Commitment to Farmers



In line with the International Day of Awareness on Food Loss and Waste globally recognized on the 29th of September 2023, and in line with the CBE's Financial inclusion Event "Farmers Day", ALEXBANK celebrated with a series of initiatives aimed at promoting agricultural social lending products; promoting financial inclusion and literacy; and raising awareness on reducing food loss and waste. From September 1 to 15, ALEXBANK organized a roadshow in 5 governorates in Upper Egypt, providing tailor-made social lending products to the small-scale farmers, and valuable insights on how they can minimize losses at different stages of the value chain, along with discussions on implementing good agricultural practices to maximize productivity. The roadshow was conducted with three main partners: the World Food Programme, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and Alinea International's project "The Opportunities for Women in Agribusiness Project".



**965**

Total Attendees (67% female)



**203**

Accounts Opened



**183**

Meeza Cards Disbursed



**5 Awareness Sessions**

Have been conducted to farmers discussing Good Agricultural Practices to minimize post-harvest losses.



**10 Total Visits**

Across 5 Governorates, and 10 Villages



**1,104**

Number of Agri-Loans Products Disbursed



**87 Mn EGP**

Total Amount of Agri-Loans Disbursed



A glimpse into a timeless agricultural practice.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Definition

Community development and empowerment has been identified by the UNEP-FI as a key impact area of banks. The marginalization or inclusion of communities as well as facilitating easier access to banking services is tied to product offerings, CSR activities and donations. ALEXBANK is currently providing multiple annual CSR initiatives aiming at developing the community and empowering marginalized communities, women and at-risk sectors. The Bank aims to achieve economic and social stability and integration of communities into the society.

## Commitment

ALEXBANK supports communities through corporate giving, training, and education, upskilling and fostering entrepreneurship, enhanced opportunities for people to meet their needs and achieve their objectives, and employee volunteering to generate direct and indirect economic impacts.

## Management Approach

One of ALEXBANK's top priorities is the local community, and as a result, ALEXBANK has created a strong connection with its people through consistent effort to fulfill their needs. Such efforts are extensive and benefit a wide variety of underprivileged social groups, such as children, females, refugees, and craftsmen. To maximize the resulting benefits to such social groups, ALEXBANK has strategically focused on implementing synergies between its activities, supporting marginalized children through training on financial literacy, environmental awareness and agricultural entrepreneurship. Similarly, ALEXBANK also implemented multiple initiatives targeting women, such as Ghalya, in addition to its other strategic priorities.



A local Artisan showing her handmade pieces.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Creating Shared Value (CSV)



**162,540**

Total Number of Direct Beneficiaries

ALEXBANK has implemented social inclusion programs that encompasses various initiatives. In addition to empowering both male and female entrepreneurs across diverse sectors, the programs extend support to refugees and other marginalized groups, while facilitating enhanced educational opportunities for children and youth. By actively engaging employees in volunteer activities, ALEXBANK cultivates a sense of community consciousness and fosters a culture of giving back to society.



**24**

Government Partners



**18**

Donor Partners



**8**

International Organizations



**30**

Civil Societies



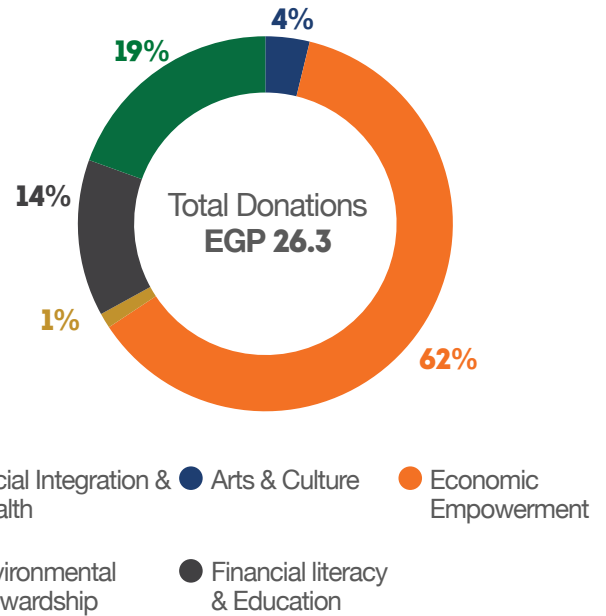
**57**

Service Providers

To construct optimal engagement solutions and create an outstanding impact with effective results that truly contribute to sustainable improvement of people's lives, ALEXBANK has clearly identified the community needs of which we can impact. This was followed by the provision of strategically designed trainings, campaigns, tailored donations,

and intervention schemes. This was done in accordance with the CBE's vision, Corporate Social Responsibility (CSR) vision, and the Sustainability and Sustainable Finance Office's vision, which aims to achieve several United Nations SDGs and caters towards Egypt's vision for 2030.

## Categorization of Budget spent on CSR Projects in 2023



Children playing ALEXBANK's financial literacy mobile game 'Hady Bady'.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Financial Literacy & Education

### Enactus

Enactus Egypt is one of the biggest university communities in Egypt that heavily pushes youth towards innovative solutions for the society we live in, with a focus on social and economic development, environmental sustainability and developing innovative solutions in the form of entrepreneurship projects. Each year, ENACTUS students are given the opportunity to showcase their projects which provide economic, environmental, and social solutions to existing issues in Egypt. The Enactus students network impacts around 52,000 people annually. ALEXBANK partners with Enactus Egypt, fostering youth entrepreneurship and community projects. The collaboration provides training for Enactus teams, preparing them for the Enactus World Cup. It promotes awareness across Egyptian universities, encouraging students to develop community-valuable projects focusing on social, economic, and environmental sustainability. Over 9,700 students from 58 universities presented projects at the World Cup. Notably, Kafr El Sheikh University won Egypt's National contest in July 2023 and the Enactus World Cup in Holland, October 2023, marking Egypt's fifth consecutive victory.



**9,700**

Total Number of Participants



**5,000 - 7,000**

Total Number of lives impacted



Enactus Egypt raises the flag for innovation and education.



“Since 2019/2020, ALEXBANK has been an invaluable ally to Enactus, empowering Egyptian youth. Collaboratively mentoring students from 60 universities, 123 impactful projects were created last year, benefiting over 52,000 citizens. ALEXBANK’s sponsorship facilitated competitions driving financial inclusion and targeted training, enhancing students’ skills in supply chain, digital marketing, and self-branding. Their commitment extends to 2025, featuring training and competitions, including a February 2024 bootcamp. ALEXBANK’s dedication goes beyond financial assistance, shaping future leaders with comprehensive training. The partnership’s revolutionary impact includes preparing over 3000 graduates annually for the job market and contributing to Enactus’ five consecutive world cup victories. Grateful for ALEXBANK’s steadfast support, Enactus anticipates continued collaboration for a lasting impact on Egypt’s youth and the broader community.”



**Fatma Serry,**  
President and CEO,  
ENACTUS.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## “Art for Community” in Partnership with Sereira Creative Academy

In line with ALEXBANK’s mandate to support the psychological wellbeing of children and youth in Egypt, the project highlights this cause through art expression. In partnership with Sereira Academy, “Art for Community” project aims to bring together youth from culturally diverse backgrounds and institutions while providing them with tools to reach their highest potential, feel empowered, and get to explore themselves and the world through art-based training.

The project is composed of two key levels of trainings; the first level allows the users to develop self-development and personal leadership to tailor their own program and pass onto the next level. The next generation trainers utilize art as a tool to heal and empower those in and outside their community. The training is composed of experiential education through group facilitation and art-based activities in order to create transformational impact, leading to social inclusion between the diversified users. The project aims to: Enhance self-development and social inclusion through art expression trainings; Offer employment opportunities at Sereira Academy to the certified team of trainers upon completing their trainings; Build a generation of trainers of trainers to create a bigger impact and shed light on the importance of self-expression through art.

## Partnership with Tawasol Community School for Developing Istabl Antar

ALEXBANK extended its three-year collaboration (2021-2024) with Tawasol (NGO), Star Care, Sawiris Foundation for Social Development, and Sadko, focusing on safeguarding children in Cairo’s informal settlements from child labor by offering education and health care. This initiative aligns with ALEXBANK’s commitment to economic development, social innovation, and education. The bank’s support enabled Tawasol to furnish an exceptional learning experience and maintain educational quality, covering tuition, performing

arts academy, and vocational training fees for 75 students from Tawasol Community School. The aim is to improve the lives of underprivileged children by enhancing their education, life skills, and knowledge of arts and heritage. The beneficiaries include approximately 20 kindergarten, 40 primary, and 15 preparatory stage students. ALEXBANK’s contribution also supported training and development in the performing arts academy and vocational training in the Istabl Antar community, all directed toward enriching the education and life skills of marginalized youth.



During H.E. Dr. Hala H. Elsaid visit to Tawasol community school.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Cotton for life

Under the Ministry of Education’s endorsement, ALEXBANK and Filmar Nile Textile collaborated on the Cotton for Life initiative (2021-2023) to uplift the Egyptian textile sector. The project, centered in Borg Al Arab, focuses on educating and training Egyptian farmers and technical students to improve the quality of textiles for global competitiveness and to promote sustainable fashion with a transparent, eco-friendly, and socially responsible production chain. Aiming to bolster youth skills in sustainable cotton agricultural and industrial practices, the project also encourages young people to create profitable and sustainable agricultural business and become entrepreneurs. Moreover, the program links youth beneficiaries to profitable income generating activities through the support of the textile private sector. It also seeks to advance financial inclusion for youth and farmers, establish demonstration plots in Damietta school, and enhance awareness, with a strong commitment to gender equality to empower female students and farmers. The next phase concentrates on organic certification, business acumen, and sustainable farming techniques. The program anticipates training over 600 individuals at the biotechnical level, honing their abilities in data collection, plant management, and practical application.



From field to fashion, ensuring the finest quality of Egyptian textile.

## Don Bosco Partnership under Ghalya

Building on ALEXBANK’s commitment to supporting quality education and employment opportunities for marginalized individuals, the bank’s flagship women empowerment initiative, “Ghalya,” has entered into a new partnership with the Don Bosco Institute. The aim is to socially and economically empower marginalized women and girls by facilitating their access to high-quality education through an equity-oriented approach. The partnership will focus on two key areas: a vocational training center and a vocational education school. The project expands over 3 years from 2023-2025, with the sole purpose of impacting 285 beneficiaries including female refugees and vulnerable Egyptians; teachers, youth, and adolescents and will indirectly affect 1440 households and community members. The signing ceremony between ALEXBANK and Don Bosco took place during the annual ALEXBANK x Bruno Gamba Memorial Golf Tournament at Smokery, Palm Hills Compound, Giza, Egypt.



Embarking on ALEXBANK’s journey with Don Bosco.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## “Ghalya by Ghabbour” Partnership

Building on the success of the first two years of the project, “Ghalya” by ALEXBANK will sustain its support to continue covering the tuition fees for the 30 less fortunate and marginalized female students in Ghabbour Technical School for the academic years of 2022 – 2025. The initiative offers a comprehensive and sustainable program that includes Gender Equity & Diversity training, post-graduation employment, and entrepreneurship opportunities for the beneficiaries. Additionally, it provides a one-year scholarship for six female high achievers over two years, enabling them to pursue further certification and training from Germany.

As of the second year of its operation, the project has 30 beneficiaries, with 15 students from each school, selected based on agreed-upon criteria and processes outlined in the 2022 report. Furthermore, the initiative plans to enroll an additional six students in the scholarship program after their graduation from the schools.



Laying the foundation for a future filled with innovation.

## Digitalizing the Educational System through “Madrasty”

In its continuous efforts to take part in the change-making process of the education sector in Egypt, ALEXBANK partnered with “Madrasty” is an e-learning platform with access to affordable quality education aiming to achieve equal educational opportunities through empowering Egyptian households by providing their children

with quality education at a sustainable cost through this learning app which has over 200,000 students registered. Through this partnership, the project will achieve sustainable solutions through sustaining the application’s content development. ALEXBANK is supporting 32,000 students registered in Primary 4 with the application’s content development. Whereas the total active users on the platform are 40,000 students with around 12,000 Primary 4 currently active.



Equipping the Future Generation by ensuring equal access to digital resources. uplift marginalized women through equitable education opportunities.

## Ahlan Madares Exhibition

ALEXBANK took an active role in the Ahlan Madares Exhibition, which is a significant event held under the auspices of the Egyptian Prime Minister and in collaboration with the Central Bank of Egypt. The bank’s participation aimed to contribute to the educational landscape by providing students with essential products and materials at affordable prices. Beyond academic necessities, ALEXBANK also focused on addressing broader needs, including access to affordable food options. By participating in this exhibition, the bank showcased its commitment to supporting education and contributing to the well-being of the community, aligning with its mission to serve the public and foster positive societal impact. ALEXBANK’s flagship initiative, Ebda3 men Masr, was also supporting the exhibition through the presence of handmade giveaways for visitors and live shows like calligraphy and glass art.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Social Integration & Health

### Magdi Yacoub Heart Foundation Partnership

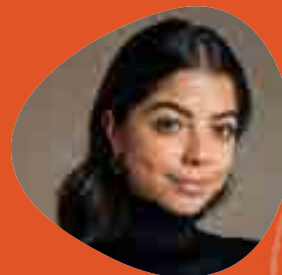
In efforts to have a successful partnership with the Magdi Yacoub Foundation (MYF), ALEXBANK as graciously committed to donate for the creation of Hyperbaric Rooms at the new Magdi Yacoub Global Heart Center. Hyperbaric oxygen therapy (HBOT) is a groundbreaking medical technique which involves breathing pure oxygen in a pressurized environment. These chambers will play a vital role in supporting cardiology patients, including those with Acute Coronary Syndrome, individuals undergoing cardiopulmonary bypass, those with angina, and even patients experiencing sternal infections after Coronary Artery Bypass Graft surgeries. The use of HBOT can lead to reducing the length of intensive care stays and limiting complications after bypass surgery. The Magdi Yacoub Global Herat is set to feature a comprehensive HBOT department, complete with two hyperbaric chambers in each of the Pediatric and Adult Ward units.



Infusing tradition with artistic touch.



“ALEXBANK, a longstanding partner of the Magdi Yacoub Heart Foundation, exemplifies a commitment to the greater good beyond mere funding. Their unwavering support serves as a lifeline for patients, addressing life-threatening heart conditions. ALEXBANK’s crucial contributions extend to the construction of a new center in 6 October City, overcoming challenges such as currency fluctuations and rising medical technology costs. The bank’s deep understanding of the Foundation’s work and economic nuances has fostered a uniquely effective and trust-based partnership. As they prepare to open the new center, ALEXBANK’s continued alliance is deemed vital, not only for scale but for extending healing reach across Egypt. This partnership is not only about saving lives but also upholding environmental stewardship, as reflected in sustainability certifications. ALEXBANK has evolved beyond a donor to a true mission partner, embodying hope and dedication as they work together to save lives and strengthen communities”.



**May Seoud,**  
Donor Relations  
Manager, MYF

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

GRI

## Improving the Living the Conditions of Marginalized Children

Under the MoU of Improving the Living the Conditions of Marginalized Children (ILCMC) with Sawiris Foundation for Social Development, and under the implementation of Together Association for Development (TAD) in Assiut Governorate, this project managed to serve the pillars of social empowerment and education through empowering and integrating 500 children with disabilities into the community. Additionally, Inclusive communities continues to focus on strengthening the governmental institutions, specifically school health units, in accommodating and dealing with children while also raising community awareness on the rights of people of disability. The project aimed to solve the issues of exclusion and lack of integration and participation in community activities for children with disabilities in the centers and villages of Assiut.

## Back to School

Under the auspices of the Ministry of Social Solidarity, ALEXBANK, in partnership with Sawiris Foundation for Social Development, Ora Developers, Carrefour, Edita, and CocaCola, and in collaboration with Samusocial International Egypt created the Third Edition of Heroes' Back to School event, which took place on September 19th in ZED Park, Sheikh Zayed, Egypt. The event offered marginalized and less fortunate children from 10 different NGOs a day full of games, activities, interactions, as well as a safe and inclusive space to enjoy various recreational activities. This annual event of impact helps them create precious memories and remind them of their value and the significance of equal opportunities. The participants were comprised of approximately 1,300 (including 900 underprivileged and marginalized children, alongside 400 supervisors).



"Back to School" event.



From Back-to-School heroes event where every child's journey is supported.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Atalanta B.C. Football Camp for Marginalized Children



**120**

Total Number of Participants

In partnership with the ministry of Social Solidarity, Sawiris Foundation for Social Development, Ora Developers Egypt, Intesa Sanpaolo Group, and ALEXBANK, a football camp was proposed by Intesa Sanpaolo Group through Atalanta B.C. Football club. The Atalanta Football Bootcamp was launched to support marginalized children in Egypt. A total of 120 boys and girls were selected through a local league in order to participate in the camp held at ORA ZED East Club in New Cairo. A press conference was held in Bergamo, Italy, on September 6th to announce the partnership and camp kick-off. The bootcamp aimed to empower underprivileged children by providing them with a three-day football training experience conducted by Atalanta coaches. The camp concluded with a closing ceremony attended by notable figures, including the Minister of Social Solidarity, where certificates and medals were distributed to celebrate the children's achievements and efforts.



“Stars of Tomorrow” initiative entails Atalanta Football Camp and emphasized the significance of such initiatives and their positive impact on children. Additionally, at the ministry we are dedicated to offering comprehensive care and empowerment opportunities for underserved children, without any form of discrimination. Moreover, the ministry aims to forge partnerships with both civil society organizations and private sectors; fostering collaborative efforts for social development and progress”.



**H.E Nevine El Kabbag,**  
Minister of Social  
Solidarity



Nevine El Kabbag and Dante Campioni  
awarding children at Atalanta football camp.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Testimonials and Partners Speech in Closing Ceremony



Group picture of Atalanta football camp team and their coaches.



“This initiative is a testament to our unwavering commitment to the good of our community, in particular to the attention we pay to its most vulnerable members. Our dedication to gender parity and inclusion is at the core of these initiatives of ours, made possible thanks to the support of our local strategic partners, and in this specific case also by the generosity of Atalanta B.C. This initiative represents a collective determination to bring joy in the lives of these children that we feel as deserving partners of our community, always addressed as a core beneficiary of our ESG strategy, that is built around the strong values embedded in ALEXBANK and the Intesa Sanpaolo Group”.



**Mr. Dante Campioni,**  
Managing Director and  
CEO of ALEXBANK

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



“The Atalanta Football Boot Camp is a solid example of Sawiris Foundation’s commitment to empowering marginalized children. The camp provides an opportunity for underprivileged children to learn from professional football coaches, enhance their skills, and experience the joy of sports. This initiative aligns perfectly with Sawiris Foundation’s new 2023 – 2028 strategy, which revolves around empowering change agents as well as creating a more equitable and inclusive society that avails the opportunity for every child to reach their full potential. We are grateful to Intesa Sanpaolo, ALEXBANK, Ora Developers and Atalanta BC for this special partnership that has helped bring this initiative to life. We firmly believe that projects of this nature can help underprivileged children develop the skills and confidence they need to thrive”.



**Eng. Noura Selim,**  
Executive Director of  
Sawiris Foundation



Atalanta’s football champions proudly holding their medals and certificates celebrating their success.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



“It was a pleasure and an honour for Atalanta to join forces with Intesa Sanpaolo to supervise and coordinate on site the Football Camps that took place in Egypt after the previous editions held in Albania and Bosnia and Herzegovina. Our partnership with Intesa Sanpaolo is strengthened and consolidated through these activities, which offer everyone the chance to experience something unique: football is fun, play and light-heartedness, and brings the younger generations together”.



**Stefano Bonaccorso,**  
Head Coach of  
Atalanta B.C. Youth  
Academy



“At Ora Developers Egypt, we believe in the power of sports to transform lives and build brighter futures. It is our privilege to utilize our comprehensive sports facilities and join hands with esteemed partners like Intesa Sanpaolo, ALEXBANK, and the Sawiris Foundation for Social Development to create this impactful platform. By nurturing the talents and dreams of these young individuals, we aim to leave a lasting legacy of positive change in their lives and communities. Together, we celebrate the joy and potential that sports bring to underprivileged children, reminding us all that every goal is within reach when we unite in purpose”.



**Mr. Haitham Mohamed,**  
CEO of Ora  
Developers Egypt

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## International Day of Awareness on Food Loss & Waste

In collaboration with the Egyptian Food Bank and Sawiris Foundation for Social Development, ALEXBANK supported a School Feeding Program, where 1,000 students from Kafr El Elwi School in Helwan were provided with healthy ready meals for one month; amounting to 30,000 meals prepared by the students' mothers, further empowering them economically through this program.



**1,000**

Total Number of Beneficiaries

## Female Prisoner Children Rehabilitation Workshops

ALEXBANK contributed to The Children of Female Prisoners' Care Association (CFPA) activities, which aimed to support children of female prisoners and their mothers through empowering them economically, socially, and legally. There were 10 children of female prisoners attending the rehabilitation workshops aimed at better equip them and enable them to be smoothly integrated into the society without discrimination.

These workshops were mainly on morals, good behavior, acting, storytelling, and singing. After completing the trainings, the children performed a comprehensive art show to bring testimony of the training impact, which was attended by many public figures and artists.



**10**

Total Number of Participating Children

## ALEXBANK Ramadan Packs Donation

Ramadan food boxes were distributed to more than 500 marginalized families supporting them during the economic situation and inflation. This initiative was in collaboration with Al-Ro'aya association for Social Development which supports the less fortunate families that are suffering from poverty in Helwan City.



**500**

Number of Supported Families



Boxes of hope ready to be delivered to support marginalized families.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Collaboration with Awladna on the 7th Awladna International Forum for Arts of the Gifted

ALEXBANK has renewed its strategic partnership with Awladna for 2023, supporting the NGO's dedication to supporting people with disabilities. Awladna Foundation, operational since 2016, is at the forefront of advancing the integration and development of children with disabilities through various forms of arts in civil society. The partnership focused on nurturing the talents of children with disabilities in various fields of fine arts through workshops such as wall painting, origami art, embroidery, and plastic arts.

The forum activities included a fine arts exhibition featuring the works of Awladna children and a traditional food competition with the participation of cooks with disabilities from Morocco. Additionally, under the patronage of His Excellency President Abdel Fattah El-Sisi, President of the Arab Republic of Egypt, ALEXBANK was a strategic partner for the forum. This event brings together participants from around the world to showcase international integration of gifted arts, including Afro-Chinese Arts and Folklore for the first time. The forum provides children with disabilities with a platform to explore their innate talents and enhance their skills across various art domains.



The shining stars of Awladna on stage.

## ALEXBANK Empowering Girls through “Banati”

Under the Memorandum of Understanding (MoU: Improving the Living Conditions of Children in Street Situation) signed between ALEXBANK and Sawiris Foundation for Social Development, and in partnership with Banati, this collaboration aims to empower girls and young women by providing them with essential skills, education, and support to reintegrate into society successfully. Through Banati, ALEXBANK aims to create a positive impact on the lives of these girls, equipping them with the tools they need for personal and professional growth. The project is centered around providing care, support, empowerment, and social and psychological rehabilitation services for homeless children and their families, who are at risk of being in the street in the governorates of Cairo and Giza. Banati seeks to develop the infrastructure of several care facilities to ensure the safety of homeless children. Through this project, Banati Foundation will provide 166 children (girls and boys) with permanent residence through the development of a hotel management system, through a reception centre, mobile unit, and street research as well as supporting 700 children and their families in street conditions socially, psychologically, and nutritionally, while increasing awareness of the families of 200 children at risk in Greater Cairo to be protected from street danger during the 24-month period.



# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Success Story of Ilham

One inspiring success story within Banati is that of Ilham, a 29-year-old female beneficiary. Ilham joined the program and received education, vocational training, and life skills. After graduating from Banati, she decided to share a rented place with three other Banati alumnae while starting a paid internship. Currently, she is working in the Banati NGO, supporting various functions and duties, and pursuing her university degree, specializing in photography. Ilham's journey serves as an inspiration for other girls associated with Banati, demonstrating the possibilities of determination, achievements, and personal growth.

## Empowering Egypt's Foster Families: A Partnership for Positive Change

ALEXBANK continues its successful partnership with the Sawiris Foundation for Social Development and the implementing partner Wataneya for the Development of Orphanages in "Activating New Systems for Foster Families." This project aims to enhance the alternative and foster family system through capacity building for the staff of the Ministry of Social Solidarity (MoSS) in all Egyptian governorates, training new and future alternative families in childcare, and developing and enabling targeted centers to provide training on the alternative family system. The project has reached a total of 1,150 targeted beneficiaries, distributed as follows:

**350**

Employees from the Ministry of Social Solidarity

**200**

Individuals from orphanages and civil society organizations in the field

**650**

New and existing foster families **(350 new foster families and 300 current alternative families)**



Unlocking potentials through empowering young women.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Economic Empowerment

### Maskhuta Pilot Project

ALEXBANK embarked on a new partnership with National Research Council of Italy (CNR) for three years to create economic and cultural opportunities for the local population, living in Tell el Maskhuta, Wadi Tumilat, through knowledge and valorization of cultural heritage as well as commitment to environmental protection. The project will benefit 25 male workers, their families and 10,000 people living nearby the village. The project aims to advance the excavation and knowledge of the site, involve the local population in the work, train workers on the site to make them specialized in archaeological excavations, raise awareness on cultural heritage, create training opportunities on waste management, and provide new economic opportunities related to the separate collection and recycling of materials. The project will also publish a booklet for children to be disbursed in nearby schools in efforts to create cultural heritage awareness and information about their area. In order to increase the project's impact, ALEXBANK onboarded Outgreens for Sustainable Development to provide awareness sessions for the people in the area to create more impact to the project.

### Collaboration between ALEXBANK x EI Sewedy Education x E4Impact Foundation to promote and support Agri-entrepreneurship businesses

As part of ALEXBANK, EI Sewedy Education, and E4Impact Foundation's Memorandum of Understanding was signed in October 2022, where the Agri-Entrepreneurship Program commenced in November 2023. This program aimed at bolstering innovative entrepreneurship in the agribusiness sector and addressing the crucial need for increasing agricultural productivity while ensuring sustainable use of natural resources and combating climate change.

The agri-entrepreneurship bootcamp had sessions designed to assist participants in developing their business ideas, identifying industry challenges, and crafting viable solutions to the agri-sector. The program encompassed four intensive boot camps focused on Innovation, Business Model Development (BMD), Financial Planning, and Fundraising, all tailored to the unique needs and challenges of Egypt's agribusiness entrepreneurs.

The culmination of the program was a final competition where participants presented their business proposals to a panel of judges comprised of members from EI Sewedy Education Innovation Hub, E4Impact Foundation, and ALEXBANK. This initiative underscores the commitment of ALEXBANK and its partners to fostering entrepreneurial talent and sustainable development in the region's agricultural sector. The project was concluded with a graduation ceremony on the 18th of December which was on the same day of the final pitches of the 9 finalist participants, and certificates were distributed to celebrate the completion of the program.



**36** Agribusinesses

Total Number of Beneficiaries Reached



Celebrating our Agri-Entrepreneurship graduates.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



“Our partnership with ALEXBANK has been pivotal in spearheading a program that champions sustainable agribusiness and community empowerment through enhanced financial literacy. Focused on environmentally responsible and economically viable practices, participants gain knowledge for positive change and local self-sufficiency. ALEXBANK’s expertise aids significant strides in financial inclusion, demystifying concepts for underserved entrepreneurs. Innovative technologies in the curriculum enhance financial education’s accessibility and engagement. Embracing technology empowers participants to navigate the financial world in a digital economy. Our commitment to continuous improvement ensures the program’s adaptability to evolving needs in agribusiness education. Positive feedback and active participant engagement highlight the program’s success, instilling confidence in its ability to nurture an informed and empowered generation of entrepreneurs as we envision its future impact”.



**Menna Shabrawi** ,  
Senior Business  
Development Officer,  
El Sewedy Education.



“Transformative partnership with ALEXBANK has been instrumental in promoting sustainable growth and entrepreneurship in Africa, particularly through a groundbreaking agribusiness education project in Egypt. Despite initial challenges, the collaboration showcases resilience and dedication, fostering a shared vision for social responsibility and impactful opportunities beyond immediate gains. The Egypt initiative offers valuable insights into local and African market dynamics, inspiring plans for replication across various value chains. Committed to supporting entrepreneurs beyond education, the partnership aligns with ALEXBANK’s dedication to social responsibility in Egypt and Italy. The training programs E4Impact offers in collaboration with universities across Africa, empowers entrepreneurs for sustainable development. Looking ahead, the evolving partnership promises ongoing support for entrepreneurs, emphasizing the pursuit of United Nations 2030 Sustainable Goals. E4Impact is thankful for ALEXBANK’s dedication, reflecting mutual commitment to lasting impact through entrepreneurship and community empowerment”.



**Andrea Mezzadri**,  
Program manager,  
E4IMPACT.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## MISHKA

Building on Ghalya and Ebda3 Men Masr’s mutual crossroad of supporting local artisanal craftswomen community through preserving Egyptian heritage, while empowering women to take lead in male-led industries, “Ghalya” embarks on a two-year partnership with Sultan Foundation to establish a leather workshop in the City of the Dead under their MISHKA brand. The project aims to establish a well-equipped workshop to produce leather goods, offering safe working conditions and employment opportunities for women. The project succeeded in training 12 artisans, 4 local women in leather-making while promoting traditional crafts and contributing to the Egyptian creative economy. The establishment of the workshop benefits 120 local women anticipated to be involved in the MISHKĀ enterprise.

## Bagaweet Project

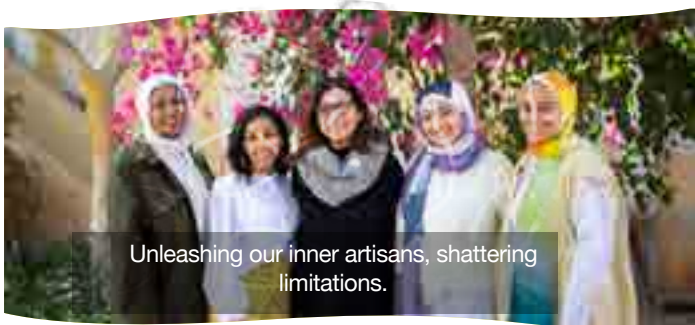
Building on the success of the first phase of Bagaweet project, ALEXBANK renewed its partnership with DROSOS Foundation and THAAT Social Enterprise (the implementing partner) to continue the success story that started last year and building on the project’s previous goals with a focus on building a sustainable business model to serve the Red Sea Region. The project focuses on improving the livelihoods of women of the Red Sea under the umbrella of the ALEXBANK’s flagship initiatives “Ghalya” and “Ebda3 Men Masr”. Bagaweet project launched in 2021 with the aim of reviving and preserving the Red Sea handicrafts, through capacity-building and skills development of 200 women over the project duration from two non-governmental organizations in cities situated across the Red Sea region- El-Quseir and Safaga with a total investment of more than EGP 21 million.



“The Sultan Foundation expresses deep gratitude to ALEXBANK for their enduring partnership, alongside the Drossos Foundation, fostering economic self-sustainability through initiatives like MISHKA. ALEXBANK’s focus on ladder production technology and skill enhancement for local women has been transformative, elevating operations through continuous training and quality control. Beyond financial support, ALEXBANK creates a nurturing ecosystem, fostering community and growth among women artisans. This partnership extends to psychological well-being and life skills programs, aligning with shared objectives. The Sultan Foundation is confident that, with ALEXBANK’s commitment, they will continue making strides in enriching cultural heritage and empowering communities”.



**Agnieszka Dobrowloska,**  
Chairperson, Sultan Foundation.



Unleashing our inner artisans, shattering limitations.



From blank canvas to boundless imagination.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Al Mashghal by Ghalya

ALEXBANK kicked off a partnership with CARE Egypt to establish CARE’s own workshop as a missionary project by which revenues will be generated and used to finance different causes which empower women. The modality is a leading solution to ensure sustainability of developmental and social interventions while empowering women in the work field. The project focuses on the economic empowerment of less fortunate Egyptian and refugee women from Syria, Sudan, and Yemen in the targeted areas; Cairo and Giza through capacity building/training and employment opportunities by enhancing the skills of the targeted users in sewing, embroidery, and crochet, in addition to providing them with an employment opportunity within the workshop. As mentioned in the previous annex, and in efforts to ensure the sustainability of the project, all revenues of the workshop will contribute to building the capacity of the identified women to be qualified to work in the workshop or be self-productive individuals and establish their own businesses. “El Mashghal” will empower 150 the targeted users through providing them with the economic means to generate income to support their families, in addition to enhancing their skills in sewing, embroidery, and crochet by providing them with employment opportunities.

## My Craft, My Chance

Under the Ghalya initiative, ALEXBANK collaborated with the Helwan for Community Development Foundation (Bashayer Helwan) to introduce a project aimed at empowering 450 direct beneficiaries (83% females and 17% males) of the local community of Helwan. This comprehensive project not only supported the breadwinners of families, but also raised awareness about their legal and social rights among community members. The activities included training in basic literacy, promoting health awareness, providing handicraft training, and offering family planning services.



More than crafts, creating memories.



From knots to masterpieces.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



“CARE Egypt values its impactful collaboration with ALEXBANK, especially in financial inclusion with Vodafone, transforming initiatives like the men’s training program with Ghabbour. ALEXBANK’s support for “Al Mashghal” by Ghalya exemplifies their joint commitment to empowering women with marketable skills and fostering community reinvestment. Recognizing the importance of engaging men in women’s empowerment, a curriculum was developed, leading to positive workplace dynamics at Ghabbour and influencing familial interactions positively. The partnership, rooted in shared vision and values, goes beyond funding to include ALEXBANK’s technical knowledge and active project engagement. Rigorous assessments and behavioral change studies showcase transformative impacts on workplace and community dynamics. ALEXBANK’s particularly impactful support in gender-related programs aligns with CARE Egypt’s vision, and as they continue working on projects, they eagerly anticipate and welcome ALEXBANK’s ongoing invaluable support for the mission and partnership’s growth.”



**Sandra Azzmy,**  
Women’s Rights  
Program Director,  
CARE Egypt.



Exploring the possibilities of their  
creativity.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Combatting Violence Against Women through Social and Economic Empowerment in Manial Shiha under “Ghalya” Initiative

In alignment with its commitment to community investment and empowering vulnerable populations, ALEXBANK has partnered with ACT Foundation to address violence against women and promote their social and economic empowerment. This initiative operates under the umbrella of the bank’s flagship “Ghalya” initiative for women empowerment, targeting females in the Manial Shiha area of Giza Governorate. The project aims to enhance the social and economic status of 400 girls and young women aged 18-45 through education, psychological support, and economic empowerment via micro-projects to achieve financial stability. This is through the following activities: Psychological support through mental health consultancy programs and support groups; educational development through the establishment of 4 literacy classes; legal support through collaborating with a law firm to provide legal consultancy to the users; raising awareness through seminars to the targeted users and economic empowerment through supporting the development of the users’ micro-projects to gain self-sufficiency.



“ALEXBANK’s deep commitment to social advancement, especially in empowering marginalized women in Egypt, is evident in successful initiatives addressing issues like early marriage and trafficking. Focused on eradicating poverty, the partnership delivers substantial social impacts through projects preventing exploitative practices and promoting girls’ education. ALEXBANK’s holistic approach includes eradicating illiteracy, supporting women’s education, and providing rehabilitation for trafficking victims. Legal assistance empowers women in navigating the legal system. The collaboration’s results include addressing 317 cases of violence, monitoring 370 cases, and realizing economic empowerment through 40 projects, with more in progress. The partnership, led by ACT’s capable team, offers comprehensive community services, recently certifying 51 women in literacy. Future plans involve using art and theater to engage communities in discussions about women’s issues. Despite economic challenges, the partnership aims to continue its comprehensive system, characterized by mutual respect and a shared goal of continuous improvement and development.”



**Dr. Azza Kamel,**  
Chairman of the  
Board of Trustees,  
ACT.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Reviving Handcrafts in Aswan

The Egyptian cultural heritage is exceptionally rich, with jewelry-making standing as a significant aspect. ALEXBANK initiated a project to economically empower young, marginalized individuals in Aswan by providing training in jewelry-making. This initiative aims to revive handicrafts, preserve Egyptian cultural heritage, and foster social inclusion.

The project, conducted in collaboration with the Sawiris Foundation for Social Development and Azza Fahmy Foundation, has involved a total of 180 beneficiaries from 2021 to 2024. In 2023 alone, the project engaged 5 trainers and 60 men and women trainees. These beneficiaries receive technical expertise in designing and crafting jewelry.

To mark a mid-project milestone, a graduation ceremony was held in Aswan on September 26th. The ceremony honored and celebrated 107 graduates who received training in Jewelry Making and Bead Formation through the El-Gisir Foundation, the project's implementing partner in Aswan.

Efforts are ongoing to train the remaining batch of beneficiaries, both male and female, with the ultimate goal of economically empowering 180 young individuals and supporting them in market and production processes.



Reviving handicrafts in Aswan Graduation Ceremony.



Local artisans preserving cultural heritage through their handmade jewelry.



**180**

Total Number of Trainees

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Ebda3 Men Masr (EMM) Events

### Diarna 2023 Exhibition

Diarna Exhibition for Handicrafts stands as one of Egypt's largest and oldest exhibitions, welcoming artisans from across the nation, and facilitating their access to new markets, direct sales opportunities, and unparalleled marketing exposure over a period of 17 days.

Diarna 2023 marks the 65th Edition, held under the auspices of the Ministry of Social Solidarity in collaboration with ALEXBANK, Sawiris Foundation for Social Development (SFSD), Cairo Festival City Mall, the European Union, and Etisalat E&S. Siwa was Diarna's guest of honor, spotlighting its products, culture, and supporting its cause. The theme for Diarna was Old Cairo, capitalizing on arabesque, copper, and glass art. We also highlighted products related to Ramadan, and Mothers' Day such as home decorations, fashion and accessories that were available at the exhibition during the approximate dates. Diarna hosted more financial inclusion services through installment services (buy now, pay later) by Sympl. And customers were offered instant mobile payment services, through

Instapay, as a proactive solution encouraging sales and making the shopping experience more appealing to customers who await Diarna each year. Lastly, the exhibition achieved Zero-Waste environmental sustainability goal through partnering with Outgreens.

Spanning across a land area of 2,800 square meters, the exhibition welcomed over 400 exhibitors, showcasing their locally crafted products that narrate the tales of Egyptian heritage. The exhibition organizers have implemented several safety measures to ensure the well-being of all participants, including temperature screenings, mask distribution, regular sanitization, and emergency assistance if required. Sanitation was overseen by the Egyptian Crescent Society, with roles delegated among ushers, the security team, organizing members, and the ECR Team.



**3,000** m<sup>2</sup>

Location Area



**400+**

Total Number of Exhibitors



**72,000**

Total Number of Visitors



**18** Mn EGP

Total Sales (+50% compared to 2022)



Diarna's opening in action.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Digital Payment Solutions

As mentioned above Diarna promoted financial inclusion through partnering with Sympl for installments services, and Instapay for digital payments. Financial literacy sessions were conducted for adults and children in partnership between Outreach and ALEXBANK. Moreover, ALEXBANK's business teams were present on grounds providing services such as PoS issuing, opening accounts, and answering microfinance inquiries.

**1,229**

InstaPay Downloads

**4,075**

Syml Downloads

**10%**

Increase of exhibitors using PoS machines in 2023

## Greening Diarna: Empowering Communities, Reducing Waste

Diarna continued its annual initiative of recycling leftover vinyl paper to support marginalized communities and preserve the environment. Collaborating with Bashaier El-Khair association, the vinyl was repurposed for roofing 35 farmers' booths and houses in Qena Governorate during the harvest season. Additionally, a partnership with OutGreens facilitated waste management services, including awareness campaigns, equipment provision, and the use of biodegradable plastic bags and organic recycled fertilizers.

During the exhibition, OutGreens managed 1,750 kg of waste, segregating it into recyclables, non-recyclables, and organic materials. They advocated for reducing plastic use within the venue, citing its environmental impact and urging for a shift towards more sustainable practices such as limiting plastic utensils and cups.

## Exhibitor's Products Studio

ALEXBANK established a fully equipped studio at the exhibition entrance, offering complimentary photoshoots to all exhibitors. This initiative aimed to create an online gallery showcasing the products of Diarna's participants, thereby assisting artisans in enhancing their marketing endeavors with professional photography.



"I am very interested in what has been done because it's the first time I attend an exhibition where such a service is provided, helping us select nice products that truly represent us. It really helped me see my work in a new and beautiful way."



**Mervat Azmi,**  
Founder of Al-Moatamadeya.



"The photos we took were really helpful, even after Diarna. We used them on social media, and they had a great impact in increasing orders for our products. Professional photos are definitely important."



**Saad Al-Ghazali,**  
Founder of KonoZ Yadaweya Handicrafts Gallery.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



“The idea was really great and it encouraged me to allocate a portion of the marketing budget for product photography. It is important, especially with the opening of our permanent exhibition space in Cairo. The audience is very interested in the visual presentation because it is essential for marketing handicrafts.”



**Shaden Mahmoud,**  
Accessories Artisan,  
Gallery Shaden.



“Professional photographing of the products helps us to present the photos to customers and publications in a professional manner.”



**Ahmed Mostafa Amin,**  
Owner of Art Decoupage.



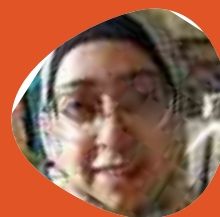
“At our exhibition ‘Diarna’ held at Cairo Festival in Tajamoa, ALEXBANK provided me with the opportunity to have professional photos taken of my ceramic products. The photos were of high quality, and it encouraged me to utilize the images on my business page. The products were well-received because the photos helped showcase them clearly and beautifully.”



**Asmaa Hassan,**  
Founder of Modern  
Pottery.



“The photography was truly skillful and wonderful, and I used the photos in marketing as well, because good photos show more details of the work and bring the material and effort put into the piece closer to the customer.”



**Sara Maged,**  
Glass Art Handicraft and  
Owner of Glass Art.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Environmental Stewardship

ALEXBANK is dedicated to promoting environmental awareness among its various stakeholders. Through ongoing efforts, the bank actively engages with customers, employees, and communities to raise awareness about environmental issues and the importance of sustainability.<sup>3</sup>

### Khatwa Khadra<sup>4</sup>

In continuation of the annual rollout targeting public schools and NGOs, Khatwa Khadra was spread across 9 governorates, aiming to minimize the negative environmental footprint generated by individuals. The game targets children aged 8 + years, and teaches them environmental concepts such as Carbon footprint, Carbon emissions, and Climate Change.



**61,674**

Participating Children



Across

**9 Governorates**

Cairo, Qalubiya, Dakahlia, Gharbeya, Marsa Matrouh, Beni Suief, Monofeya, Port Said, Damietta

## Marine conservation and environmental education for a sustainable ecosystem in the Red Sea

Furthering our efforts to promote sustainability and a sustainable ecosystem in the Red Sea, ALEXBANK, in partnership with Thalassians and Greenish, launched a project “Marine Conservation and Environmental Education for a Sustainable Ecosystem in Dahab, South Sinai that aims to raise awareness on plastic pollution, coral reef restoration as well as inspiring the community to change their behavior towards the environment, in order to protect our environment.

Through 25 beach cleanup activities, engaging 610 volunteers, we collected 1,400 kg of waste, fostering a more mindful approach towards our environment. In addition to conducting 14 dive missions, where expert divers collected plastic and waste, rescuing sea creatures along the way. We also activated Khatwa Khadra game to 17 Bedouin children, promoting environmental education. Furthermore, our project focused on gender equality and sustainable employment, creating workshops led by women. Environmental education sessions in public and private schools, along with educational materials for the Bedouin community, were provided, emphasizing the message of “Guarding the Sea.”



Divers collecting waste through ALEXBANK’s dive cleanups.



Beach cleanups implemented by community members in South Sinai.

<sup>3</sup> Read more under Employee Engagement

<sup>4</sup> Khatwa Khadra is a game developed by ALEXBANK to promote Environmental Awareness

# COMMUNITY DEVELOPMENT AND EMPOWERMENT



**25**

Number of Beach Cleanups



**14**

Dive Missions



**610**

Volunteers



**1,400** Kg

Collected Waste



Attended by

**62** Staff members

## Arts & Culture

### Athar Lina

Under the umbrella of “Ebda3 men Masr,” ALEXBANK embarked on a new partnership with Athar Lina with a focus on empowering women, youth, and children in efforts to promote artistic and cultural initiatives. Athar Lina is a foundation which focuses on conservation and preservation of cultural Egyptian heritage. This partnership aims to streamline this process through the engagement of two designers to work with the community to produce two lines: Line 1 being craft- based and line 2 being graphic based. This collaboration will take place through the following modalities of engagement: heritage education and vocational training. A signing ceremony took place to kickoff this partnership at Athar Lina premises.

**Date:** December 17th, 2023

**Location:** Bayt AlSalybba, Al Khalifa Area, Cairo



Bedouin children playing ALEXBANK's educational game 'Khatwa Khadra' in South Sinai.



Athar Lana signing ceremony in action.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## Customers Inclusion

### Valentine's Day Partnership with Magdy Yacoub Heart Foundation

On the occasion of Valentine's Day and to celebrate the ongoing partnership with the Magdi Yacoub Heart Foundation, ALEXBANK called on its customer to make a child's heart happy and donate through ALEXBANK's mobile and internet banking application.



### Digital Banking Commercial - Share the Goodness

Recognizing the importance of digital banking, we strategically launched the "Digital Banking Commercial - Share the Goodness" campaign. This initiative aims to raise awareness of ALEXBANK's digital services and drive digital banking acquisition by encouraging customers to actively engage with our digital platforms.

Through this campaign, ALEXBANK incentivizes customers to embrace digital banking by donating one Ramadan pack for each customer who activates and transacts through Mobile & Internet Banking or InstaPay via their ALEXBANK accounts. Additionally, the bank donated 30,000 healthy meals to school students. This dual-purpose initiative not only promotes digital banking adoption but also contributes to philanthropic efforts during the holy month of Ramadan, and International Day of Awareness of Food Loss and Waste.



## Startups without Borders

ALEXBANK participated as a Silver Sponsor in the 4th edition of "Startups Without Borders" summit on the 10th and 11th of February at Cairo Business Park, by Misr Italia Properties. ALEXBANK led a discussion titled "Cultivating Impactful Entrepreneurial Communities through CSR Developmental Partnerships," in which the projects "Tawasol Community School in Istabl Antar" and "Macrame Rouh" were showcased from ALEXBANK's flagship CSR initiative "Ebda3 Men Masr". On the sidelines of the event, Ebda3 men Masr hosted a two-day bazaar showcasing the authentic handmade pieces that are made by the hands of local EMM artisans.



Startups without borders panel discussion in action.

# COMMUNITY DEVELOPMENT AND EMPOWERMENT

## “Amal” by Ghalya March Campaign

In celebration of International Women’s Day, ALEXBANK, in partnership with Ahl Masr Foundation for Development and Doodle Factory and under the auspices of the National Council for Women with the patronage of Dr. Maya Morsy, launched the “Amal” gift as part of its flagship initiative, “Ghalya. Doodle Factory organized an expressive drawing workshop for 20 women burn survivors from Ahl Masr Foundation, and their drawings were combined into a single design reflecting the story of “Amal” (translating into “hope” in Arabic) as it signifies a source of light or hope, highlight the impact’s cause of spreading hope through light for female burn survivors. The gift was composed of a lamp and the design of the head lamp was the outcome of the Art’s activation done by Doodle Factory to the burn survivors. The design consolidates multiple drawings by the participating women to compile a piece of each women’s contribution.

“Amal” Ghalya March gift was presented to the partners of ALEXBANK and Ahl Masr Foundation.



Hope illuminates.



Colors that heal and inspire.



## PEOPLE AND COMMUNITIES

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# PEOPLE AND COMMUNITIES

Inclusivity and diversity are one of ALEXBANK's crucial values with the belief that they lead to a collective sense of social responsibility among individuals. Appreciating and validating diverse

gender, ethnic, racially and culturally disadvantaged individuals unifies and strengthens the community. It specifically motivates individuals to develop, enabling them to reach their maximum capacity of efficiency, and pushing them participating in creating a greater good to benefit their faction. ALEXBANK believes that diversity and social inclusion helps society excel forward towards a more innovative future.



A group picture of ALEXBANK's dedicated people.

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Definition

Current studies show that new generations are more demanding of their employer’s ESG activities, engagement and inclusion. Expectations range from work flexibility to seeing the organization’s positive impact on the society, regular communication, fair pay, diversity and proper education and career development. The lack of fast acting and mitigation in approaches leads to employee dissatisfaction and higher turnover causing potential issues in operation and customer retention. ALEXBANK has actively engaged its employees in countless initiatives, activities and training over the years with the goal of ensuring wellbeing and satisfaction. The Bank recognizes the current changes and shifts in the global market and is constantly developing new approaches to maintain its reputation and impact on its employees. Currently ALEXBANK is analyzing the best way forward in increasing gender equity and ensuring proper inclusion.

## Commitment

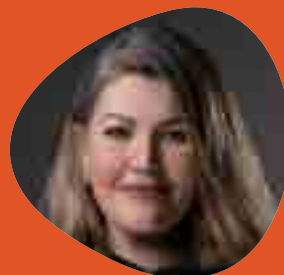
Attracting skilled people with the capacity to grow the Bank is at the core of its success, paired with developing, training, and reskilling employees to enter the future of work flexibly and responsibly. ALEXBANK is committed to creating a diverse workplace where everyone can realize their potential, feel included, and receive a fair wage via supporting employees in planning career development, streamlined performance assessment, as well as providing employees with space to learn different skills and grow their potential via dedicated training opportunities and e-learning platform.

## Management Approach

ALEXBANK recognizes the paramount significance of its workforce. Throughout 2023, ALEXBANK’s continued to demonstrate its dedication to promoting gender equity in various areas such as employment, career advancement, skills enhancement and work-life balance. ALEXBANK’s strong commitment to gender equity is evident through their strategic approach, which emphasizes the importance of maintaining equality and fairness.



In Alignment with ALEXBANK’s long standing sustainability journey driven by a sense of social responsibility and the belief that, as a leading financial institution, we must acknowledge our role and impact on sustainable development and our people. We recognized sustainability as a continuous process requiring a fundamental strategy embedded across all operations. Our people would be key drivers of this transformation, with HR bound by the vision of incentivizing employees to collectively create a more responsible bank. Their collective commitment continuously shaped a bank that not only fueled economic growth, but also social justice and environmental resilience. We proudly carry on delivering on the Egyptian Gender Equity Seal Commitments as a badge of our dedication to equality, diversity & inclusion principles, with steadfast progress reflected in our performance—31% total female employment, and a gender-balanced hiring rate of 42%. These results are testament to our vision towards an inclusive and flexible workplace where every talent thrives, and every voice resonates.”



**Mariam El Gammal,**  
Head of HR and  
Organization  
Department

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## The People of ALEXBANK<sup>1</sup>: Advancing Diversity and Inclusion

Over the years, ALEXBANK has remained steadfast in its commitment to promoting diversity and inclusion in the workplace. Recognizing the inherent value of a diverse workforce, the bank is dedicated to cultivating an environment where all employees feel respected, valued, and supported. This commitment is exemplified by the bank's focus on achieving gender balance in its annual hirings, reflecting a dedication to fairness and equal opportunity across all roles. ALEXBANK's efforts in this regard have been recognized through the attainment of a seal affirming its commitment to gender equity practices, particularly in areas such as employment, career development, and anti-harassment policies.

In pursuit of narrowing the gender gap in the labor market, ALEXBANK has actively worked to increase female representation within its workforce. By December 2023, the female distribution reached 31% of the overall headcount, marking a significant increase from previous years' figures of 28% in 2021 and 29% in 2022. This upward trend is attributed to targeted initiatives, including a recruitment plan focused on female integration, which saw a notable increase in the number of female CVs submitted and candidates interviewed compared to the previous year. Furthermore, ALEXBANK's commitment to inclusivity extends to traditionally male-dominated fields, such as ICT, Cybersecurity & BCM, and Network positions, where efforts to enhance female integration have yielded promising results, fostering a more balanced gender representation.

Moreover, ALEXBANK is dedicated to fostering inclusivity for individuals with disabilities, exemplified by its increased hiring of employees with disabilities from 3.5% in 2023 compared to 2.9% in 2022. This demonstrates the bank's commitment to creating a supportive environment where individuals of all

abilities can thrive and contribute meaningfully to the organization's success.



**4,380**

Total Workforce



**31%**

Female representation  
(up from 29% in 2022)



**3.5%**

Employees with disabilities  
(up from 2.9% in 2022)



**36%**

of our employees are under 30 years



**620**

New Hires



**42%**

of new hires are females  
(up from 35% in 2022)



**90%**

of employees received training  
(up from 83% in 2022)



**21%**

Female representation in Managerial Positions  
(up from 20% in 2022)



**37%**

YoY increase in female representation in ICT-related functions



**56%**

YoY increase in female representation in cybersecurity, BCM, function

<sup>1</sup> For further details about ALEXBANK's workforce data and diversity figures, please refer to the Annex: ESG Metrics.

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## ALEXBANK's Strategic Talent Acquisition and Advancement

In addition to its focus on attracting top talent from the job market, ALEXBANK has implemented various strategies to ensure the recruitment and advancement of highly qualified individuals. To this end, the bank has introduced **Advanced Hiring Assessments** for fresh graduates applying to join ALEXBANK. These assessments, conducted in collaboration with the Egyptian Banking Institute (EBI), aim to accurately evaluate the competencies and qualifications of applicants, aligning with the bank's goal of being an "employer of choice" and selecting the most competent candidates for junior positions.

Furthermore, ALEXBANK emphasizes internal promotions as a means of maintaining high productivity and filling managerial positions across the organization. Recognizing the value of promoting from within, the bank has successfully promoted 8% to managerial positions internally and 11% to middle managers level out of which 41% are females. This approach not only demonstrates ALEXBANK's commitment to providing career advancement opportunities for its employees but also ensures a steady pipeline of high-caliber talent to drive the organization's success. Looking ahead, the bank remains focused on sustaining this momentum and achieving further success in managerial nominations and promotions.

## Training & Development: Nurturing Knowledgeable and Empowered Employees

**3,950**

Total number of employees who received training in 2023

**90%**

representing of total employees

ALEXBANK takes a proactive and holistic approach to training and development, recognizing its vital role in cultivating a knowledgeable and empowered workforce. In 2023, ALEXBANK has increased its training budget by 63% to equip its employees with the necessary skills to enable them to progress and reach their full potential.

The Bank offers a diverse range of training topics that cover essential areas of expertise. Employees receive comprehensive training in sustainable finance, including risk management, project assessment, and green finance principles. ALEXBANK also places importance on integrating environmental, social, and governance factors into credit risk assessments through ESG credit risk training. The bank further supports the micro and SME sector by providing specialized training in SME finance. Additionally, ALEXBANK emphasizes employee well-being through wellness programs that cover health and safety awareness. The bank's commitment to training and development extends to fostering a culture of integrity and inclusion, with training topics such as anti-corruption, governance principles, and women empowerment. ALEXBANK's comprehensive approach ensures that employees are equipped with the knowledge and skills needed to thrive in the ever-changing financial landscape while upholding the bank's values of sustainability, integrity and inclusivity.



Celebrating Horus success.

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Some 2023 training facts and figures

- Training hours obtained by our female employees as of December 2023 increased to 35% of the total training hours provided, compared to 29% in 2022.
- Number of Training Hours: 270,080 Hours Vs 140,132 Hours in 2022.

## Revamping of the Training Curriculum

### Branches Network Academies

All Branches Network staff were enrolled in specialized training tracks to fit their role and enhance their technical and interpersonal skills.

**459** No. of Participants  
**18,070** No. of Training Hours

### Managerial & Interpersonal Skills Training

These courses provide ALEXBANK staff with essential skill sets critical for excelling in their professional career path. The topics provided are based on research of the key personal and interpersonal traits that influence and empower business interactions and relationships.

**1,512** No. of Participants  
**17,631** No. of Training Hours

### Professional Certificates

In order to equip the participants with high level professional Certificates to enrich their capabilities and Career path.

**111** No. of Participants  
**13,060** No. of Training Hours

## On Boarding Program

Virtual induction, aiming at providing our new hires with all the needed information about the banks' different functions in order to perform their roles in the most effective way. They also receive system training related to the required applications along with their main responsibilities within their main functions.

**274**  
No. of Participants

**7,831**  
No. of Training Hours



ALEXBANK female employees leading with grace and determination

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Internship Programs

### LEAP Programs

ALEXBANK, recognizing the vital role of knowledge and education in providing a competitive advantage for career success and sustainable development, has launched two educational initiatives: the LEAP Virtual Summer Internship Program for young people and the LEAP & Shine Program for Women.

### LEAP Juniors

For the first time, ALEXBANK launched a unique internship program this year for 10 secondary students. The main objectives were to provide students with a glimpse into professional life and careers. Internships offer an excellent opportunity for students to gain experience in the banking sector, determine their career interests, and build a network of contacts.

Upon completing the student internship program, participants will gain self-awareness and insight into the professional world's requirements. They will develop confidence, broaden their understanding of various industries beyond banking, and acquire practical banking experience, including knowledge of ALEXBANK's offerings and modern banking concepts. Additionally, interns will learn project planning, problem-solving, and communication skills, culminating in the creation of a professional resume or portfolio. Overall, they will emerge prepared and empowered to navigate their future careers successfully.

**10**

No. of Participants

**2 Weeks**

Duration

### Summer Internship Induction "LEAP"

In cooperation with Egyptian Banking Institute, ALEXBANK offered successful, practical, and unique summer internship program to 480 interns to help them help them understand more about the banking industry through technical sessions, teams project, interpersonal skills, weekly engagements, talks and functional sessions. The main objectives are to create awareness about the brand and increase their Share of Voice & Mind "Discover the talent in You". As an ongoing success for female integration as well, a stable % for Y2022 and Y2023 has been maintained to reach 55% out of total population enrolled in this program with focus on females in remote geographical regions.

**480**

No. of Participants

**1 Month**

Duration

### LEAP & SHINE

To support early-stage women who are interested in learning skills to become future female entrepreneurs or are newly planning startups, the program is designed to inspire 50 Egyptian female entrepreneurs on startup methodologies and concepts and equip them with the skills needed to plan effectively for their projects. Internship Theme: "The Rise of Female Entrepreneurs."

**40**

No. of Participants

**2 Weeks**

Duration



# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## The LEAP Virtual Summer Internship Program for youth

Catering to youths, had a significant number of 12,000 applicants, from which a select number participated. The 2023 program, in partnership with the Egyptian Banking Institute, focused on artificial intelligence and embraced diversity and inclusion, ensuring accessibility for people with disabilities through sign language. It provided interns with interpersonal skills development, team projects, and practical insights from ALEXBANK managers and experts, emphasizing personal branding,

microfinance education, and business model-specific financial solutions. The program ended with the interns presenting innovative business ideas, with the top three groups being recognized.

**12,000**

Total Number of Applicants

**2 WEEKS**

Duration



# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Cyber Security and Digital Transformation Tracks

### Digital Transformation Tracks

Data plays a crucial role in today’s world and is an essential part of decision-making processes. It is collected, analyzed, and utilized to derive insights that help individuals, organizations, and governments.

**75**

No. of Participants

**9,426**

No. of Training Hours

### System Training

In order to equip the participants with system updates to enable them to utilize the available tools in the most efficient way, all relevant employees were enrolled in Finacle & BPM courses.

**2,240**

No. of Participants

**8,459**

No. of Training Hours

## ALEXBANK Data School

ALEXBANK Data School commenced in 2023 with the inaugural module titled ‘Kick-Off Data Literacy 2023.’ The program is aligned with the Group’s strategic objectives, focusing on robust and sustainable capacity-building initiatives to enhance the skills of our colleagues at ALEXBANK. It aims to equip them with essential skills necessary for business transformation and making informed decisions. In Egypt, particularly within the banking sector, there is growing recognition of the significance of data collection, maintenance, and utilization as crucial components for devising transformative strategies. The program emphasizes the utilization of new, efficient tools and skills to leverage available data effectively.

## Empowering Women: ALEXBANK’s Gender Pro Program

This training program focuses on gender neutrality and gender balance approaches and techniques for managers, aiming to avoid stereotypes and promote gender balance roles. It also aims to build a professional network that supports fair opportunities, women empowerment, personal branding, communication, leadership, and self-awareness. Our Diversity and Inclusion Learning and Development path has been enriched this year with various gender-focused topics, such as the ALEXBANK GENDER PRO virtual learning bites program. This program offers a dedicated learning experience that aims to eliminate gender bias and create competitive opportunities by fostering unbiased leadership practices.

The program consists of a combination of workshops and dedicated virtual learning “bites” that help participants understand gender-related challenges. It also seeks to coach managers on gender inequalities in the workplace and their role in supporting and promoting authenticity in this cause across the bank.

**328**

No. of Participants

**2,507**

No. of Training Hours



ALEXBANK’s employees enjoying sweet potatoes and hummus at Forsa Bazaar

# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Advancing Diversity & Inclusion: ALEXBANK's Training Program for People with Disabilities

The program focuses on teaching employees proper etiquette when interacting with people with disabilities, including sign language. ALEXBANK emphasizes inclusivity by integrating People with Disabilities (PWD) staff into all training initiatives. This commitment to equal access to training, covering technical, interpersonal, and control skills, underscores the bank's dedication to the professional growth of all employees, regardless of ability. Sign language translators are provided as needed to facilitate effective communication for staff with hearing impairments. Virtual sessions are also offered for PWD staff in remote areas to ensure accessibility. By adhering to ethical and legal obligations and fostering a diverse and inclusive work environment, ALEXBANK promotes employee satisfaction, improved performance, and a strong workplace culture.

**148**

No. of Participants

**3,074**

No. of Training Hours

## ESG Awareness Training: Empowering ALEXBANK's Workforce



**92%**

Of total employees have completed the ESG Awareness Training

In line with ALEXBANK's commitment to ESG guidelines, the bank has introduced a new mandatory E-learning program aimed at providing all employees with comprehensive knowledge of ESG principles. This program, designed to align with the bank's dedication to sustainable practices,

covers a range of topics including Climate Change, Diversity & Inclusion, Financial Inclusion & Literacy, Sustainable Finance & Responsible Lending, Green Economy Financing, Health & Safety, Core Principles for Corporate Governance, ESG Risk Management, and Code of Conduct or Code of Ethics. Through this initiative, ALEXBANK seeks to equip its workforce with the necessary skills and insights to navigate the evolving landscape of ESG practices. In 2023, 92% of total employees have completed the ESG Awareness Training, demonstrating the bank's commitment to fostering a culture of sustainability and responsibility across its operations.



# RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF OUR PEOPLE

## Advancing Equality: ALEXBANK's Performance Management Approach

On the level of Performance Management Systems that aims at fostering equality and fairness, substantial adjustments were adopted. One of the primary priorities was to provide strategy that centers the employees and recognize their achievements and align them with the direction of the bank utilizing different methodologies to successfully integrate matrices that boosts the employees' efficiency, productivity, and engagement levels.

One of those methodologies has been to standardize the KPIs across employees on the same job level, driven from the belief that success of an organization depends heavily on the performance of its workforce, we have endeavored to standardize KPIs across similar roles, ensuring that duties and assessments are well balanced and sustained for fairness and transparency. In addition, Performance Management function has integrated control and quality KPIs into performance management system by working closely with internal stakeholders, from governance and control functions, to successfully monitor employee performance. This proactive approach corresponds with global and market changes, allowing us to adapt and remain competitive. Moreover, we continue to utilize the organizational excellence KPI that intends to focus attention on continuous efforts to create an internal framework of standards and processes.

Overall, our performance management position at ALEXBANK has been critical in pushing good improvements and efforts toward gender equity through building a fair and inspiring environment for all employees by focusing on KPI stabilization, evaluation standardization, integrating control and quality KPIs, and promoting organizational excellence.

ALEXBANK is committed to embracing diversity and inclusion concepts, in accordance with our parent company's policies. We believe that establishing a diverse and inclusive workplace is not only the right thing to do, but also beneficial to our organization's overall performance and progress. By implementing these principles, we hope to establish a work environment in which all workers feel appreciated, valued, and empowered to share their unique perspectives and abilities. We think that promoting diversity and inclusion improves employee satisfaction and engagement while also driving innovation and allowing us to better serve our clients and stakeholders through annual performance reviews, fostering feedback and career development opportunities.



Team spirit shines bright as employees gather for Ramadan football tournament.

# WELLBEING AND WORK-LIFE BALANCE

## Definition

In line with the Rules for Occupational Health and safety management systems in the international subsidiaries, ALEXBANK verifies proper health and safety protocols are being followed along with yearly training and capacity building. The Bank actively eliminates suppliers with such risks from their value chain and is currently assessing their lending and investment portfolio for such risks. Internal and external initiatives related to capacity building of the community, employees and CSR initiatives and donations were considered during the assessment.

## Commitment

Guided by ALEXBANK’s steadfast commitment to providing exceptional healthcare for our valued employees, this year we implemented numerous enhancements to our health and wellness offerings. At the core of the bank’s strategy is the belief that caring for our workforce’s physical, mental, and social wellbeing is imperative. The initiatives rolled out in 2023 further elevate the quality of care and resources available to employees. From expanding access to preventative screenings to introducing new mental health support services, these thoughtful additions exemplify ALEXBANK’s dedication to cultivating a culture of health. By making wellness a top priority and continually refining our employee health programs, we reaffirm our pledge to be an employer of choice now and into the future.

## Management Approach

ALEXBANK understands that its employees’ wellbeing is a key factor in the success, expansion and continuity of the business. Consequently, the Bank strives to create a positive and rewarding environment where everyone can develop professionally, realize their potential, and have their contributions recognized, valued, and fairly compensated.



ALEXBANK’s employees in Ramadan tournament.

# WELLBEING AND WORK-LIFE BALANCE

## Be Well Employees Portal



ISBD launched a wellbeing portal under the name “Be Well”, the portal aims to focus on employees’ Wellbeing in terms of Nutrition, Movement and Mind & Body. ALEXBANK has launched Be Well to its employees by dedicating the month of February to mind & body and the concept of self-love.

ALEXBANK’S Head Office building had many activations related to the launch of Be Well which included small messages of self-love placed in elevators on Valentine’s Day to remind employees to always be kind to themselves. Visual messages were also spread all across ALEXBANK’S buildings to reflect more on Be Well. Through this, ALEXBANK promotes self-love, as well as loving others, as part of one’s Wellbeing.

## Ramadan Sports Tournament

As part of the ISBD Be Well initiative, ALEXBANK organized a Ramadan Football Tournament aimed at fostering inclusivity, diversity, and physical well-being during the holy month of Ramadan. The tournament provided an avenue for healthy competition, team building, and physical activity, offering participants the opportunity to engage in various sports including Football, Paddle, and Tennis. Teams from different branches and departments across Egypt participated, totaling more than 500 players. Beyond promoting physical fitness, the event served as a platform for employees and their families to connect, socialize, and strengthen bonds. The diverse composition of teams, drawn from various branches and departments, enhanced camaraderie and teamwork among participants, contributing to a sense of community and collaboration within the organization. The tournament, which started with 46 Football teams and 32 Paddle Tennis teams has brought up more than 500 players together throughout the tournament and teams were made up of players from different branches and departments of the bank across the different regions, which added to the sense of camaraderie and teamwork.

**In sign language Eng. Hamada said:**  
“For the first time I participate in the Ramadan Football Tournament, and I am very happy. Thank you ALEXBANK.”

## “Random Acts of Kindness Day”

As part of the contribution to the Be Well initiative, ALEXBANK puts focus on Mind & Body in the month of February, in which ALEXBANK celebrates the theme of “Giving”. The “Random Acts of Kindness Day” in February is celebrated worldwide to make the world a better place by spreading small acts of gesture to make kindness a part of people’s everyday lives. In acknowledgement of this day, ALEXBANK designed all its coffee cups in the Head office buildings on this day to read “No Act of Kindness, no matter how small, is ever wasted.”



ALEXBANK team embodying the spirit of teamwork beyond the workplace.

# WELLBEING AND WORK-LIFE BALANCE

## Global Cooking Competition

A cooking competition, organized as part of the Group initiatives, commenced with its initial phase hosted locally at ALEXBANK and subsequently expanded internationally to Italy, encompassing all banks under ISBD. This engaging event brought together participants from across the globe for a fun-filled cooking showdown. Within ALEXBANK, any female employee had the opportunity to compete by submitting a video showcasing her culinary skills. The winner earned the chance to represent ALEXBANK in Italy. In Italy, 11 selected contestants converged to compete in a cooking extravaganza held as part of the Be Well initiative, featuring a 90-minute cook-off celebrating 11 delectable meals from around the world. ALEXBANK proudly congratulates Omnia Ahmed, our winner of the initial phase, who secured second place in the final competition held in Milan.

## Sweet Potatoes & Hummus Day: Last Bits of Winter Initiative

As part of the Be Well initiative and as a final homage to the warmth of winter, ALEXBANK provided free hummus and sweet potatoes to employees at its Head Office buildings in Kasr El Nile and Smart Village. This initiative celebrated the last days of the season with a complimentary meal of sweet potatoes accompanied by a choice of sweet dipping and hummus throughout the day.

## Be Well Virtual Sessions

In continuation of ALEXBANK's ongoing commitment to the physical health and well-being of its employees, we have organized detailed and informative virtual medical sessions. These sessions, facilitated by some of the top physicians in Egypt, cover a range of topics including digestion, burnout, and back pain. By providing access to these sessions, ALEXBANK aims to support its employees in maintaining their health and addressing common health concerns that may impact their well-being.



Spreading joy and appreciation within the workplace.

# WELLBEING AND WORK-LIFE BALANCE

## Enhanced Medical Benefits

### Free Medical Checkups for all Females at Banks Clinic

ALEXBANK constantly builds on the effort to ensure female employees are in good health. As part of the Be Well initiative, the Bank is offering fully funded medical checkups such as inbody measurements, blood tests, blood pressure, blood sugar levels and other medical inquiries. By doing so, ALEXBANK helps women become more health cautious and enables them to discover any early signs of any underlying health conditions so they could be immediately treated.

### Inclusive Medical Support for ALEXBANK Employees with Disabilities

Reflecting the bank's commitment to enabling PwDs and providing them with comprehensive support for their inclusion and advancement in the workplace, we are actively collaborating with various stakeholders to remove any obstacles that employees may encounter in accessing medical care. The bank has implemented a medical initiative that goes beyond the coverage provided by insurance policies, specifically addressing some medical emergencies categorized as uncovered services, such as Hearing Aids and Artificial Limbs, along with other compensatory devices. This initiative is extended to all active employees with disabilities enrolled in the bank, as well as pensioners.

### Enhanced Medical Coverage: ALEXBANK Raises Limits by 20% for Members

During the third contracting year with the insurance company and in parallel with the economic conditions that had been witnessed, ALEXBANK decided to provide the best for its members by raising the total medical coverage limit by 20%. This decision aimed to mitigate the effects of the

economic conditions that resulted in an overall increase in the costs of medical equipment, medication, and surgeries.

### Enhanced Medical Benefits for Female Employees

ALEXBANK recognizes the importance of supporting women in the workplace and is increasing awareness by focusing on dedicated medical benefits for them. Additionally, The maternity contribution sub-limit for ALEXBANK's female staff has been raised to 40,000 EGP, regardless of the nature of delivery, compared to the previous limits of 15,000 EGP for natural delivery and 20,000 EGP for Caesarean delivery under the coverage scheme.



A culture of continuous learning.

# WELLBEING AND WORK-LIFE BALANCE

## Managerial Health Check Initiative

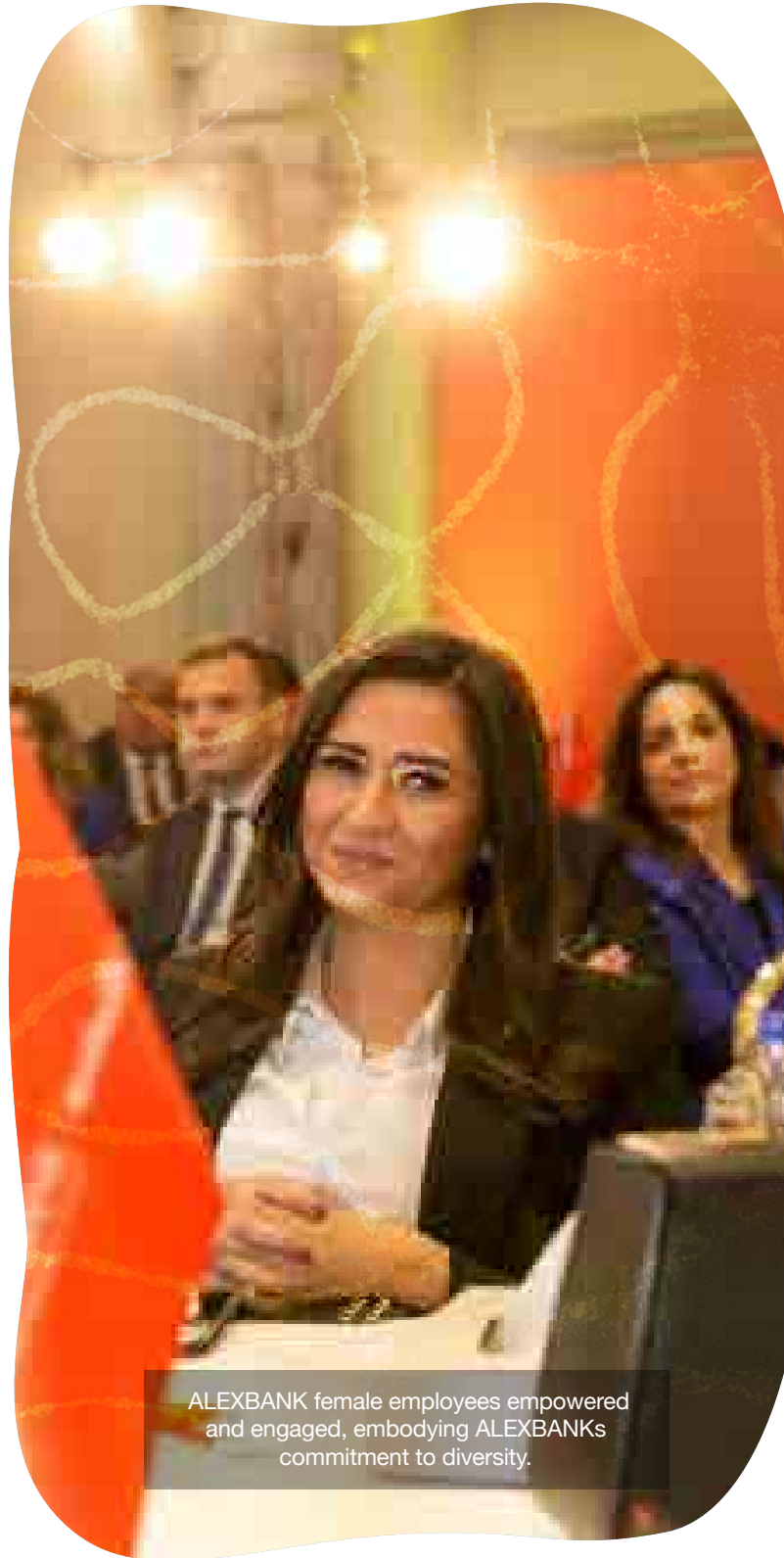
As part of ALEXBANK’s ongoing commitment to employee health, we extended an invitation to all managers to arrange a comprehensive health checkup with the bank’s medical consultant. These checkups were scheduled throughout May to ensure their physical well-being remained a top priority. The demanding nature of professional life can often lead to increased pressure and potential impacts on physical, mental, and emotional health, including habits like lack of exercise, smoking, and poor dietary choices. Managers received a document outlining the various types of physical examinations they would undergo, along with the option to choose their preferred hospital from a selection including based on their residency.

## ALEXBANK’s Seasonal Influenza Vaccination Campaign

Since November 2023, ALEXBANK has implemented this campaign for its members in alignment with the recommendations of the World Health Organization and to raise awareness. The campaign aims to preserve the overall health of all ALEXBANK members against one of the prevalent infections of the past 3 or 4 years, especially prior to the availability of Covid-19 vaccinations.

## Further Care Beyond Insurance Policy Provided by ALEXBANK’s Medical Unit

Providing ALEXBANK members with medical services classified as uncovered according to the insurance policy in cases of medical necessity is part of ALEXBANK’s commitment to providing exceptional care and attention to its valued members, who are the main backbone for the bank’s development and success. Examples include hearing aids, artificial limbs and joints, and ventilators, especially during the Covid-19 pandemic and for other critical cases.



ALEXBANK female employees empowered and engaged, embodying ALEXBANKs commitment to diversity.

# SAFE AND HEALTHY WORKPLACE

## Definition

Following the guidelines for Occupational Health and Safety management systems within its international subsidiaries, ALEXBANK ensures that it validates the adherence to appropriate health and safety protocols. The bank conducts annual training and capacity building exercises to this end. ALEXBANK is proactive in removing suppliers that pose health and safety risks from its value chain and is presently evaluating its lending and investment portfolio to identify and mitigate such risks.

## Commitment

Supporting employees' mental and physical wellbeing, providing meaningful work, a sense of purpose, and ensuring a safe and healthy environment for both employees and customers have been critical for ALEXBANK.

## Management Approach

ALEXBANK not only ensures compliance with regulatory requirements but also fosters a culture of care and responsibility. This commitment to health and safety helps prevent accidents, reduces risks, and promotes the overall well-being of everyone associated with the Bank. In 2023, ALEXBANK achieved significant milestones in its ongoing commitment to Health, Safety, and Environment enhancement. These accomplishments signify a proactive approach to digitization, safety training, and risk assessment, resulting in improved safety, sustainability, and operational efficiency.



ALEXBANK employees stand shoulder to shoulder, embodying teamwork and dedication within the workplace.

GRI 3-3, 403-1, 403-9,  
403-10

## 2023 KPIs



**3,622**

Total employees trained on HSE topics



**ZERO**

Lost-time injuries and work-related illness cases



**ZERO**

Fatal incidents  
**(contractors/ temporary workers)**



**1,814**

Total work-related hazards reported



**427**

Closed reported hazards



ALEXBANK employees holding their certificates, celebrating their excellence and dedication.

# SAFE AND HEALTHY WORKPLACE

## HSE Risk Assessments for ALEXBANK's Premises

ALEXBANK conducts comprehensive risk assessments for all its premises to identify potential hazards and gaps, ensuring the safety of employees, customers, and stakeholders. These assessments aim to systematically evaluate risks, prevent accidents, and foster a culture of safety consciousness. By prioritizing necessary actions based on risk scores, ALEXBANK enhances safety and security while promoting employee awareness and informing strategic decision-making.

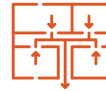
### Fire Hazards Project

The objective of the Fire Projects is to ensure compliance with legal obligations, reduce legal risks against the bank, and enhance safety in branches. The project aims to achieve these goals by implementing measures and protocols that align with fire safety regulations. ALEXBANK aims toward full conformance of branches with fire safety regulations to minimize the potential risks associated with fire hazards and ensure that the branches meet the required safety standards. Accordingly, this facilitates obtaining approvals from relevant authorities such as the Civil Protection and Manpower authority.

## Health and Safety Training

ALEXBANK is dedicated to enhancing employees' understanding and adherence to HSE practices through a combination of onsite training materials and physical training sessions. This initiative is supported by the generation of monthly reports on HSE topics specific to the bank's premises and branches, serving as a monitoring mechanism to ensure ongoing compliance and vigilance in maintaining a safe work environment. By systematically tracking HSE status across all locations, ALEXBANK fosters a culture of safety and well-being organization wide. In 2023, the bank conducted comprehensive health and safety training sessions covering essential topics such as Evacuation Plan, Fire Fighting, First Aid,

Earthquake Preparedness, Workplace Safety, VR Evacuation, and Security Training, with participation from thousands of employees across various departments.



Evacuation Plan Training

**3,377** attendees



Firefighting Training

**303** attendees



First Aid Training

**103** attendees



Earthquake Preparedness Training

**3,467** attendees



Safety in the workplace Training

**3,282** attendees



VR Evacuation Training

**188** attendees



Security Training

**20** attendees

# SAFE AND HEALTHY WORKPLACE

## Evacuation Drill VR training

ALEXBANK introduced VR-based evacuation training for employees to ensure comprehensive preparation for evacuation procedures. This initiative aims to familiarize new employees with evacuation drills and instructions before participating in physical drills. By leveraging VR technology, ALEXBANK minimizes the need for physical transportation to training sites, thus saving time and resources. Moreover, the VR platform enhances accessibility to training materials, enabling employees to conveniently review them prior to engaging in physical drills.

## ALEXBANK's Proactive Approach to Travel Security

ALEXBANK has instituted a Travel Security program within its HSE office to safeguard the well-being of its employees during business trips. Collaborating closely with the ISBD Travel Security Team, this initiative delves into the intricacies of travel safety and security, considering the unique needs and challenges faced by business travelers.

This involves the development, coordination, and dissemination of ALEXBANK's travel safety and security policies and procedures. These guidelines serve as a blueprint for safe and secure travel, ensuring that employees are equipped with the necessary knowledge and resources to navigate potential risks effectively.

Furthermore, the Travel Security initiative identifies and provides relevant training and learning opportunities for employees. Through comprehensive training sessions, individuals gain insights into travel safety protocols, emergency procedures, and risk mitigation strategies.

Moreover, the program includes the implementation of an Executive Protection Program tailored to the needs of high-level executives and key personnel. This program involves meticulous planning, including route mapping, assessing parking facilities, identifying entry and exit points, and devising contingency plans to address unforeseen circumstances.

## Hazard Reporting and Resolution at ALEXBANK

ALEXBANK prioritizes worker engagement and communication concerning occupational health and safety (HSE). Through various processes, the bank ensures effective participation in this crucial area. One such process is the reporting system for all HSE assigned personnel in branches. In 2023, a total of 1,766 hazards were reported, with 280 classified as high risk, 820 as medium risk, and 666 as low risk. Of these reported hazards, 723 have been successfully addressed, while the remaining are under investigation. ALEXBANK remains committed to resolving these outstanding issues promptly to uphold a safe and secure working environment for its employees.



Building a culture of collaboration.

# EMPLOYEE ENGAGEMENT

## Definition

Employee engagement encompasses the emotional commitment and dedication that employees demonstrate towards their work, organization, and its goals. It involves fostering a workplace environment where employees feel valued, motivated, and aligned with the company's vision and values. Engaged employees are enthusiastic about their roles, contribute their best efforts, and are more likely to go above and beyond to support organizational success.

## Commitment

At ALEXBANK, our commitment to employee engagement extends beyond mere job satisfaction. We prioritize creating a supportive and inclusive workplace culture that fosters employee growth, well-being, and professional development. Through various initiatives such as ongoing training and development opportunities, and regular feedback mechanisms, we aim to empower our employees to thrive personally and professionally. Additionally, our recognition programs, open communication channels, and collaborative team environments reinforce our dedication to cultivating a workforce that is highly engaged, motivated, and invested in the success of our organization.

## Management Approach

ALEXBANK actively promotes a culture of excellence and appreciation in the workplace, while taking into consideration the significance of physical and mental health, and the well-being of employees. Accordingly, the Bank continuously holds events and activities that serve various aspects and provides different opportunities of employee engagement and the setting of clear targets accordingly.



ALEXBANK strength lies in the diversity of its people.

# EMPLOYEE ENGAGEMENT

## Forsa Bazaar: Supporting Local Artisans and Community Causes

ALEXBANK’s Forsa Bazaar is a monthly event, aptly named “Forsa,” meaning “chance” in Arabic, symbolizing the opportunity it offers for ALEXBANK employees to connect with and purchase goods from local artisans under the Ebda3 Men Masr (EMM) brands. It serves as a platform for these artisans to showcase and sell their products. Taking place on the 25th of each month, aligning with employees’ payday, the bazaar also supports various NGOs and charitable causes through donations. Each event is themed around international days and features engaging activities and giveaways.

Launched in July 2018, the Forsa Bazaar takes place at the headquarters and typically draws 200-400 employees. It stems from ALEXBANK’s commitment to promoting local Egyptian arts and crafts. This employee engagement initiative allows staff to contribute their time to worthy causes, fostering a sense of community involvement.

Forsa Bazaar aims to empower Egypt’s handicrafts sector and nurture the growing community of local entrepreneurs, creating a positive impact on both the local community and the business sector at large. Additionally, it encourages employee engagement, promotes the purchase of locally made products, and provides a pleasant break from the work routine.

The event cycles through various themes and causes:



### January

#### Social Inclusion

This month’s theme was about shedding light on Social Inclusion and the cause of the month is celebrating PWD’s.

- Beneficiaries: 42 exhibitors with 22 of them PWDs.



### February

#### Ramadan

This month’s theme was in celebration of the Holy month of Ramadan and the cause was eliminating hunger problems through creating a diversity of long-term development, awareness, educational and feeding programs to support our cause.

- Beneficiaries: 30 exhibitors



### March

#### Eid El-Fitr

This month’s theme was in celebration of Eid-El Fitr and the cause was elevating poverty and Marginalized Communities in need.

- Beneficiaries: 34 exhibitors

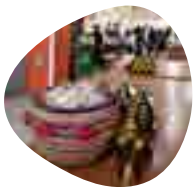


### April

#### Spring

This month’s theme was in celebration of Spring and focusing on making education accessible for children in marginalized communities in Egypt.

- Beneficiaries: 36 exhibitors



### May

#### Summer is Back

This month’s theme was the celebration of Summer and the cause was in light of World no Tobacco Day.

- Beneficiaries: 36 exhibitors



### June

#### Eid El-Adha

This month’s theme was in celebration of Eid El-Adha, and the cause was to donate clothes to poor people for Eid ElAdha.

- Beneficiaries: 28 exhibitors



### July

#### International Day of Friendship

This month’s theme was in celebration of International Day of Friendship and the cause was related to friendship which is considered to be a bond in which two people trust and support one another.

- Beneficiaries: 30 exhibitors



### August

#### International Day of African Descent

This month’s theme was in celebration of International Day of African Descent through the cause Forsa celebrated the African culture through empowering Refugees.

- Beneficiaries 32 exhibitors

# EMPLOYEE ENGAGEMENT

## Celebrating Horus Success

There was no better way to celebrate the success of ALEXBANK’s new Core Banking upgrade project “Horus” than by celebrating with its employees, the real champions who worked tirelessly to complete the project successfully and on schedule despite numerous challenges. It was a gesture to express appreciation to each and every individual for their dedicated efforts, which allowed them to be at the forefront of many groundbreaking initiatives in 2022. The year was marked by transformation and technological advancement, all thanks to their collective contributions.



Horus team celebrating their efforts.

## World Environment Day Awareness Campaigns

In Celebration of the World Environment Day, ALEXBANK organized a series of activities to promote environmental awareness. The Bank launched a campaign in promotion of its Social Lending Products encouraging its customers to book their loans through Ma7fazty in alignment with the digital banking vision to go paperless and reduce our carbon footprint targeting microfinance segment customers. All booked loans during the campaign contributed to planting trees in partnership with Shaggarha where 120 fruit trees were planted.

Additionally, recycling bins were placed across 11 branches in Cairo for plastic bottles disposal where 1,095 plastic bottles were collected for recycling purposes.

## Internal Mass Webinar

A live webinar took place on the 5th of June organized by Intesa Sanpaolo - across all subsidiaries to shed light on the damage of plastic to the environment, raise awareness on beating plastic pollution and replacing single use plastic items; 62 ALEXBANK employees participated in this webinar.

## Earth Hour Participation

On the occasion of World Earth Day and within the framework of this year’s theme “Invest in Our Planet,” ALEXBANK participated in Earth Hour, as part of its commitment to sustainability, by turning off the lights in its branches for an hour. The aim was to raise awareness about climate change and the responsibility of resource management.

**1,095** Bottles  
Collected Plastic

**120**  
Planted Trees

**104.4** kg  
Waste Collected

**62** Employees  
Webinar Participants



# EMPLOYEE ENGAGEMENT

## Green Microfinance Outreach on World Environment Day

Within the framework of ALEXBANK’s participation in the activities of World Environment Day, and in view of the interest in developing these aspects, ALEXBANK started a promotional campaign for retail microfinance customers and financial inclusion customers in the Delta and Upper Egypt regions. This campaign included the introduction of a number of distinctive products, as well as microfinance programs to develop social and environmental aspects, including livestock finance, crops finance and individual finance products. A total of 933 microfinance loans have been disbursed within the campaign period, amounting to EGP 41.2 million. ALEXBANK believes in the importance of enhancing the livelihoods of Egyptians and intends to support them by providing them with access to financial services that suit their needs. This initiative raised awareness during World Environmental Day reaching more than 280,000 people through ALEXBANK’s social media platforms & implementing financial literacy sessions to 556 beneficiaries in 8 different villages in 5 governorates.



Total reach through our social media platforms

**280,000** individuals



Participants in the financial awareness sessions

**550** participants



Sessions delivered across

**8** Villages in 5 Governorates



Disbursed Loans

**933** Loans **41.2** Mn EGP

## Volunteer Events in light of World Water Day

In alignment with World Water Day, ALEXBANK partnered with Very Nile NGO to arrange two employee engagement events focused on environmental cleanup in Bisrah Village, Assiut, and Anfoushi Seashore, Alexandria. In Assiut, employees participated in cleaning the Nile using small fishermen boats, while in Alexandria, they conducted a park cleanup near water basins to prevent waste from entering the water and causing marine litter. The events were documented for online awareness initiatives.

The goal was to foster an environmentally conscious community in Assiut and Alexandria, raise awareness about water scarcity and sanitation, highlight the significance of reducing plastic use, promote environmental sustainability, and provide a team-building experience for employees and their families.



**22**

Total number of participants  
(ALEXBANK Employees & their families)



**76** kg

Total amount of Waste collected & will be recycled for further impact



A dedicated effort to revitalize the Nile through Nile cleanups, for generations to come.

# EMPLOYEE ENGAGEMENT

## Webinar: International Day of Awareness of Food Loss and Waste

Intesa Sanpaolo organized a comprehensive online webinar titled “Internal Engagement Activation” aimed at raising awareness among employees. All staff members received invitations to participate in this informative session. The webinar featured three distinguished external speakers: Professor Andrea Segrè (Department of Agricultural and Food Sciences at the University of Bologna) and representatives from FAO, Mr. Njie Divine and Camelia Adriana Bucatariu. The focus of the webinar was to shed light on the critical issue of food loss and waste.



ALEXBANK HR and Organization were delighted that overall satisfaction jumped to 81% in 2023 up from 67% in 2021. This is a clear signal that we’re headed in the right direction. Our steadfast commitment during the recent Covid crisis was particularly impactful. ALEXBANK has observe very high scores among its employees for their relationships with colleagues, trust in their managers, and pride in the expertise gained and the work delivered to clients. This serves as a testament to the collaborative, team-oriented culture that the bank strives for each day.

## Climate Survey

In alignment with Intesa Sanpaolo’s 2022-2025 Business Plan, ALEXBANK’s CEO launched the Intesa Sanpaolo 2023 Climate Survey. This survey offers an opportunity for ALEXBANK and all employees within the Group to share their feedback and insights. The aim is to identify key areas for addressing current and future challenges and opportunities. The responses collected are carefully considered and utilized to inform decision-making processes both locally and within the Group. This initiative fosters a sense of empowerment among employees, ensuring that their voices, ideas, concerns, and opinions are valued and taken into account.



Celebrating World Water Day with these dedicated young cleaners.

# EMPLOYEE ENGAGEMENT

## Children’s Iftar in Sohag Governorate

During the ongoing Ramadan festivities, ALEXBANK participated in the annual “Children’s Iftar in Sohag Governorate,” showcasing its commitment to spreading joy and giving back to communities across Egypt. The event, held at a local social club, hosted 110 children from the Cancer Institute in Sohag, as well as residents from female and male shelters, accompanied by 58 supervisors. A team of 15 volunteers from local branches joined the occasion, which included a full iftar meal for all attendees and the distribution of gifts such as toys or clothes to the children. Live entertainment further enhanced the event, contributing to a memorable experience for everyone involved.



**110**

Participating Children



**15**

Volunteers



Unforgettable memories where hope and joy collide

## Celebrating New Mothers on Mother’s Day

ALEXBANK extends heartfelt appreciation to mothers everywhere on Mother’s Day, recognizing their invaluable role in our lives. As a firm supporter of women’s empowerment, we consistently honor mothers through diverse initiatives. Understanding their vital role in families and society, we’re pleased to introduce “Welcome to Motherhood,” a meaningful initiative aimed at celebrating and supporting new moms during this important phase of their lives. Additionally, the Bank continues to endorse its female employees and carried on gifting them handmade baby blankets to its expecting mothers as a medium to voice the Bank’s support in their new journey.



New Mother’s kit.



# ENVIRONMENTAL STEWARDSHIP

Climate Action and Resource Use

162

Responsible Procurement and Sustainable  
Supply Chain Management

172



# ENVIRONMENTAL STEWARDSHIP

Having high environmental consciousness, ALEXBANK acknowledges the inevitable consequences posed to the environment by irresponsible, unsustainable lifestyles. Driven by an audacious environmentally sustainable vision, ALEXBANK recognizes its role as a powerful financial institution in counteracting such impacts and recuperating nature by implementing efficient

green, sustainable practices throughout all its operations, ranging from resource allocation to cultural dynamics. In this way, ALEXBANK continuously works towards its goal of promoting sustainability.



Nature's symphony.

# CLIMATE ACTION AND RESOURCE USE

## Definition

Portfolio emissions of global financial institutions are on average 700x larger than their direct emissions according to the CDP, leading ALEXBANK to start investigating proper impact identification and mitigation measures. As a first step, the Bank leveraged the UNEP-FI portfolio assessment to determine key activities where negative impacts are present. Activities such as mobility, shifting towards a digital operation and electricity consumption are a few examples of the different areas where such direct negative impacts occur. The Bank implements the Group Rules for the Environmental and Energy Policy allowing for different approaches to manage these impacts and will shift to more sustainable operation.

## Commitment

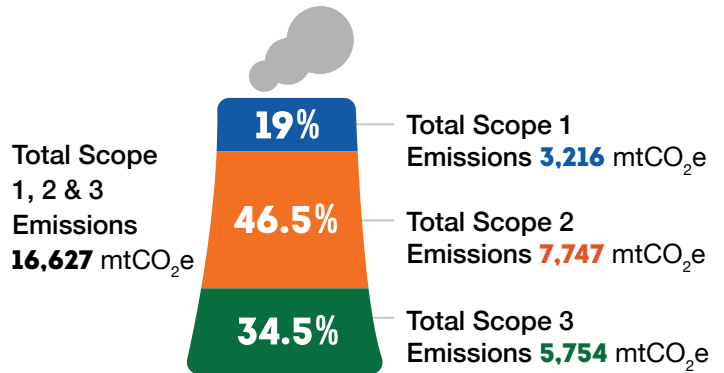
ALEXBANK's environmental stewardship efforts focus on supply chain localization, optimization, transition to circular economy (including e-waste prevention and elimination of paper use) and climate action.

## Management Approach

At ALEXBANK, we understand that safeguarding our environment is not only an ethical duty but also a strategic imperative for sustainable business operations. As a responsible financial institution, we strive to minimize our ecological footprint and contribute to a greener and more resilient future.

## 2023 Carbon Emissions

Carbon Emission scopes:



**19,272 MWh**

Total Electricity Consumption



**173,377 m<sup>3</sup>**

Municipal Water Consumption



**113 tons**

Quantified Waste Generated 113 tons of which 84% is recycled



# CLIMATE ACTION AND RESOURCE USE



The cornerstone of our facilities management is not just the fortification of structures but the cultivation of sustainability within them. Our ongoing Building Renovation embodies an ethos of environmental stewardship, transforming structures in disrepair into paragons of efficiency. Our strategic shift entails optimizing our branch network—transitioning from larger, energy-intensive branches to smaller, eco-friendlier ones every period renovation embeds sustainability at its core, striving for green certifications that reflect our commitment to a future where our ecological footprint is as secure as our facilities.”



**Khaled ElSaeed,**  
Head of Physical  
Security & Logistics  
Department

Aligning with the efforts to protect the environment and foster a sustainable culture, we are committed to continuously improving our environmental performance, setting ambitious targets, and regularly monitoring our progress. We engage in ongoing dialogue with stakeholders, collaborate with industry peers, and actively support initiatives that promote climate resilience, biodiversity conservation, and responsible resource management. All members of ALEXBANK’s Board of Directors, Executive Committee, and employees are fully aware of the significant risks posed by climate change and are wholeheartedly committed to addressing it. ALEXBANK’s climate action initiatives are focused on financing environmentally friendly projects, reducing greenhouse gas emissions in its portfolio, and minimizing the environmental impact of its operations. By investing in projects that align with our mission and goals, we directly contribute to positive environmental change. Throughout 2023, ALEXBANK has prioritized investments in renewable energy projects and those that incorporate recycling components in their resources or products.

## Own Emissions Plan

In alignment with Intesa Sanpaolo’s directive to outline targets and projects to be achieved by 2025 and under the scope of the parent’s own emission plan aiming to reduce energy consumption and shift to more sustainable energy sources, ALEXBANK has revisited its plan for 2023-2025 which encompasses:

Renewable energy contribution of 20% to ALEXBANK’s electricity mix by 2025 as an initial milestone to Intesa Sanpaolo’s target of achieving 100% reliance on renewable energy by 2030.

Reduction in energy consumption by end of 2025 which is anticipated to save more than 3 GWh of ALEXBANK’s total consumption by replacement of old air conditioning units with more energy-efficient ones and replacement old light fixtures with LEDs in 2024 and 2025.

# CLIMATE ACTION AND RESOURCE USE

## Our Carbon Footprint

Total Scope 1+2+3 Emissions in 2023

**16,627** mtCO<sub>2</sub>e

17% reduction compared to 2022

Total Scope 1+2 Emissions in 2023:

**10,873** mtCO<sub>2</sub>e

26% reduction compared to 2022

Scope 1+2 Emissions Intensity per area:

**79.29** kgCO<sub>2</sub>/m<sup>2</sup>

17% reduction compared to 2022

Scope 1+2 Emissions Intensity per employee:

**1,908.95** kgCO<sub>2</sub>/employee

21% reduction compared to 2022

As ALEXBANK is working on limiting its environmental impact, the Bank has reported on the carbon footprint resulting from the operations of all its facilities. The carbon footprint analyses and calculations are based on a number of standards and guidelines, including the following:

- The Greenhouse Gas Protocol Guidelines which include, but not limited to:
  - A Corporate Accounting and Reporting Standard;
  - Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- ISO 14064-1:2019: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.
- 2006 Intergovernmental Panel on Climate Change (IPCC): Guidelines for Greenhouse Gas Inventories (with 2019 Refinements).

GRI 305-1, 305-2, 305-3,  
305-4, 305-5

## Organizational Boundaries



**196** Facilities

Including branches, head offices, admin offices, and archives



**137,138** m<sup>2</sup>

Total net floor area for all the included facilities



**5,696** Employees

Including ALEXBANK's full-time employees. In addition to, outsourced employees continuously working within the Bank premises for a minimum of 180 days.

## Operational Boundaries

The emissions are broken down into three separate categories: Scope 1, which includes emissions from equipment and assets that ALEXBANK owns or controls; Scope 2, which includes emissions from purchased energy; and Scope 3, which covers indirect emissions from other activities.

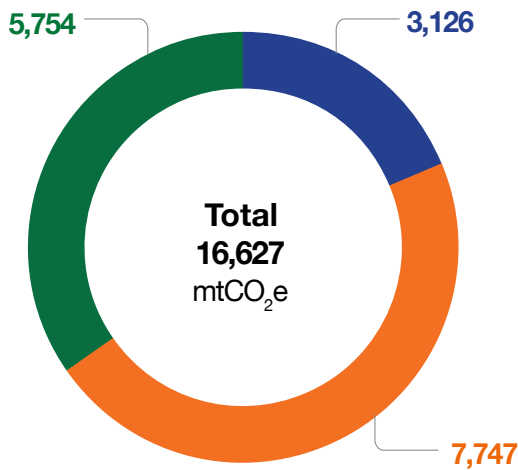


These beach heroes are inspiring action for a cleaner, healthier environment.

# CLIMATE ACTION AND RESOURCE USE

## ALEXBANK Total GHG Emissions:

Total Absolute Emissions by Scope, 2023 (mtCO<sub>2</sub>e)



## Absolute Emissions by Activity and Scope, 2023 (mtCO<sub>2</sub>e)

### Stationary Combustion

61

### Mobile Combustion

174

### Fugitive Emissions

2,891

### Purchased Energy

7,747

### Purchased Goods and Services

553

### Fuel and Energy Related Activities

4,264

### Waste Generated in Operations

9

### Business Travel

222

### Downstream Transportation and Distribution

683

### Use of Sold Products

22

Scope 1

Scope 2

Scope 3



Small boats set sail on a journey towards the endless horizon.

# CLIMATE ACTION AND RESOURCE USE

GHG Emissions Summary	2021	2022	2023	YoY
<b>Scope 1 – Direct Emissions (mtCO<sub>2</sub>e)</b>				
Stationary Combustion	0	23	61	+165%
Mobile Combustion	72	144	174	+21%
Fugitive Emissions	0	8,232	2,891	-65%
<b>Total Scope 1 Emissions</b>	<b>72</b>	<b>8,399</b>	<b>3,126</b>	<b>-63%</b>
<b>Scope 2 – Indirect Emissions (mtCO<sub>2</sub>e)</b>				
Purchased Energy	8,121	6,247	7,747	+24%
<b>Total Scope 2 Emissions</b>	<b>8,121</b>	<b>6,247</b>	<b>7,747</b>	<b>+24%</b>
<b>Total Scope 1 &amp; 2 Emissions (mtCO<sub>2</sub>e)</b>	<b>8,192</b>	<b>14,645</b>	<b>10,873</b>	<b>-26%</b>
<b>Scope 1 &amp; 2 Carbon Intensity (kgCO<sub>2</sub>e/employee)</b>	<b>1,905</b>	<b>2,425</b>	<b>1,909</b>	<b>-21%</b>
<b>Scope 1 &amp; 2 Carbon Intensity (kgCO<sub>2</sub>e/m<sup>2</sup>)</b>	<b>55</b>	<b>96</b>	<b>79</b>	<b>-17%</b>
<b>Scope 3 – Indirect Emissions (mtCO<sub>2</sub>e)</b>				
Purchased Goods and Services	1,037	866	553	-36%
Fuel and Energy Related Activities (This year the energy carriers are reincluded as per our parent Group's approach)	NA	3,613	4,264	+18%
Waste Generated in Operations	2	4	9	+109%
Business Travel	9	244	222	-9%
Downstream Transportation and Distribution (this year the cash-in-transit are reincluded as per our parent Group's approach)	NA	615	683	+11%
Use of Sold Products <sup>8</sup>	NA	-	22	-
<b>Total Scope 3 Emissions</b>	<b>1,048</b>	<b>5,342</b>	<b>5,754</b>	<b>+8%</b>
<b>Total Scope 1, 2 &amp; 3 Emissions</b>	<b>9,240</b>	<b>19,988</b>	<b>16,627</b>	<b>-17%</b>

<sup>8</sup> Includes emissions associated with Internet Banking.

# CLIMATE ACTION AND RESOURCE USE

## Scope 1: Direct Emissions

Emissions from sources that are owned or controlled by ALEXBANK. Scope 1 included the following activities:

### Stationary Combustion Activities



**24,942** Liters

Diesel fuel consumed by backup generators



**61** mtCO<sub>2</sub>e

Associated Emissions

Emissions associated with stationary combustion activities includes those produced as a result of direct combustion of diesel fuel on-site. ALEXBANK's infrastructure relies on diesel-fueled generators during power outages. Throughout the 2023 reporting period, ALEXBANK consumed 24,942 liters of diesel, resulting in 61 mtCO<sub>2</sub>e of direct emissions. The emissions from diesel usage in backup generators surged by 165% compared to 2022 due to frequent power outages experienced since September 2023.

### Mobile Combustion



**37,830** Liters

Gasoline consumed by vehicles owned or operated by ALEXBANK



**31,296** Liters

Diesel consumed by vehicles owned or operated by ALEXBANK



**174** mtCO<sub>2</sub>e

Associated Emissions

Scope 1 direct emissions include the emissions associated with business travel using vehicles owned or operated by ALEXBANK. ALEXBANK operates a total of 18 cars: 12 owned & 6 rented & operated by ALEXBANK. These vehicles consumed 37,830 liters of gasoline & 31,296 liters of diesel in 2023. The vehicles are primarily used to transport employees to and from their various locations of employment and as mobile banks. The emissions estimated from the fuel combustion of the vehicles operated by ALEXBANK are 174 mtCO<sub>2</sub>e.

### Fugitive Emissions

HFC-R134a

**5** mtCO<sub>2</sub>e

HFC-R407c

**99** mtCO<sub>2</sub>e

HFC-R410a

**311** mtCO<sub>2</sub>e

HFC-R22

**2,475** mtCO<sub>2</sub>e

*Total Fugitive Emissions*

**2,891** mtCO<sub>2</sub>e

65% reduction compared to 2022

Scope 1 emissions included accounting for emissions resulting from refrigerant leakage. ALEXBANK's facilities utilized R134a, R407c, R410a, and R22 refrigerants, constituting the largest portion of the Bank's 2023 Scope 1 emissions, at 92%, with 86% of total fugitive emissions attributed to R22 refrigerant. However, a notable 65% reduction in total fugitive emissions compared to the previous year was achieved due to the replacement of old air conditioning units with more efficient types employing inverter technology, which utilize R22 refrigerant.

# CLIMATE ACTION AND RESOURCE USE

## Scope 2: Indirect Emissions



**19,272** MWh

Total Electricity Consumption



**7,747** mtCO<sub>2</sub>e

Purchased Electricity Emissions

ALEXBANK's scope 2 emissions include those associated with the purchase of electricity. In 2023, electricity consumption amounted to 19,272 MWh, resulting in 7,747 mtCO<sub>2</sub>e emissions. The consumption increased by 18% relative to 2022, which could be primarily attributed to the operation of the El Gomherya building and heightened usage of chilled water for air conditioning.

## Scope 3: Other Indirect Emissions

Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.

### Purchased Goods and Services



**316** mtCO<sub>2</sub>e

Total Emissions – Paper Consumption

(8% reduction compared to 2022)



**238** mtCO<sub>2</sub>e

Total Emissions - Office Equipment

(55% reduction compared to 2022)

## Paper consumption

In 2023, ALEXBANK procured a total of **310,271 kg** of paper, a decrease from 363,622 kg in 2022, marking a **15% reduction** in paper consumption. Furthermore, all paper purchased in 2023 was certified as ecological. The Bank is actively striving to diminish its paper usage by promoting digital banking services and implementing paperless marketing campaigns, which have already begun to yield reductions in paper consumption.

## Office equipment

ALEXBANK recorded all office equipment purchases at the group level in the reporting year of 2023. The Bank's entire purchases of desktop computers, laptops, LCD screens, printers, copy machines, ink, scanners, mobile phones, accessories (such as headphones), projectors, tablets and ATMs resulted in emissions of **238** mtCO<sub>2</sub>e.



Bedouin children playing ALEXBANK's environmental game 'Kharwa Khadra' in South Sinai.

# CLIMATE ACTION AND RESOURCE USE

## Waste Generated in Operations

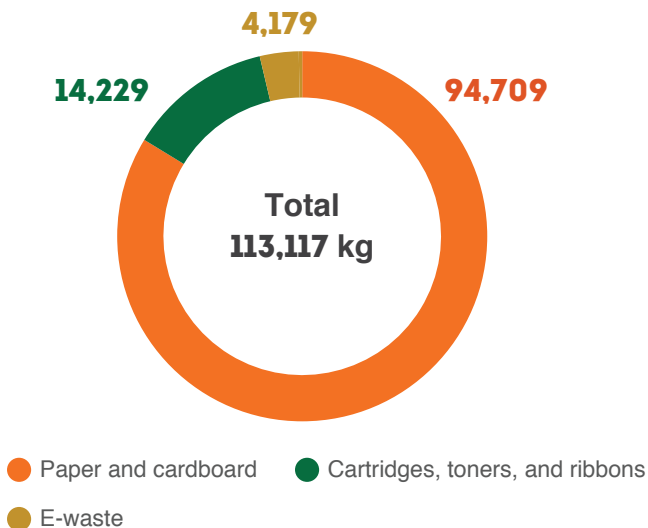


**9** mtCO<sub>2</sub>e

Emissions associated with waste generated from operations

ALEXBANK is diligently striving to minimize its waste generation rates. While not all the waste was quantified, 113,117 kg of waste was generated in 2023. Paper and cardboard constitute the largest type of the quantified waste, at 84%. ALEXBANK has recycled 94,709 kg of its generated wastepaper. The Bank is working on both quantifying all of its waste and reducing its generation through multiple initiatives in the paperless banking approach combined with the recent partnership to recycle its wastepaper. The bank quantifies the following waste: paper waste, toner cartridge waste, and electronic waste (screens such as TVs, PC monitors, keyboards, mice, etc.)

### Waste Generated by Type, 2023 (kg)



## Business Travel<sup>8</sup>



**222** mtCO<sub>2</sub>e

Total Emissions associated with Business Travel  
(10% reduction compared to 2022)

### Air Travel

The total kilometers travelled by all ALEXBANK employees reached 238,886 nautical miles including 227,125 miles for domestic flights, 9,458 miles for international flights and 2,203 miles for mixed flights. This resulted in total emissions of 49 mtCO<sub>2</sub>e.

### Vehicles

The total number of rented vehicles which are used for business travel purposes were equal to 8 rented gasoline running vehicles travelled a distance of 336,747 km & 23 rented diesel running vehicles travelled a distance of 582,000 km operated by the service provider. The resulted emissions were 158 mtCO<sub>2</sub>e in the year 2023.

### Trains

The total kilometers travelled by all ALEXBANK employees reached 323,969 kilometers, resulting in 15 mtCO<sub>2</sub>e during 2023.

## Energy Consumption

ALEXBANK primarily relies on purchased electricity, diesel fuel for backup generators during power outages, and fuel for its fleet of vehicles as its main energy sources. In comparison to 2022, total electricity consumption has risen by **18%**, while scope 2 emissions increased by **24%**<sup>10</sup> due to an increase in the emission factor assigned by Intesa Sanpaolo Group.



**19,272** MWh

Total purchased electricity consumption in 2023

<sup>8</sup> Total energy consumed outside the organization constitutes fuel consumption as a result of business travel (including train commuting, air travel and commuting by rented vehicles not operated by ALEXBANK).

<sup>9</sup> This growth can be attributed to the adjustment in Intesa Sanpaolo's emissions factors, which impacted the calculation of emissions.

<sup>10</sup> while scope 2 emissions increased by 24% due to an increase in the emission factor assigned by Intesa Sanpaolo Group.

# CLIMATE ACTION AND RESOURCE USE

## Water Consumption

ALEXBANK utilizes municipal water across all its branches for various purposes such as consumption and sanitation. This water is primarily sourced from the Egyptian water network system, predominantly drawing from the Nile River. Depending on specific locations, groundwater or treated saline water may also be employed. The Bank is currently enhancing its management strategies to promote informed resource usage throughout its premises.



**173,377** m<sup>3</sup>

Total municipal water consumption in 2023

In 2023, ALEXBANK recorded a 35% increase in its consumption of municipal water across all branches, amounting to **173,377 m<sup>3</sup>**. This fluctuation is attributed to the transition from traditional water meters, which offer lower precision, to more accurate metering systems. As a result, there is a notable variance in consumption readings between 2022 and 2023.

## Waste Management

### Paper Kneading and Recycling

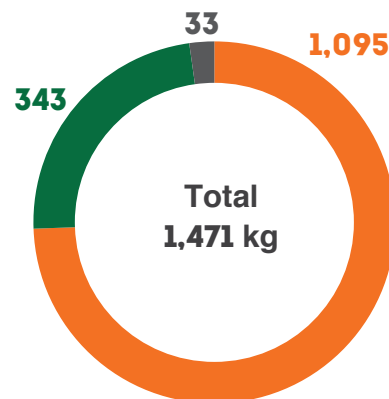
The paper kneading process takes input of used paper and transforms it into recycled products such as cardboard and other paper-based materials. ALEXBANK is committed to responsible operations that prioritize environmental sustainability, and as part of this commitment, the bank actively engages in a circular approach to paper usage. As a result, during 2023, we sent 94.7 tons of paper to the kneading facilities.

### Recycling ATM Enclosures

ALEXBANK's ATM's are continuously changing, which in return causes frequent changes in ATM enclosures, and in alignment to the ongoing efforts of having sustainable operations, ALEXBANK

partnered with OutGreens for the management of the obsolete enclosures by transporting, stripping them down, segregating the materials and eventually sending them to the recycling facilities. The pilot phase kicked off in the first half of 2022, with 856 Kg of materials recycled in 2022. During 2023, ALEXBANK sent 13 additional enclosures to reach a total of 27 sent since that initiation of this project. The 27 enclosures weighed a total of 1,471 kg, categorized to 1,095 kg of tin and metal cladding, 33 kg of aluminum, and 343 kg of plastic.

### Recycled Material Mass breakdown (kg)



● Tin & metal cladding ● Aluminum ● Plastic



**27** ATM's

Enclosures recycled during 2022 and 2023, with a total of **1,471 kg** of recycled materials.



Responsible and efficient use of resources is inherent in our business practices.

# CLIMATE ACTION AND RESOURCE USE

## Waste Management System

As an initial step to a comprehensive waste management system, waste segregation bins were provided in ALEXBANK's head offices. Furthermore, a waste management training was delivered to ALEXBANK's housekeeping staff in order to elevate their waste management practices. The training, conducted by Outgreens, covered crucial aspects of effective waste management, emphasizing the importance of waste segregation, which involved categorizing materials such as papers, cans, plastics, and organics. Participants gained insights into the social and economic benefits of recycling, understanding that recycling not only creates employment opportunities and support for marginalized communities, but also provides raw materials for industries, contributing to the preservation of currency reserves. Overall, the session equipped participants with valuable knowledge and practical approaches to enhance waste management practices, fostering a more environmentally conscious and responsible community within the ALEXBANK network.



Empowering Change: Bank staff embraces waste management training for a cleaner environment.

## El Gomhoreya Green Building<sup>9</sup>

El Gomhoreya building is a representation that showcases ALEXBANK's efforts towards greener operations. The renovation that was adopted, included the shift to a more efficient HVAC system through a Variable Refrigerant Volume (VRV) system, increasing the efficiency of the air conditioning system and reducing the use of energy by 24%. The Water Mist system pumps were installed in the firefighting system, reducing the water usage of the system by 21%. Moreover, the Bank replaced the lighting system with LED lights and employed the use of low-emissivity and structure glazing in the building's windows as a step forward for the Bank

in implementing energy efficiency measurements in all of its branches. The low-emissivity windows and structure glazing work on reducing the heat penetration into the offices, reducing the need for air conditioning, which reduces the overall electricity consumption.

## EDGE Certification

The major renovations that had taken place for the Head Office, given the environmentally responsible options selected to elevate the sustainability performance of El Gomhoreya Head Office has been directed towards ultimately obtaining a Green Building EDGE certification, the process has been initiated in 2023 and the initial assessment has uncovered that the building is eligible for the sustainable design certification. The process shall be completed by 2024.

Obtaining a Green Building certification would greatly contribute to ALEXBANK's general ESG KPIs and enhance the ESG performance.

## Sustainable Events

ALEXBANK, following Intesa Sanpaolo's green procurement, is working towards reducing its environmental impacts associated to external and internal events. Thus, 63% of its events are conducted virtually to eliminate energy consumed during the in-person events. In addition, in-person events are 100% conducted at venues accessible via public transportation to minimize the transportation emissions. To reduce material consumption, 100% of ALEXBANK's invitations are sent electronically.

<sup>9</sup> Read more about more about El Gomhoreya Building Renovations through ALEXBANK's [2022 Sustainability Report Pages: 133, 149, and 153](#)

# RESPONSIBLE PROCUREMENT AND SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## Definition

Investment, lending, retail, supply chain and day-to-day operations are all at risk of human rights violations. Discrimination, child labor and forced labor are the most prominent impacts at hand however, issues such as forced misplacement or failure to pay minimum wage need to be considered when dealing with suppliers, investing in certain projects, or providing loans. It is up to ALEXBANK to ensure proper assessment to reduce and mitigate any expected impacts. Mitigation tools such as risk assessment, supplier assessment and framework setting were assessed to determine the likelihood of such occurrence. CSR and internal initiatives show a strong connection between ALEXBANK and the facilitation of human rights conformity, awareness, respect, and protection.

## Commitment

ALEXBANK is committed to responsible procurement, which includes sourcing goods and services responsibly, potentially from local suppliers, and ensuring ethical practices.

## Management Approach

ALEXBANK is committed to upholding responsible procurement and sustainable supply chain management. This is closely linked to reducing GHG emissions, cutting solid waste, and optimizing resource consumption. Additionally, it entails responsible sourcing of ethical goods and services and improving the well-being and working conditions of employees and workers within our supply chain. ALEXBANK considers ensuring responsible procurement and sustainable supply chain management as a key objective to enhance sustainability within its business operations.



“At ALEXBANK, our procurement strategy is anchored in sustainability, ensuring that every link in our supply chain reflects our commitment to environmental, social, and governance (ESG) excellence. Leveraging on the released rules on green procurement policy setting an environmental criteria throughout the whole life-cycle of our supply chain, in addition to the ESG Score Card for each vendor, we transcend traditional risk assessments, integrating comprehensive evaluations that encapsulate legal compliance and robust vendor capabilities. Our approach remains unaffected by the vendor’s scale of activity; instead, it offers a lens through which we can assess and inspire sustainable initiatives across various elements, including real estate and power solutions. Through diligent Regulatory Reporting, we maintain transparency and accountability, reinforcing our pledge to a supply chain that not only serves our needs but also safeguards our future.”



**Nermin Farouk,**  
Head of Procurement  
Department

# RESPONSIBLE PROCUREMENT AND SUSTAINABLE SUPPLY CHAIN MANAGEMENT

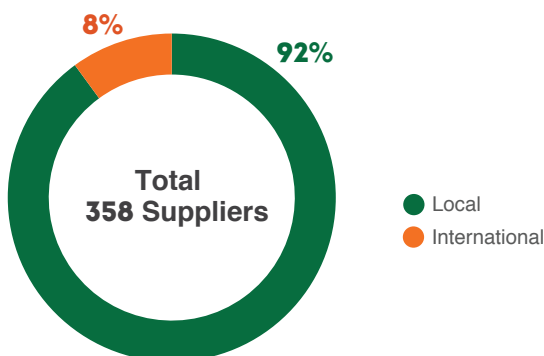
By establishing a transparent, environmentally sustainable, and socially responsible supply chain, ALEXBANK can extend its commitment to sustainability throughout its vendor network. Through the implementation of ESG criteria, prioritization of local and smaller suppliers, and emphasis on enhanced sustainability attributes like durability and environmental performance, ALEXBANK strengthens the sustainability of its operations while fostering equitable, eco-friendly, and resilient local economies.

ESG lies at the core of our business approach, encompassing not only the bank’s internal functions but also our interactions with vendors. In 2023, we intensified our focus on the green procurement policy, which involved evaluating vendors in collaboration with the Sustainability and Sustainable Finance Office for specific activities within the scope. We are resolute in our commitment to continuing this journey and instilling values in the operations of our vendors, thereby elevating the level of responsibility within our vendor base in Egypt for the betterment of the community.

## Value Chain Profile

ALEXBANK’s strategy of embedding sustainability in all aspects of its business operations is intricately connected to the establishment of a sustainable supply chain. In 2023, with a total of 358 suppliers, ALEXBANK has maintained its progress in localizing its supply chain, with over 92% of suppliers being local.

### ALEXBANK 2023 Suppliers



Our suppliers offer a wide range of services, including consultancy, IT development, financial services, and construction. They provide both short-term and long-term support, bringing valuable expertise and contributing to the success of our operations. Through these partnerships, we ensure access to specialized knowledge and resources, enabling us to deliver exceptional results and foster sustainable growth.

## Sustainable Supply Chain

Our efforts to create a sustainable supply chain are prominent through the Procurement Department, with several issued policies aiming to incorporate environmental and social aspects in the selection of the Bank’s vendors and goods in addition to the conventional cost efficiency measures. The ongoing renovation of the Head Office in El Gomhoreya building is an epitome of sustainable procurement where the building is following Green-building standards.

The Procurement Department, in collaboration with the Business, also works along supply chain financing by forming strategic partnerships with vendors that enable the Bank to finance some of its suppliers. Through a transparent and governed tendering process, ALEXBANK’s suppliers’ base have a representation from SME’s as well as large corporates contributing to the growth of different sectors in the economy including Construction, ICT, Utilities, Real Estate, Financial Services, Medical sector, Professional services and Research and Development.

# RESPONSIBLE PROCUREMENT AND SUSTAINABLE SUPPLY CHAIN MANAGEMENT

## ALEXBANK's Green Procurement Policy

Following Intesa Sanpaolo Group commitment to reducing its environmental impact and the updated Green Banking Procurement rules, ALEXBANK has established a "Green Procurement Policy" that aligns with the Bank's commitment to operating sustainably, which focuses on achieving sustainable economic growth and low emissions environment. Additionally, the ALEXBANK ESG scorecard and Reputational Risk Policy are taken into consideration. The aim of the policy is to ensure responsible sourcing and utilization of goods and services throughout the procurement process while meeting the defined environmental requirements. This involves identifying environmentally friendly design solutions, products, and services that contribute positively throughout their life cycle, considering factors such as energy consumption, carbon dioxide emissions, waste generation, and the use of materials and products like paper, toners, and office equipment.

## ESG Score Card: Sustainability Integration in Vendor Selection

In a bid to uphold environmental and social standards, ALEXBANK has instituted an ESG Score Card for all vendors, beginning implementation at the start of 2023. This scorecard serves as a comprehensive tool to assess suppliers' social and environmental practices. As of Q2 2023, the evaluation process includes a financial assessment of vendors' financial statements before any commitments are made. These rigorous evaluations are integral to ALEXBANK's vendor assessment procedures, emphasizing its dedication to sustainability throughout the supply chain.

As part of this process, ALEXBANK is in the process of developing criteria for scoring suppliers based on ESG principles. Moreover, all contracts with vendors include clauses ensuring compliance with Egyptian labor laws and other relevant regulations. Specific attention is given to issues such as child labor, with explicit clauses outlining consequences for

violations of human and labor rights. ALEXBANK's adherence to its Code of Ethics further reinforces its commitment to ethical business practices.

Additionally, ALEXBANK conducts thorough investigations into the reputation of potential suppliers before registration or contract signing. Through its investigation department, the bank ensures complete due diligence is carried out on suppliers to mitigate risks and maintain ethical standards in its operations.



Athar Lana women weave stories of empowerment



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# LIST OF ABBREVIATIONS

<b>ADI</b>	Authorized Deposit-taking Institution	<b>ISSB</b>	International Sustainability Standards Board
<b>ALM</b>	Asset & Liability Management	<b>IT</b>	Information Technology
<b>AML</b>	Anti-Money Laundering	<b>KPI</b>	Key Performance Indicator
<b>APRA</b>	Australian Prudential Regulation Authority	<b>KRI</b>	Key Risk Indicators
<b>ATM</b>	Automated Teller Machine	<b>MD</b>	Managing Director
<b>Bn</b>	Billion	<b>MTL</b>	Medium-Term Loan
<b>BoD</b>	Borad of Directors	<b>MMCG</b>	Money Market Contact Group
<b>CASA</b>	current and savings accounts	<b>Mn</b>	Million
<b>CBE</b>	Central Bank of Egypt	<b>MSME</b>	Micro, Small & Medium Enterprises
<b>CE</b>	Circular Economy	<b>MST</b>	Most Significant Transactions
<b>CEO</b>	Chief Executive Officer	<b>MW</b>	Megawatt
<b>CFO</b>	Chief Financial Officer	<b>NCW</b>	National Council for Women
<b>CFPA</b>	Female Prisoners' Care Association	<b>NGFS</b>	Network for Greening the Financial Sector
<b>CRM</b>	Customer Relationship Management	<b>NTB</b>	New-to-Bank
<b>CRO</b>	Chief Risk Officer	<b>NZAMI</b>	Net Zero Asset Managers Initiative
<b>DCC</b>	Dynamic Currency Conversion	<b>NZBA</b>	Net-Zero Banking Alliance
<b>EBRD</b>	European Bank for Reconstruction and Development	<b>NZIA</b>	Net-Zero Insurance Alliance
<b>ECA</b>	Environmental and Climate Assessment	<b>NZOA</b>	Net-Zero Asset Owner Alliance
<b>ECB</b>	European Central Bank	<b>OTP</b>	One-Time Password
<b>EGES</b>	Egyptian Gender Equity Seal	<b>OWAP</b>	The Opportunities for Women in Agribusiness project
<b>EGX</b>	Egyptian Exchange	<b>PCI DSS</b>	Payment Card Industry Data Security Standard
<b>EIB</b>	European Investment Bank	<b>POG</b>	Product Governance
<b>EMM</b>	Ebda3 Men Masr	<b>PRB</b>	Principles for Responsible Banking
<b>ERM</b>	Enterprise Risk Management	<b>PV</b>	Photovoltaic
<b>ESG</b>	Environmental, Social, and Governance	<b>PwD</b>	People with Disabilities
<b>EU</b>	European Union	<b>QHSSE</b>	Quality, Health, Safety, Security, Environment
<b>FCY</b>	Foreign Currency	<b>RFR</b>	Risk-Free Rate
<b>FEB</b>	Federation of Egyptian Banks	<b>ROAA</b>	Return on Average Assets

# LIST OF ABBREVIATIONS

<b>FI</b>	Financial Inclusion	<b>ROAE</b>	Return on Average Equity
<b>FRA</b>	Financial Regulatory Authority	<b>SASB</b>	Sustainability Accounting Standards Board
<b>FTE</b>	Full-Time Employees	<b>SBTi</b>	Science-Based Targets Initiative
<b>FX</b>	Foreign Exchange	<b>SDGs</b>	Sustainable Development Goals
<b>FY</b>	Financial Year	<b>SLA</b>	Service-Level Agreement
<b>GAR</b>	Green Asset Ratio	<b>SME</b>	Small and Medium-Sized Enterprise
<b>GEEF</b>	Green Economy Financing Facility	<b>SOP</b>	Standard Operating Procedures
<b>GHG</b>	Greenhouse Gas	<b>TCFD</b>	Task Force on Climate-Related Financial Disclosures
<b>GIZ</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit	<b>UNEP-FI</b>	United Nations Environment – Finance Initiative
<b>GRI</b>	Global Reporting Initiative	<b>UN</b>	United Nations
<b>HQ</b>	Headquarters	<b>UNB</b>	Union National Bank
<b>HR</b>	Human Resources	<b>UNGC</b>	United Nations Global Compact
<b>HSE</b>	Health, Safety and Environment	<b>USD</b>	United States dollar
<b>ICAAP</b>	Internal Capital Adequacy Assessment Process	<b>VPN</b>	Virtual Private Network
<b>IFRS</b>	International Financial Reporting Standards	<b>VR</b>	virtual Reality
<b>ISBD</b>	International Subsidiary Banks Division	<b>VRV</b>	Variable Refrigerant Volume
<b>ISP</b>	Intesa Sanpaolo	<b>WFP</b>	World Food Program
<b>CSR</b>	Corporate Social Responsibility	<b>YOY</b>	Year-on-Year
<b>CSV</b>	Creating Shared Value	<b>ICT</b>	Information and Communication Technology

# CBE SUSTAINABLE FINANCING ACTIVITIES DEFINITIONS

CBE Social Pillars	
Pillar	Definition
<b>Health</b>	The Bank shall only include in this pillar, the projects that belong to the health sector establishments such as hospitals, clinics (excluding cosmetic clinics), laboratories, radiology and analysis centers, etc. Or institutions that serve that sector, such as institutions that manufacture medical devices and equipment, and prosthetic devices, except merchants. In the case of financing suppliers, only those who supply products specifically related to the health sector, such as medical devices and equipment, medicines and medical supplies, are included in this pillar, but suppliers of adaptations, for example who work with other sectors, even in the case of supplying to hospitals are not included in this pillar.
<b>Education</b>	The Bank shall only include in this pillar, the projects that support the education system and increase its efficiency, such as schools, universities, institutes, teacher development institutions, and institutions that serve this sector, such as companies that supply school supplies and school tools. In case of financing contractors, only those do direct work such as developing a school are included.
<b>Digital Services &amp; Communications</b>	The Bank shall only include in this pillar, the technological projects and applications that support the goals of sustainable development and financial inclusion, such as electronic wallets and digital agriculture applications that rely on information and communication technology and ecosystem data to support farmers' activities and projects to expand communication networks to remote and rural areas. This pillar does not include commercial activities, the manufacture of electronic devices, or development of electronic applications that do not generate environmental or social impacts.
<b>Infrastructure Projects</b>	The Bank shall include in this pillar, the projects for the development of roads, water, electricity and sanitation networks, especially in rural areas, and the development of roads, utilities and facilities to suit the needs of people of determination.
<b>Handicraft</b>	The Bank shall include in this pillar, the projects of handicraft projects such as embroidery, glass products, stone crafts, pottery and ceramics, woodwork, carpets and hand rug kilims, jewellery industries, candle making, etc.

CBE Environmental Pillars	
Pillar	Definition
<b>Clean and renewable energy</b>	The Bank shall include in the pillar of clean and renewable energy, the renewable energy sector projects financed by the Bank, such as solar and wind power plants, clean energy projects, such as green hydrogen production, or projects for the manufacture of tools used in extracting this type of energy. In addition to financing projects of other sectors related to this type of energy. For example, financing the installation of solar panels on roofs, or relying on renewable energy sources in the financed production lines. This dimension also includes financing projects supporting the sector, such as manufacturing equipment for solar panels or wind turbines, or manufacturing products powered by renewable or clean energy such as chargers, control and lighting devices, and others.
<b>Energy efficiency</b>	The Bank shall include within the pillar of energy efficiency, the projects that aim to reduce energy consumption and improve its efficiency, such as projects aiming at improving the efficiency of electrical networks, reducing losses, and implementing cogeneration projects (the generation of combined heat and power, which is a technology depending on the simultaneous generation of electricity and heat, to be distributed to the surrounding factories or homes. It is one of the means of preserving the environment as it exploits a greater amount of generated energy compared to traditional plants that use electricity only). This is in addition to financing projects for the development of smart networks that use communication technologies to collect information from the prospective of consumption, generation and transmission of electricity, and then modify the development of the network based on this information. The energy efficiency pillar also includes financing production lines that aim to reduce energy and electricity consumption, as well as financing production lines for manufacturing high-efficiency electrical appliances labelled with energy efficiency or financing the manufacture or purchase of energy-saving lighting.

# CBE SUSTAINABLE FINANCING ACTIVITIES DEFINITIONS

<b>Sustainable infrastructure</b>	The Bank only has to include in the pillar of sustainable infrastructure, the projects of infrastructure projects with an environmental dimension such as the construction of environmentally friendly road networks (by relying on sustainable building materials or on clean energy in the machines used, etc.) or developing them to be less environmentally harmful (energy saving, water waste reduction, etc.) It does not include infrastructure projects in general, which are included in social projects. Sustainable infrastructure projects include, for example, the establishment of sewage plants and sewage treatment to prevent pollution and the development of the efficient road lighting networks by relying on renewable energy or energy-saving lighting. This is in addition to extend the life of existing assets by improving their maintenance and renovation and taking into account the future climatic conditions when building roads, bridges, industrial facilities and developing the environmentally affected urban areas.
<b>Sustainable construction</b>	The pillar of sustainable construction includes projects of constructing buildings that are designed to reduce the consumption of energy, materials and resources while reducing the impacts of construction and use on the environment. Those projects are based on using clean building materials, and also include modifying existing buildings to be environmentally friendly as well as green buildings approved by one of the international certification frameworks such as LEED and EDGE, and tourism projects sustainable.
<b>Waste management (reuse and recycling)</b>	The pillar of waste management includes reuse and recycling projects, financing machines used in recycling operations, production lines that manage their waste, and waste treatment and reuse projects such as processing and treating non-metallic waste and convert it to primary raw materials, processing plastic of all kinds to produce secondary raw material. This is in addition to processing plastic and rubber waste to be converted into granules as well as crushing, cleaning, and classifying glass and manufacturing of intermediate goods whose input consists of waste. This pillar includes also companies whose activity is based on waste recycling.
<b>Water</b>	The Bank shall include only in the pillar of water, the water projects with an environmental dimension aiming at preserving and treating water, removing chemical and biological pollutants from it, as well as protecting freshwater ecosystems. This pillar does not include providing water for public use. Environmental water projects include, for example, projects aiming to improve water efficiency and quality, treat wastewater and sewer networks, desalinate sea water or groundwater to produce fresh water, collect and purify water, and purify waterways.
<b>Sustainable Transportation</b>	The sustainable transportation dimension includes financing transportation projects that depend partially or completely on clean energy and reduce dependence on fossil fuels such as metro / electric trains and electric cars, hybrid transportation (hybrid transportation combines a conventional fuel engine with an electric motor, which leads to burning less fuel).
<b>Green products and materials</b>	The Bank shall include in the pillar green products and materials the projects that manufacture green products and materials, which are less harmful to the environment than other products that serve the same purpose, and products whose manufacture, disposal and other steps in their life cycle are less harmful to the environment. This is in addition to projects that use these products as raw materials, as well as sustainable packaging lines. Green products and materials include, for example, organic products, eco-labelled products, and biodegradable products.
<b>Adaptation</b>	The adaptation pillar includes projects to adapt to climate change to mitigate or avoid its damages, such as projects to build sea walls to avoid damage from sea level rise, projects to confront coastal erosion, projects to raise the efficiency of infrastructure to withstand potential climate changes, and projects aimed at reducing water use and recycling it due to drought. As well as financing companies that that work for shifting from traditional practices that cause emissions to more sustainable ones.
<b>Climate-smart agriculture (CSA)</b>	The Bank shall only include in this pillar, the projects that rely on climate-smart agriculture methods and mechanisms aiming to reduce agricultural sector emissions and waste of resources by changing the sector's conventional practices to include reliance on ecosystem services to support production, adaptation, and climate change mitigation and rationalize resource consumption other than the agriculture projects in general. The CSA pillar includes adaptive crops cultivation projects, those that rely on modern sustainable irrigation methods reducing water waste such as sprinkler or drip irrigation. These methods will lead to improved pest, water and nutrient management, degraded land rehabilitation projects and also improve use of water and nitrogen fertilizer as well as fertilization management.
<b>Environment Protection</b>	The Bank shall include in this pillar, the projects aimed at reducing pollution, protecting natural areas, and modifying the operations of companies and factories to reduce their emissions, such as projects to reduce and eliminate the causes of pollution in industrial sites and facilities, projects that rely on the use of chemical and mechanical means to remove pollution from soil and groundwater, projects to protect beaches and seas, and projects to clean oil slicks or other causes of pollution generated on land and in sea water.

# STATEMENT OF ASSURANCE

## Introduction and Objectives of the Engagement

Masader Environmental & Energy Services S.A.E (the 'Assurance Provider') has been engaged by ALEXBANK (the 'Reporting Organization') to provide Moderate Assurance Type 1 (the 'Assurance') regarding adherence to the AA1000AS v3 (2020) over the ALEXBANK's 2023 Sustainability Report (the 'Report').

## Scope, Subject Matter and Limitations

The subject matter of the Report is the Reporting Organization ESG performance data and information for the year ended 31 December 2023. The scope of assurance is limited to a review of the Selected Information listed below:

- ALEXBANK's ESG Management
- Stakeholder Engagement
- Materiality Assessment

The assurance process was subject to the following limitations and exclusions.

- Verifying the data or information provided by ALEXBANK stated in the Introduction & Strategic Overview section, ALEXBANK's Chairperson, MD and CEO Letter.
- Appropriateness of definitions and any internal reporting criteria adopted by ALEXBANK for its disclosures.
- Appropriateness of any new commitments and objectives established and communicated by ALEXBANK.
- Content of external websites or documents linked from the Report and ALEXBANK.

We have not been engaged to:

- Verify any statement indicating the intention, opinion, belief and/or aspiration of ALEXBANK.
- Determining which, if any, recommendations should be implemented.

## Intended Users

The intended users of this assurance engagement are the Reporting Organization and its stakeholders, including but not limited to customers, employees, investors, government, and regulators.

## Reporting Criteria

The selected information has been prepared in accordance with the GRI Sustainability Reporting Standards, and the Sustainability Accounting Standards Board (SASB) Standards, in addition to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and the UN Global Compact (UNGC) Principles.

## Responsibilities of the Reporting Organization

The provision of the Selected Information in the Report is the sole responsibility of the Management of ALEXBANK. The Reporting Organization is responsible for preparing the Report in line with the reporting criteria and in accordance with the GRI 2021 Universal Standards and for calculating the selected KPIs in accordance with ALEXBANK's "Basis of Reporting".

## Responsibilities of the Assurance Provider

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. Our responsibilities were to:

- Provide Moderate Level (Type 1) assurance as per AA1000AS v3 over the accuracy, reliability and objectivity of the information contained within the Report;
- Form an independent conclusion based on the procedures performed and evidence obtained.

# STATEMENT OF ASSURANCE

## Methodology

To form our conclusion, we undertook the following procedures:

- Interviewed management and other persons responsible for the Reporting Organization's ESG performance to assess the application of the GRI 2021 Universal Standards in the preparation of the Report;
- Analyzed and assessed the key structures, processes, procedures and controls relating to the preparation of the Report;
- Evaluated whether the management approach for the material topics presented in the Report is consistent with the overall sustainability management and performance at ALEXBANK;
- Assessed the completeness and accuracy of the GRI, SASB, TCFD, and UNGC content indexes concerning the disclosures and their omissions;
- Interviewed management and data owners regarding the process of identification, data collection, consolidation and reporting for the selected KPIs;
- Reviewed the selected KPIs to ALEXBANK's internal calculations and supporting documentation;
- Compared the content of the Report against the findings of the outlined procedures.

## Statement of Independence and Impartiality

The Assurance Provider and the Reporting Organization are not engaged in relationships that would be perceived to affect its ability to provide an independent and impartial statement.

## Statement of Competence

Masader Environmental & Energy Services S.A.E is an AA1000AS v3- Licensed Assurance Provider as per the license agreement (ID: 000-882) with Accountability AA1000 CIC.

The assurance team has extensive experience in the assurance of ESG data, systems, and procedures.

## Recommendations

Based on the conducted assurance engagement, it is recommended that the Reporting Organization can implement the following measures to enhance future reporting:

- Ensure clear alignment between reported metrics and the long-term ESG goals and targets, including progress made during the reporting period;
- Ensure consistent and complete disclosure of stakeholder engagements conducted for the purpose of the report prepared in case such actions have been undertaken.

## Conclusion

Our conclusion has been formed based on and is subject to the matters outlined in this Report. We believe our evidence is sufficient and appropriate to provide a basis for our conclusions. The conclusion on applying the AA1000 Assurance Principles (2018) is presented below.

# STATEMENT OF ASSURANCE

<b>Inclusivity</b>	The Reporting Organization has provided evidence of the inclusivity regarding its stakeholder relations, including understanding and representation of stakeholder interests in the Report.
<b>Materiality</b>	The Reporting Organization has described its material topics and the materiality assessment process. Based on the conducted engagement, we believe the material topics accurately reflect the Reporting Organization's ESG impacts and disclosures. The disclosures presented in the Report have been organized to present performance on each material topic. The Report would benefit from a more straightforward representation of the connection between the Reporting Organization's targets and reported disclosures.
<b>Responsiveness</b>	The obtained evidence has been sufficient to conclude that the Reporting Organization is responsive to the issues raised by its stakeholder groups by collecting regular feedback via tailored communication channels and appropriate procedures to handle grievances, feedback, and other types of stakeholder inputs.
<b>Impact</b>	The Reporting Organization has provided evidence of the applied procedures and systems to monitor and measure its impacts on the environment and actions to ensure accountability for those impacts.

In accordance with the terms of our engagement, this independent assurance statement on the Selected Information has been prepared for ALEXBANK concerning reporting to the Reporting Organization's stakeholders and for no other purpose or in any other context.

For and on behalf of Masader Environmental and Energy Services S.A.E

**Dr. Abdelhamid Beshara,**  
**Founder and Chief Executive Officer**



Masader, Environmental & Energy Services (S.A.E)

Cairo, March 17th, 2024



Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information of the Report of ALEXBANK for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the standards, frameworks, and principles indicated in the 'Reporting Criteria' section above.

# ESG METRICS

## Environmental

Energy, Water, Materials, and Waste						
		Unit	2021	2022	2023	YoY
Energy Consumption	Purchased electricity	kWh	16,112,187	16,309,768	19,271,501	+18%
	Diesel by generators	Liters	6,200	9,406	24,942	+165%
	Diesel by owned/operated vehicles	Liters	28,150	28,312	31,296	+11%
	Gasoline by owned/operated vehicles	Liters	25,143	27,349	37,830	+38%
Water	Municipal water withdrawals	m3	162,447	128,100	173,378	+35%
Materials	<b>Purchased paper</b>	<b>kg</b>	<b>336,540</b>	<b>363,622</b>	<b>310,271</b>	<b>-15%</b>
	Paper without any certifications	kg	336,540	0	0	-
	Certified ecological purchased paper	kg	0	350,347	310,271	-
	100% recycled-certified purchased paper	kg	0	13,275	0	-
	Quantities of traditional toners used	kg	23,425	8,952	23,715	+165%
Waste	<b>Total quantified non-hazardous waste</b>	<b>kg</b>	<b>110,986</b>	<b>150,074</b>	<b>112,779</b>	<b>-25%</b>
	Non-hazardous waste (paper and cardboard)	kg	103,448	145,659	94,709	-35%
	Non-hazardous waste (cartridges, ribbons and film)	kg	0	-	14,229	-
	Non-hazardous waste (office equipment)	kg	7,538	4,415	3,841	-13%
	Total hazardous waste	kg	2,692	462	338	-27%
	Total recycled paper	tons	104.3	145.7	94.7	-35%

GHG Emissions						
		Unit	2021	2022	2023	YoY
Scope 1 (Direct)	Stationary Combustion	mtCO2e	0	23	61	+165%
	Mobile Combustion	mtCO2e	72	144	174	+21%
	Fugitive Emissions	mtCO2e	0	8,232	2,891	-65%
	Total	mtCO2e	72	8,399	3,126	-63%
Scope 2 (Indirect)	Total (market-based)	mtCO2e	8,121	6,247	7,747	+24%
	Total (location-based)	mtCO2e	8,121	6,247	7,747	+24%
	Purchased Energy (electricity)	mtCO2e	8,121	6,247	7,747	+24%
Scope 1+2	Total (market-based)	mtCO2e	8,192	14,645.19	10,873	-26%
	Total (location-based)	mtCO2e	8,192	14,645.19	10,873	-26%

# ESG METRICS

GHG Emissions						
		Unit	2021	2022	2023	YoY
Scope 3 (Other Indirect)	Purchased goods and services	mtCO2e	1,037	866	553	-36%
	Fuel and energy-related activities (not included in scope 1 and 2)	mtCO2e	NA	3,613	4,264	+18%
	Waste generated in operations	mtCO2e	2	4	9	+125%
	Business travel	mtCO2e	9	244	222	-10%
	Downstream transportation and distribution	mtCO2e	NA	615	683	+11%
	Use of sold products	mtCO2e	22	-	22	-
	Total	mtCO2e	1,048	5,342	5,754	+8%
Scope (1+2+3)	Total	mtCO2e	9,240	19,988	16,627	-17%
Carbon Intensity	Scope 1+2 per employee (market-based)	kgCO2e/ employee	1,905.16	2,425	1,909	-21%
	Scope 1+2 per unit area (market-based)	mtCO2e/ m2	55.14	96	79	-17%

## Social

Employees Profile		2021	2022	2023
Employees	Total Employees	4,300	4,330	4,380
	Male	3,109	3,085	3,026
	Female	1,191	1,245	1,354
	%Female	28%	29%	31%
	Permanent (Indefinite term)	2,969	3,043	2,921
	Male	2,287	2,288	2,154
	Female	682	755	767
	Temporary (Fixed Term)	1,331	1,287	1,459
	Male	822	797	872
	Female	509	490	587
	Full-time	4,300	4,330	4,380
	Male	3,109	3,085	3,026
	Female	1,191	1,245	1,354
	Employees with Disability	68	124	155
	Male	-	-	114
	Female	-	-	41
Breakdown by Age	Up to 30	1,415	1,504	1,591
	31-50	1,569	1,678	1,767
	Above 50	1,226	1,148	1,022

# ESG METRICS

Employees Profile		2021	2022	2023
Breakdown by Region	Head Office	1,806	1,901	1,975
	Male	1,265	1,321	1,344
	Female	654	580	631
	North Cairo Region	408	385	364
	Male	266	235	221
	Female	142	150	143
	South Cairo Region	344	324	324
	Male	223	203	192
	Female	121	121	132
	Alexandria and Matrouh Region	323	310	295
	Male	223	209	184
	Female	100	101	111
	East Delta Region	273	277	281
	Male	219	220	217
	Female	54	57	64
	West Delta Region	305	295	292
	Male	258	248	235
	Female	47	47	57
	North Upper Egypt Region	324	331	327
	Male	248	257	244
	Female	76	74	83
	South Upper Egypt Region	300	296	309
	Male	240	234	231
	Female	60	62	78
	Canal, Sinai & Red Sea Region	217	211	213
	Male	167	158	158
	Female	50	53	55
	Workers who are not employees	Total	-	-

# ESG METRICS

Employees in Management Positions <sup>6</sup>	2021	2022	2023
%Female from total	19.1%	19.7%	21%

New Hires		2021	2022	2023
Employee New Hires	Total	546	573	620
	Male	347	370	361
	Female	199	203	259
	Employees with Disability	1	65	50
Breakdown by Age	Up to 30	457	461	495
	30-50	89	109	125
	Above 50	0	3	0
Breakdown by Region	Head Office	228	305	337
	North Cairo Region	53	67	51
	South Cairo Region	52	35	39
	Alexandria & Marsa Matrouh Region	27	29	37
	East Delta Region	38	33	33
	West Delta Region	34	26	33
	North Upper Delta Region	41	38	27
	South Upper Region	41	25	41
Canal & Red Sea Region	38	15	22	

<sup>6</sup> According to functional titles and ALEXBANK's organization structure.

# ESG METRICS

Employee Turnover (Outflow)		2021	2022	2023	
		No. of Employees	No. of Employees	No. of Employees	Turnover Rate (%)
Breakdown by Type of Cause	Total Turnover	516	543	578	13.5%
	Voluntary turnover	-	-	414	9.7%
	Turnover for cause	-	-	164	3.8%
Employee Turnover by Gender	Male	399	395	424	9.9%
	Female	117	148	154	3.6%
Breakdown by Age	Up to 30	134	202	179	4.2%
	31-50	127	155	182	4.2%
	Above 50	255	186	217	5.1%
Breakdown by Region	Head Office	228	283	309	7.2%
	North Cairo Region	61	70	51	1.2%
	South Cairo Region	39	33	29	0.7%
	Alex & Matrouh Region	52	38	57	1.3%
	East Delta Region	23	26	29	0.7%
	West Delta Region	34	29	30	0.7%
	North Upper Egypt Region	26	21	31	0.7%
	South Upper Egypt Region	31	25	24	0.6%
	Canal, Sinai & Red Sea Region	25	19	18	0.4%
Breakdown by Disabilities	Total turnover	-	-	19	0.4%

7 Turnover rate is calculated as the total number of leavers divided by the total average number of employees in 2023.

# ESG METRICS

Parental Leave	2021	2022	2023
Number of employees who are entitled to a maternity/ parental leave	1,191	1,245	1,351
Number of employees who took maternity / parental leave	71	64	60
Rate of return from maternity leave within 4 Months	1%	1%	1%
Rate of return from maternity leave within 1 year	21%	3%	2%
Rate of return from maternity leave within 2 years	8%	0%	1.2%

Training and Development		2022		2023	
		Total Hours	Average Hours per Employee	Total Hours	Average Hours per Employee
Breakdown by Gender	Total	133,150	30.8	176,473	40
	Male	94,093	30.5	114,350	38
	Female	39,093	31.4	62,123	46
Breakdown by Age	Up to 30	60,466	47.5	77,663	49
	30-50	51,163	26.8	73,123	41
	Above 50	21,521	18.7	25,687	25
Breakdown by Employee Category	Employees	87,381	30.8	118,546	44
	Officers	44,680	24.9	55,818	34
	Managers	1,089	20.5	2,109	38

# GRI CONTENT INDEX



For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

The service was performed on the English version of the report.

<b>Statement of use</b>	ALEXBANK has reported in accordance with the GRI Standards for the period from January 1st, 2023, to December 31st, 2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard</b>	None

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping	
			Requirement(s) Omitted	Reason	Explanation		
<b>GRI 2: General Disclosures 2021</b>							
<b>The organization and its reporting practices</b>							
GRI 2: General Disclosures 2021	2-1 Organizational details	About ALEXBANK & Our Strategic Direction (p. 10)				PRB 1.1	
	2-2 Entities included in the organization's sustainability reporting	About this Report (p. 8)					
	2-3 Reporting period, frequency and contact point	About This Report (p. 8)					
	2-4 Restatement of information	About this Report (p. 8)					
	2-5 External assurance	Statement of Assurance (p. 180)					
	<b>Activities and workers</b>						
	2-6 Activities, value chain and other business relationships	About ALEXBANK & Our Strategic Direction (p. 10)				PRB 1.1	
	2-7 Employees	Retention, Enhancement, Diversity and Inclusion of Our People (p. 137) ESG Metrics (p. 183)				SDG 8.5, 10.3 PRB 1.1	
	2-8 Workers who are not employees	ESG Metrics (p. 183)				SDG 8.5	
	<b>Governance</b>						
	2-9 Governance structure and composition	Good Governance (p. 37)				SDG 5.5, 16.7 PRB 5.1	
2-10 Nomination and selection of the highest governance body	Good Governance (p. 37)				SDG 5.5, 16.7		
2-11 Chair of the highest governance body	Good Governance (p. 37)				SDG 16.6		

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping	
			Requirement(s) Omitted	Reason	Explanation		
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Good Governance (p. 37)				SDG 16.7	
	2-13 Delegation of responsibility for managing impacts	Good Governance (p. 37)				PRB 5.1	
	2-14 Role of the highest governance body in sustainability reporting	Good Governance (p. 37)					
	2-15 Conflicts of interest	Upholding Integrity in Corporate Conduct (p. 52)				SDG 16.6	
	2-16 Communication of critical concerns	Upholding Integrity in Corporate Conduct (p. 52)					
	2-17 Collective knowledge of the highest governance body	Good Governance (p. 37)					
	2-18 Evaluation of the performance of the highest governance body	Good Governance (p. 37)					
	2-19 Remuneration policies	Good Governance (p. 37)					
	2-20 Process to determine remuneration	Good Governance (p. 37)				SDG 16.7	
	2-21 Annual total compensation ratio		a, b, c	Confidentiality Constraints	Information has been deemed confidential by the assigned department.		
	<b>Strategy, Policy and Practices</b>						
	2-22 Statement on sustainable development strategy	Chairperson, MD and CEO Letter (p. 5)					PRB 1.2
	2-23 Policy commitments	Upholding Integrity in Corporate Conduct (p. 52)					SDG 16.3 PRB 5.2 UNGC 7, 10
	2-24 Embedding policy commitments	Upholding Integrity in Corporate Conduct (p. 52)					
2-25 Processes to remediate negative impacts	Upholding Integrity in Corporate Conduct (p. 52)						
2-26 Mechanisms for seeking advice and raising concerns	Upholding Integrity in Corporate Conduct (p. 52)					SDG 16.3	
2-27 Compliance with laws and regulations	Upholding Integrity in Corporate Conduct (p. 52)						

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures 2021	2-28 Membership associations	ALEXBANK in the Evolving Landscape (p. 15)				
	<b>Stakeholder Engagement</b>					
	2-29 Approach to stakeholder engagement	Stakeholder Engagement (p. 26)				PRB 4.1
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in ALEXBANK. However, there is room for communicating grievances or any type of feedback due to ALEXBANK's open-door policy and systematic cycle of feedback between managers and employees.				SDG 8.8 PRB 4.1
<b>GRI 3: Material Topics 2021</b>						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality (p. 28)				
	3-2 List of material topics	Materiality (p. 31)				
<b>Integrity in Corporate Conduct</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Upholding Integrity in Corporate Conduct (p. 52)				
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Upholding Integrity in Corporate Conduct (p. 57)				SDG 16.5
	205-2 Communication and training about anti-corruption policies and procedures	Upholding Integrity in Corporate Conduct (p. 57)				SDG 16.5
	205-3 Confirmed incidents of corruption and actions taken	Upholding Integrity in Corporate Conduct (p. 57)				SDG 16.5
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, antitrust, and monopoly practices	Upholding Integrity in Corporate Conduct (p. 57)				SDG 16.3
<b>Responsible and Purposeful Lending and Investment</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Performance and Market Presence (p. 75)				

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Business Performance and Market Presence (p. 77)				SDG 8.1, 8.2, 9.1, 9.4, 9.5,
	201-2 Financial implications and other risks and opportunities due to climate change	Governance of ESG Risks (p. 51)				SDG 13.1
	201-3 Defined benefit plan obligations and other retirement plans		a, b, c, d, e	Information unavailable/incomplete	These requirements will be integrated into the Bank's data management system and considered in the future reporting cycle.	
	201-3 Financial assistance received from government	None				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	<p><b>- Entry-level wage compared to minimum wage ratio:</b> 2:1, indicating a decrease from 2022 due to the increase in the minimum wage amount in Egypt.</p> <p><b>- Gender Pay Gap:</b> Gross Fixed Remuneration for the year 2023 is 1:1.29.</p>				SDG 1.2, 5.1, 8.5
	202-2 Proportion of senior management hired from the local community	100% of The Bank's Senior managers (excluding the Board) are from Egypt.				SDG 8.5
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Responsible and Purposeful Lending (p. 84) Financial Inclusion and Literacy (p. 93) Sustainable Agribusiness Development (p. 101) Financing Green and Circular Transition (p. 88) Community Development and Empowerment (p. 106)				SDG 5.4, 9.1, 9.4, 11.2
	203-2 Significant indirect economic impacts	Responsible and Purposeful Lending (p. 84) Financial Inclusion and Literacy (p. 93) Sustainable Agribusiness Development (p. 101) Financing Green and Circular Transition (p. 88) Community Development and Empowerment (p. 106)				SDG 1.2, 1.4, 3.8, 8.2, 8.3, 8.5
<b>Good Governance &amp; ESG Risk Management</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Good Governance (p. 37) Governance of ESG Risks (p. 51)				

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
<b>Digitalization and Accessibility</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Digitalization and Accessibility (p. 62)				
<b>Data Management and Cybersecurity</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Prioritizing Data Privacy and Cybersecurity (p. 68)				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Prioritizing Data Privacy and Cybersecurity (p. 68)				SDG 16.3, 16.10
<b>Retention, Enhancement, Diversity &amp; Inclusion of our People</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Retention, Enhancement, Diversity and Inclusion of Our People (p. 137)				
	401-1 New employee hires and employee turnover	ESG Indicators (p. 183)				SDG 5.1, 8.5, 8.6, 10.3
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Retention, Enhancement, Diversity and Inclusion of Our People (p. 137)				SDG 3.2, 5.4, 8.5
	401-3 Parental leave	ESG Indicators (p. 183)				SDG 5.1, 5.4, 8.5
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes		402-1	Not Applicable	There is no minimum notice period regarding operational changes, while the formal communication system ensures transparency regarding such changes within the Bank. Communication is carried out as a two-way process.	SDG 8.8
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Indicators (p. 183)				SDG 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3
	404-2 Programs for upgrading employee skills and transition assistance programs	Retention, Enhancement, Diversity and Inclusion of Our People (p. 137)				SDG 8.2, 8.5

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Retention, Enhancement, Diversity and Inclusion of Our People (p. 137)				SDG 5.1, 8.5, 10.3
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Good Governance (p. 37) Retention, Enhancement, Diversity and Inclusion of Our People (p. 137) ESG Indicators (p. 183)				SDG 5.1, 5.5, 8.5
	405-2 Ratio of basic salary and remuneration of women to men	Average basic gross remuneration for employees Female to Male ratio: 1:1.29				SDG 5.1, 8.5, 10.3
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Upholding Integrity in Corporate Conduct (p. 52)				SDG 5.1, 8.8
<b>Health, Safety, and Wellbeing</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Safe and Healthy Workplace (p. 146)				
	403-1 Occupational health and safety management system	Safe and Healthy Workplace (p. 146)				SDG 3.3, 3.4, 3.9, 8.8, 16.1
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Safe and Healthy Workplace (p. 146)				SDG 8.8
	403-3 Occupational health services	Safe and Healthy Workplace (p. 146) Wellbeing and Work-Life Balance (p. 146)				SDG 8.8
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safe and Healthy Workplace (p. 146) Employee Engagement (p. 146)				SDG 8.8, 16.7
	403-5 Worker training on occupational health and safety	Safe and Healthy Workplace (p. 146)				SDG 8.8
	403-6 Promotion of worker health	Safe and Healthy Workplace (p. 146) Wellbeing and Work-Life Balance (p. 146)				SDG 3.3, 3.5, 3.7, 3.8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe and Healthy Workplace (p. 146) Wellbeing and Work-Life Balance (p. 146)				SDG 8.8

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Safe and Healthy Workplace (p. 146) Wellbeing and Work-Life Balance (p. 146)				SDG 8.8
	403-9 Work-related injuries	Safe and Healthy Workplace (p. 146)				SDG 3.6, 3.9, 8.8, 16.1
	403-10 Work-related ill health	Safe and Healthy Workplace (p. 146)				SDG 3.3, 3.4, 3.9, 8.8, 16.1
<b>Financial Inclusion and Literacy</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Inclusion and Literacy (p. 93)				
<b>Community Development and Empowerment</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Development and Empowerment (p. 106)				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Development and Empowerment (p. 106)				
	413-2 Operations with significant actual and potential negative impacts on local communities		413-2	Not Applicable	There are no operations that have significant actual and potential negative impacts on local communities.	SDG 1.4, 2.3
GRI 415: Public Policy 2016	415-1 Political contributions		415-1	Not Applicable	No political contributions have been made directly or indirectly by the Bank.	SDG 16.5
<b>Quality of Service and Customer Experience</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Quality of Service and Customer Experience (p. 60)				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		416-1	Information unavailable/incomplete	The Bank is working on integrating assessments of product and service impacts in order to allow such disclosure for future reports.	SDG 16.3
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality of Service and Customer Experience (p. 60)				SDG 16.3

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
<b>Environmental Stewardship</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Action and Resource Use (p. 162) Responsible Procurement and Sustainable Supply Chain (p. 172)				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 8.4, 12.2
	301-2 Recycled input materials used	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 8.4, 12.2, 12.5
	301-3 Reclaimed products and their packaging materials		301-3	Not Applicable	The Bank is primarily a service provider and does not produce any physical products of reclamation value.	SDG 8.4, 12.2, 12.5
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 7.2, 7.3, 8.4, 12.2, 13.1
	302-2 Energy consumption outside of the organization	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 7.2, 7.3, 8.4, 12.2, 13.1
	302-3 Energy intensity	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 7.3, 8.4, 12.2, 13.1
	302-4 Reduction of energy consumption	Climate Action and Resource Use (p. 162)				SDG 7.3, 8.4, 12.2, 13.1
	302-5 Reductions in energy requirements of products and services		a, b, c, d	Not Applicable	ALEXBANK does not sell products or services with applicable energy reduction requirements.	SDG 7.3, 8.4, 12.2, 13.1
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		a, b, c, d	Not Applicable	Due to the nature of its operations, ALEXBANK does not have significant water discharge related impacts.	SDG 6.3, 6.4, 6.A, 6.B, 12.4
	303-2 Management of water discharge-related impacts		a	Not Applicable	Due to the nature of its operations, ALEXBANK does not have significant water discharge related impacts.	SDG 6.3
	303-3 Water withdrawal	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 6.4

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 12.4, 13.1, 14.3, 15.2
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 12.4, 13.1, 14.3, 15.2
	305-3 Other indirect (Scope 3) GHG emissions	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 12.4, 13.1, 14.3, 15.2
	305-4 GHG emissions intensity	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 13.1, 14.3, 15.2
	305-5 Reduction of GHG emissions	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 13.1, 14.3, 15.2
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 6.3, 6.6, 11.6, 12.4, 12.5
	306-2 Management of significant waste-related impacts	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 6.3, 8.4, 11.6, 12.4, 12.5
	306-3 Waste generated	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 6.6, 11.6, 12.5, 12.4, 15.1
	306-4 Waste diverted from disposal	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 11.6, 12.4, 12.5
	306-5 Waste directed to disposal	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)				SDG 3.9, 6.6, 11.6, 12.4, 12.5, 15.1
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Responsible Procurement and Sustainable Supply Chain (p. 172)				SDG 8.8
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Responsible Procurement and Sustainable Supply Chain (p. 172)				SDG 5.2, 8.7

# GRI CONTENT INDEX

GRI Standard	Disclosure	Direct Response/ Section in this Report (pg. #)	Omissions			Index Mapping
			Requirement(s) Omitted	Reason	Explanation	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		a	Information unavailable/incomplete	The Bank is working on integrating assessments of environmental impacts of its supply chain, allowing such disclosure for future reports.	
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Procurement and Sustainable Supply Chain (p. 172)				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Procurement and Sustainable Supply Chain (p. 172)				SDG 5.2, 8.8, 16.1
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Procurement and Sustainable Supply Chain (p. 172)				SDG 5.2, 8.8, 16.1
<b>Green Transition Finance</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Financing Green and Circular Transition (p. 88)				
<b>Sustainable Agribusiness Development</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Agribusiness Development (p. 101)				

# SASB CONTENT INDEX

SASB Standard	SASB Topic	Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
Commercial Banks	Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development.	Quantitative	Number, EGP	FN-CB-240a.1	Financial Inclusion & Literacy (p. 93) Responsible & Purposeful Lending (p. 83)
		(1) Number and (2) amount of past due and non-accrual loans qualified to programs designed to promote small business and community development.	Quantitative	Number, EGP	FN-CB-240a.2	Financial Inclusion & Literacy (p. 93) Responsible & Purposeful Lending (p. 83)
		Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers.	Quantitative	Number	FN-CB-240a.3	Financial Inclusion & Literacy (p. 93) Responsible & Purposeful Lending (p. 83)
		Number of participants in financial literacy initiatives.	Quantitative	Number	FN-CB-240a.4	Financial Inclusion & Literacy (p. 93)
	Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	Quantitative	EGP	FN-CB-510a.1	ALEXBANK deems this information as confidential.
		Description of whistleblower policies and procedures.	Discussion and Analysis	N/A	FN-CB-510a.2	Upholding Integrity in Corporate Conduct (p. 52)
	Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis.	Discussion and Analysis	N/A	FN-CB-410a.2	Governance of ESG Risks (p. 51)
	Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (3) number of account holders affected.	Quantitative	Number, Percentage (%)	FN-CB-230a.2	ALEXBANK deems this information as confidential.
	Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3.	Quantitative	Metric tons (t) CO <sub>2</sub> e	FN-CB-410b.1	ALEXBANK has not yet assessed its financed emissions but is working to assess them in the upcoming years.
		Gross exposure for each industry by asset class.	Quantitative	EGP	FN-CB-410b.2	
		Percentage of gross exposure included in the financed emissions calculation.	Quantitative	Percentage (%)	FN-CB-410b.3	
		Description of the methodology used to calculate financed emissions.	Discussion and Analysis	N/A	FN-CB-410b.4	

# SASB CONTENT INDEX

SASB Standard	SASB Topic	Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
<b>Commercial Banks</b>	Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category.	Quantitative	Basis points (bps)	FN-CB-550a.1	Promoting Inclusivity in Our Services (p. 22)
		Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	Discussion and Analysis	N/A	FN-CB-550a.2	Promoting Inclusivity in Our Services (p. 22)
<b>Consumer Finance</b>	Customer Privacy	Number of account holders whose information is used for secondary purposes.	Quantitative	Number	FN-CF-220a.1	Prioritizing Data Privacy and Cybersecurity (p. 68)
		Total amount of monetary losses as a result of legal proceedings associated with customer privacy.	Quantitative	EGP	FN-CF-220a.2	Prioritizing Data Privacy and Cybersecurity (p. 68)
	Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.	Quantitative	Number, Percentage (%)	FN-CF-230a.1	ALEXBANK deems this information as confidential.
		Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud.	Quantitative	EGP	FN-CF-230a.2	
		Description of approach to identifying and addressing data security risks.	Discussion and Analysis	N/A	FN-CF-230a.3	
	Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold.	Quantitative	Percentage (%)	FN-CF-270a.1	Not Available
		Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660.	Quantitative	Percentage (%)	FN-CF-270a.2	Not Available
		(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660.	Quantitative	EGP, Percentage (%), Month, Number, Mn EGP	FN-CF-270a.3	Not Available
		(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB.	Quantitative	Number, Percentage (%)	FN-CF-270a.4	Quality of Service and Customer Experience (p. 60)

# SASB CONTENT INDEX

SASB Standard	SASB Topic	Accounting Metric	Category	Unit of Measure	Code	Report Section(s) or Direct Response
<b>Consumer Finance</b>	Selling Practices	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products.	Quantitative	EGP	FN-CF-270a.5	ALEXBANK deems this information as confidential.

## Activity Metrics

SASB Standard	Activity Metrics	Category	Unit of Measure	Code	Reference to report page number/ Response
<b>Commercial Banks</b>	Number of checking & savings accounts – Small Business	Quantitative	Number, EGP Mn	FN-CB-000.A	Financial Inclusion & Literacy (p. 93)
	Number of checking & savings accounts – Personal	Quantitative			Financial Inclusion & Literacy (p. 93)
	Value of checking & savings accounts – Small Business	Quantitative			Financial Inclusion & Literacy (p. 93)
	Value of checking & savings accounts – Personal	Quantitative			Financial Inclusion & Literacy (p. 93)
	Number of loans – Small Business	Quantitative	Number, EGP Mn	FN-CB-000.B	Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)
	Number of loans – Personal	Quantitative			Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)
	Number of loans – Corporate	Quantitative			Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)
	Value of loans – Small Business	Quantitative			Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)
	Value of loans – Personal	Quantitative			Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)
	Value of loans – Corporate	Quantitative			Business Performance and Market Presence (p. 75) Responsible & Purposeful Lending (p. 83) Financial Inclusion & Literacy (p. 93)

# SASB CONTENT INDEX

SASB Standard	Activity Metrics	Category	Unit of Measure	Code	Reference to report page number/ Response
Consumer Finance	Number of unique consumers with an active credit card account	Quantitative	Number	FN-CF-000.A	NA
	Number of unique consumers with an active pre-paid debit card account	Quantitative	Number		NA
	Number of credit card accounts	Quantitative	Number	FN-CF-000.B	NA
	Number of pre-paid debit card account	Quantitative	Number		NA

# SFDR CONTENT INDEX

SFDR Metrics			
Principle adverse sustainability impacts statement (universal mandatory indicators)	SFDR Metric	Direct Response or Reference to Report Section	
<b>GHG emissions</b>	1. GHG emissions	Scope 1 GHG emissions	Climate Action and Resource Use (p. 162) ESG Indicators (p. 183)
		Scope 2 GHG emissions (market-based method)	
		Scope 3 GHG emissions	
		Total GHG emissions	
	2. Carbon footprint	Carbon footprint	
	3. GHG intensity	GHG intensity	
<b>Biodiversity</b>	4. Exposure to companies active in the fossil fuel sector	Investments in companies active in the fossil fuel sector.	Governance of ESG Risks (p. 51) PRB Self-Assessment Report – Principle 2.b (p. 206)
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production from nonrenewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources.	Not available
	6. Energy consumption intensity per high impact sector	Energy consumption in GWh per million EUR of revenue, per high impact climate sector.	Not available
<b>Water</b>	7. Activities negatively affecting biodiversity-sensitive areas	Sites or operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas.	None of ALEXBANK's sites of operation are located in or near to biodiversity-sensitive areas where activities can negatively affect those areas.
<b>Waste</b>	8. Emissions to water	Tons of emissions to water generated per million EUR, expressed as a weighted average.	Not available
<b>Social and employee matters</b>	9. Hazardous waste and radioactive waste ratio	Tons of hazardous waste and radioactive waste generated per million EUR, expressed as a weighted average.	Total hazardous waste generated in 2023: 338 kg (includes e-waste)
	10. Violation of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Involvement in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	None
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	Upholding Integrity in Corporate Conduct (p. 52)
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap.	Not available
	13. Board gender diversity	Ratio of female to male board members.	11% female representation on the board
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Investments in companies involved in the manufacture or selling of controversial weapons.	ALEXBANK does not investment in companies involved in the manufacture or selling of controversial weapons.

# UNGC CONTENT INDEX

Principle	Description	Report Section(s)
<b>Human Rights</b>		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Upholding Integrity in Corporate Conduct - Code of ethics (p. 52) Responsible & Purposeful Lending (p. 83) Responsible Procurement and Sustainable Supply Chain Management (p. 172)
Principle 2	Businesses should make sure they are not complicit in human rights abuses.	Upholding Integrity in Corporate Conduct - Code of ethics (p. 52)
<b>Labor</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	GRI 2-30 (p. 191)
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor.	Responsible Procurement & Sustainable Supply Chain Management (p. 172)
Principle 5	Businesses should uphold the effective abolition of child labor.	Responsible Procurement & Sustainable Supply Chain Management (p. 172)
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Retention, Enhancement, Diversity & Inclusion of Our People (p. 137)
<b>Environment</b>		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Environmental Stewardship (p. 160)
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Stewardship (p. 160)
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Digitalization & Accessibility (p. 62)
<b>Anti-corruption</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Upholding Integrity in Corporate Conduct (p. 52)

# CBE REPORTING GUIDELINES

Principles of Sustainable Finance		Report Section(s)
Principle 1	Capacity-Building and Necessary Knowledge	Retention, Enhancement, Diversity and Inclusion of our People (p. 137)
Principle 2	Enhancing Sustainable Finance	Responsible and Purposeful Lending (p. 83)
Principle 3	Involvement of the Stakeholders	Stakeholders Engagement (p. 26)
Principle 4	Managing Climate Change Risks	Financing Green and Circular Transition (p. 88) Climate Action and Resource Use (p. 162)
Principle 5	Applying the Principles of Sustainability to the Bank's Internal Activities and Operations	Climate Action and Resource Use (p. 162) Responsible Procurement and Sustainable Supply Chain (p. 172)
Principle 6	Reporting	About this Report (p. 8)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Reporting and Self-Assessment Requirements

## Bank's Response and Self-Assessment

## Links and references to sections in the 2023 Sustainability Report

### Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.

#### 1.1 Business Model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, and the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g., the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Established in 1957, ALEXBANK is today one of Egypt's leading private sector banks, participated by the Intesa Sanpaolo Group since 2007.

ALEXBANK owns one of the largest private sector branch networks with a total of 173 branches located in every major Egyptian governorate employing over 4,380 individuals who proudly serve about 1.9 million customers, playing a vital role in Egypt's economic present and future. ALEXBANK actively serves the widest spectrum of segments by providing value added financial products, services and solutions to Retail, Small Business, Medium and Corporate Enterprises.

In 2023, ALEXBANK reported a total number of retail clients of 1,667,555 where 23% of the total clients are from the age of 0-32 and the age group of 33-42 is 23%, while 43-52 age group is presented by 20%, 23% is represented by the age group of 53-67 and above 67 represents 10% of our total retail customers.

As part of ALEXBANK's mission into offering tailored products to its customers in order to allow them to have an adequate banking experience.

ALEXBANK is currently amid a radical digital transformation aimed at providing our customers with the most unique of banking experiences, via our seamless multi-channel experience incorporating Internet & Mobile Banking, Cards, Electronic wallets, and the latest generation of Point-of-Sale & ATMs, all powered through the power of Big Data and empowered by key players in the Fintech ecosystem.

Our Lines of business represents our strategic goals in which we have:

- Mass Retail and Affluent
- Micro, Small, and Medium-Sized Enterprises (MSMEs)
- Treasury
- Digital Banking
- Corporate and Investment Banking

About ALEXBANK & Our Strategic Direction (p. 10)

#### 1.2 Strategy Alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes  
 No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

ALEXBANK is committed to achieving the Group's strategic vision towards sustainability and abides by the Group rules and initiatives as evidenced by the significant ESG commitment in the Group's business plan 2022-2025.

ALEXBANK is aligned with recognized sustainable frameworks such as the UNEP-FI "Principles for Responsible Banking (PRB)", United Nations Global Compact (UNGC), Equator Principles (EP), GRI Sustainability Reporting Standards, and Sustainability Accounting Standards Board (SASB).

ALEXBANK strategy and vision are also aligned with national framework implemented by the Central Bank of Egypt (CBE) through the CBE sustainable finance binding framework represented by the regulations for Sustainable Finance Policy.

- Upholding Integrity in Corporate Conduct (p. 52)
- Environmental Stewardship (p. 160)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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**Principle 1: Alignment**  
We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.

*Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?*

- UN Guiding Principles on Business and Human Rights
- International Labour Organization fundamental conventions
- UN Global Compact
- UN Declaration on the Rights of Indigenous Peoples
- Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: CBE Sustainable Finance Requirements
- Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----
- None of the above

ALEXBANK has been a signatory of the United Nations Global Compact initiative since 2014, and has reported on implementing the ten UNGC Principles to disclose how we fulfil our fundamental responsibilities human rights, labour, environment, and anti-corruption.

As an integral part of our commitment to addressing ESG risks, ALEXBANK actively embraces and implements the ESG regulations set forth by the CBE. We have incorporated these regulations into our credit and lending processes, offering a wide range of ESG products and services designed to support our clients on their ESG transition journey. Whether they are retail customers, corporate entities, or SMEs, we strive to assist them in achieving sustainable growth. Additionally, we prioritize the establishment of a robust and sustainable governance framework, ensuring a well-structured and sustainable banking experience for our valued clients, dedicated employees, and other stakeholders.

- Upholding Integrity in Corporate Conduct (p. 52)
- Environmental Stewardship (p. 160)

**Principle 2: Impact and Target Setting**  
We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

## 2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):

**a. Scope:** What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

ALEXBANK conducted a comprehensive impact assessment across its Consumer Banking, SME, Small Business, Corporate Banking, and other portfolios, which represent 29.42%, 2.03%, 8.33%, 12.16%, and 48.05% of the Bank's total portfolio, respectively. We carried out our assessment focusing on our main operations in Egypt, utilizing the latest version of the UNEP-FI Portfolio Impact Analysis Tool (Version 3). This tool enables the Bank to evaluate the impact of our portfolio across a variety of economic, social, and environmental dimensions.

Bank Profile, P:

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Reporting and Self-Assessment Requirements

## Bank's Response and Self-Assessment

## Links and references to sections in the 2023 Sustainability Report

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#### b. Portfolio composition:

Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope  
i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or  
ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Owing to the large size of ALEXBANK's portfolio and the limitation of the tool of inputting a maximum of 50 sectors, we managed to cover a significant portion. We followed the following criteria in the selection of the sectors:

1. Sectors with the highest share of the respective portfolio were given priority in the assessment.
2. Sectors with key negative impacts or high ESG risks were prioritized.
3. Sectors that best fit the national and CBE's direction in terms of sustainability and responsible banking practices.

#### ALEXBANK's Top 10 sectors of Corporate Banking Portfolio:

- Extraction of Crude Petroleum (11.9%)
- Manufacture of basic iron and steel (6.77%)
- Wired telecommunications activities (6.41%)
- Manufacture of carpets and rugs (5.43%)
- Construction of buildings (4.32%)
- Manufacture of refined petroleum products (4.27%)
- Other financial service activities, except insurance and pension funding activities, n.e.c (4.15%)
- Manufacture of other electronic and electric wires and cables (3.06%)
- Wireless telecommunications activities (2.91%)
- Manufacture of pharmaceuticals, medicinal chemical and botanical products (2.75%)

#### ALEXBANK's Top 10 sectors of Business Banking Portfolio:

- Raising of cattle and buffaloes (10.38%)
- Processing and preserving of fruit and vegetables (4.74%)
- Wholesale of food, beverages and tobacco (3.91%)
- Manufacture of other food products n.e.c (3.56%)
- Medical and dental practice activities (3.43%)
- Manufacture of plastics products (2.83%)
- Construction of buildings (2.65%)
- Wholesale of construction materials, hardware, plumbing and heating equipment and supplies (2.57%)
- Non-specialized wholesale trade (2.38%)
- Manufacture of grain mill products (2.09%)

Governance of ESG Risks  
(p. 51)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

**c. Context** What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2) ? Please disclose.

ALEXBANK conducted its impact analysis in Egypt as it is the geographical location of the Bank's operations.

The Bank examined the level of needs in each impact area outlined by the UNEP-FI Portfolio Impact Analysis Tool.

Egypt's main needs are related to integrity and security, health and safety, the availability, accessibility, and quality of resources and services, livelihood, equality and justice, infrastructure, socio-economic convergence, climate stability, biodiversity, healthy ecosystems, and circularity.

Based on the outcomes of the UNEP-FI Portfolio Impact Analysis Tool, ALEXBANK identified livelihood, finance (financial inclusion), healthy economies, and infrastructure as the key areas of positive impact. Meanwhile, health and safety, circularity, climate stability, and biodiversity, as well as healthy ecosystems, have been identified as the areas with the most significant negative impact.

ALEXBANK has selected Circularity and Finance (Financial Inclusion) as the most significant impact areas to prioritize and set targets on, aligning with the country's priorities and national strategies, as well as the Parent Company's direction. It aims to contribute towards the targets set in the Group's 2022-2025 Business Plan, which include allocating EUR 25 billion towards social lending and urban regeneration initiatives to promote financial inclusion. In addition to the allocation of EUR 8 billion to the circular economy through the renewal of the Circular Economy Plafond.

### Circularity

ALEXBANK has identified the key sectors in corporate banking associated with Circularity, which include:

- Extraction of crude petroleum
- Manufacture of basic iron and steel
- Manufacture of rugs and carpets
- Construction of buildings
- Manufacture of refined petroleum products

**d.** For these (min. two prioritized impact areas): Performance measurement

Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

The key sectors in business banking associated with Circularity, which include:

- Raising of Cattle and buffaloes
- Processing and preserving of fruits and vegetables.

- Responsible and Purposeful Lending (p. 83)
- Financing Green and Circular Transition (p. 88)

The Bank conducts thorough assessments of ESG/reputational risk profiles for operations in these sectors with particular attention. Moreover, sectors sensitive to ESG issues may fall under the 'Group Guidelines for the Governance of Environmental, Social, and Governance (ESG) Risks.' The implementation of these Guidelines sets specific criteria to limit or exclude financing activities with higher ESG risks. This approach is reinforced by the Group's 'Rules for Lending Operations in the Unconventional Oil & Gas Sector' and 'Rules for Lending Operations in the Coal Sector.'

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Reporting and Self-Assessment Requirements

## Bank's Response and Self-Assessment

## Links and references to sections in the 2023 Sustainability Report

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic, and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health & inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

### Financial Inclusion

We recognize financial inclusion as a vital enabler for achieving 7 out of the 17 Sustainable Development Goals, with financial inclusion topping both the national strategy and the CBE Financial Inclusion Strategy. Additionally, ALEXBANK aligns its efforts with the ambitious targets outlined in the Intesa Sanpaolo 2022-2025 Business Plan, which pledges EUR 25 billion towards social lending and urban regeneration initiatives. In addition to this commitment, Intesa Sanpaolo supports various initiatives aimed at social welfare, including the promotion of 6,000-8,000 social housing units for youth and seniors in Italy. The Group also expands programs like "Cibo e riparo per i bisognosi" (Food and shelter program for people in need), with approximately EUR 50 million allocated to distribute meals, beds, medicines, and clothes. Furthermore, Intesa Sanpaolo focuses on creating approximately 30 senior community hubs to provide local social and leisure activities, along with dedicated health and social assistance services. Through these initiatives, ALEXBANK contributes to broader societal welfare goals outlined in the group's business plan. We recognize financial inclusion as an enabler for 7 of the 17 Sustainable Development Goals. Also, Financial Inclusion topping the national strategy and the CBE Financial Inclusion Strategy.

ALEXBANK's Financial Inclusion (FI) strategy for the years 2022-2024 focuses on underserved geographical locations, marginalized citizens and MSME segment. We also believe that there is still a huge potential for financial inclusion growth in Egypt, especially for the marginalized segments; youth and women (~50% of population each), person with disabilities (~11% of the population).

ALEXBANK's notable performance during this strategic period can be principally credited to its targeted and amplified initiatives in social lending and financial inclusion activities. These initiatives are carefully crafted to support the women, youth, and persons with disabilities (PwD), and other marginalized communities. Such dedicated and strategic efforts have been instrumental in creating a meaningful and positive impact on financial inclusion, underlining ALEXBANK's commitment to building a more financially inclusive society that benefits diverse groups across the nation.

Moreover, the Bank's FI acquisition strategy is based on omni-channel approach by focusing on digital channels and full utilization of ALEXBANK's branches network (173 branch/units) that have a presence in almost all the Egyptian governorates.

- Responsible and Purposeful Lending (p. 83)
- Financing Green and Circular Transition (p. 88)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Self-assessment summary:

**Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?**

- Scope: Yes , In progress , No
- Portfolio composition: Yes , In progress , No
- Context: Yes , In progress , No
- Performance measurement: Yes , In progress , No

**Which most significant impact areas have you identified for your bank, as a result of the impact analysis?**

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify.

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- longer than 18 months prior to publication

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
Open text field to describe potential challenges, aspects not covered by the above etc.: (optional)		

## Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis. The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

**a. Alignment:** which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

ALEXBANK identified livelihood, finance (financial inclusion), healthy economies and infrastructure as the key areas of positive impact. Meanwhile, health and safety, circularity, climate stability and biodiversity and healthy ecosystems have been identified as the areas of most significant negative impact.

***Egypt's national direction, as well as the direction of our parent company Intesa Sanpaolo, are the main aspects we are considering, including but not limited to:***

***The National Climate Change Strategy:***

Egypt has launched its National Climate Change Strategy 2050 (NCCS 2050) as part of the revised Egypt Vision 2030 Strategy to address the challenges posed by climate change. The NCCS 2050 aims to manage the impacts of climate change in a way that achieves national economic and developmental goals through a resilient, low-emissions approach.

- ALEXBANK in the Evolving Landscape (p. 15)
- Materiality (p. 28)

***Intesa Sanpaolo Group Net-Zero Ambition***

The Group has set a Net-Zero emissions target by 2050 for the lending and investment portfolios and for the asset management and insurance activities in line with the requirements of the Net-Zero alliance memberships (NZBA, NZAMI, NZAOA, and NZIA).

***The Sustainable Energy Strategy:***

Capitalizing on the abundance of land, sunny weather, and high wind speeds, making Egypt a prime location for renewable energy projects. The government's Sustainable Energy Strategy for Egypt by 2035 seeks to increase the contributions of renewable energy in electricity generation and improve energy efficiency.

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Reporting and Self-Assessment Requirements

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### Principle 2: Impact and Target Setting

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**b. Baseline:** Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline. You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex. Please include the relevant indicators using the indicator code in the following table:

Impact area	Indicator code	Response
Circularity		

Impact area	Indicator code	Response
Financial health & inclusion		

### **Egypt Vision 2030:**

By 2030, Egypt aspires to experience a comprehensive renaissance, capitalizing on its strategic location and unique Egyptian identity. This vision aligns with the country's historical phase to achieve sustainable development and a higher standard of living for all Egyptians. The focus is on science, knowledge, and innovation to establish a competitive and diversified economic system, a participatory and just social system, and a balanced ecosystem that conserves Egypt's human and natural resources.

### **CBE Sustainable Finance Circular: (First one in July 2021 & Second in November 2022)**

The Central Bank of Egypt has adopted sustainable financing to support financial and banking stability and help achieve sustainable development goals and long-term economic, environment and social stability. CBE has launched various initiatives to support sustainable development goals and support sustainable financing, including initiatives for SMEs, industrial, agricultural, tourism and contracting sectors, as well as mortgage, dualengine vehicle, and gas station initiatives.

For Circularity, the Bank has identified the key sectors within the corporate banking associated with it, which are:

- Extraction of crude petroleum
- Manufacture of basic iron and steel
- Manufacture of rugs and carpets
- Construction of buildings
- Manufacture of refined petroleum products

ALEXBANK will adopt a qualitative approach to circularity targets, focusing primarily on engagement targets. The Bank will initiate a pilot analysis with the top 10%-15% of clients in the identified sectors. ALEXBANK has selected energy efficiency/reduction, water efficiency, and waste indicators as the key impact indicators for circularity. The Bank will collect data on these indicators to set quantitative targets in the coming years. In the meantime, it relies on engagement indicators, actively engaging with key corporates in the selected sectors to align with the UNEP-FI Circularity guidelines.

Regarding Financial Inclusion, ALEXBANK measured its retail banking portfolio with the base year of 2023. Our retail customer base and the number of active customers reached 1,767,555 and 1,013,087, respectively, as of December 2023. Active individual customers represent 58% of the total retail customers in 2023. The percentage of female customers stands at 33% of the total retail customers. In 2023, our social lending new production for retail clients has recorded an unprecedented achievement representing 19.2% of the retail lending portfolio new production.

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

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**c. SMART targets** (incl. key performance indicators (KPIs): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

In terms of Circularity, the Bank is in the process of setting quantitative impact targets. In the meantime, the Bank relies on engagement indicators through engaging with key corporates in the previously identified sectors.

Regarding Financial Inclusion, ALEXBANK aims to increase its retail customer base and the number of active customers by 0.5% and 4% respectively in 2024. The Bank also has a goal to boost the number of female customers by 5%, aiming to reach 34% of the total retail customers in 2024. Furthermore, the Bank is striving to explore the possibility to segment the retail banking portfolio by income.

The Bank has defined the following core indicators for measuring its performance in achieving financial inclusion:

- Variety of products and services in the portfolio with a focus on financial inclusion
- % of relevant employees supported with effective training on financial inclusion, responsible credit, and/or financial health
- Number (#) of new customers per month (Retail Customer Base)
- % of customers with effective access to a basic banking product (Number of active customers and the percentage of active customers from retail customers)
- % of customers actively using the online/mobile banking platform/tools

**d. Action plan:** which actions including milestones have you defined to meet the set targets? Please describe.

To promote financial inclusion, ALEXBANK identified the following measures and actions:

- i. Products and Services: Portfolio Composition:
  - Improving existing products and services or developing new ones that target and are designed for vulnerable customer groups and those with protected characteristics.
  - Establishing free-of-charge accounts for specific vulnerable groups.
  - Developing financial and/or digital skills education programs, toolkits, and advisory services to prevent over-indebtedness and support individuals in managing their financial health.
  - Refining financial consumer protection policies and initiatives, such as responsible marketing, responsible lending, clear language, and avoidance of misleading advertisements.
- ii. External Engagement and Partnerships: Advocacy
  - Collaborate with NGOs, governments, Fintech companies, other enterprises and banks to drive innovative initiatives and systemic change.

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 2: Impact and Target Setting

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Please also show that your bank has analyzed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

In terms of Circularity, the Bank aims to engage with the top 10%-15% of clients in the key sectors identified within corporate banking to gather data on water efficiency, energy efficiency, and waste management. The Bank will provide training and capacity building for Relationship Managers (RMs) who interact directly with clients to enhance their understanding of circularity and equip them for data collection related to it. Additionally, the Bank will conduct circularity workshops and meetings with key clients to assess their needs and assist them in transitioning toward a circular economy. Following the assessment phase, the Bank plans to develop tailored financing facilities to support clients' transitions.

## Self-assessment summary

**Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...**

	... first area of most significant impact: ... (please name it)	... second area of most significant impact: ... (please name it)	(If you are setting targets in more impact areas) ... your third (and subsequent) area(s) of impact: ... (please name it)
Alignment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Baseline	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
SMART targets	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No
Action plan	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> In progress <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> In progress <input type="checkbox"/> No

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

## Reporting and Self-Assessment Requirements

## Bank's Response and Self-Assessment

## Links and references to sections in the 2023 Sustainability Report

### Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.3 Target Implementation and Monitoring

**For each target separately:** Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

**Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only):** describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

ALEXBANK is currently developing a comprehensive implementation plan and establishing monitoring procedures to guarantee that the set targets are achieved. Once the targets are defined, the Bank will regularly report on the progress made towards meeting these targets.

### 3.1 Client Engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

- Yes
- In progress
- No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

- Yes
- In progress
- No

As part of ALEXBANK's commitment to working with its clients and customers to encourage sustainable practices and enable sustainable economic activities, a sustainable finance policy was implemented in July 2023. This policy establishes a sustainable finance framework within ALEXBANK. Sustainable finance refers to any financial or banking service that integrates environmental, social, and governance (ESG) criteria into credit or investment decisions for the enduring benefit of clients, stakeholders, and society at large. With the goal of providing an adequate and accessible banking experience, our policy has clearly defined and categorized the criteria for the bank's sustainable products, transactions, and services. Our policy aligns with the Central Bank of Egypt's sustainable finance policy framework.

- Governance of ESG Risks (p. 51)
- Responsible and Purposeful Lending (p. 83)
- Sustainable Agribusiness Development (p. 101)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on the people and environment, as well as managing their risks, which result from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved. This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

In addition, as we assist our clients in transitioning towards more sustainable practices and in tailoring sustainable products to meet their needs, we are progressing towards the target-setting phase. This phase involves adopting circularity as part of our United Nations Environment Programme Finance Initiative (UNEP-FI) target-setting process, which will assist us in identifying banking opportunities and offering sustainable products that align with our clients' requirements.

- Governance of ESG Risks (p. 51)
- Responsible and Purposeful Lending (p. 83)
- Sustainable Agribusiness Development (p. 101)

## 3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

In 2023, ALEXBANK maintained its leadership role in the Egyptian market with a strong focus on social lending, prioritizing services for marginalized segments of society. The bank offered an innovative suite of products tailored for microfinance and small business sectors, particularly in rural areas. Aiming to include more people in the financial mainstream, ALEXBANK's efforts are in response to the country's Financial Inclusion Strategy (2022-2025), align with the Central Bank of Egypt's (CBE) vision for sustainable development, and contribute to the promotion of sustainable finance across the banking sector by integrating environmental, social, and governance (ESG) criteria into various financing activities.

Additionally, in 2023, ALEXBANK successfully validated its list of ESG lending products in accordance with the classification rules for sustainable lending products and transactions set by its parent company. There was a significant emphasis on the social pillar and the development of agribusiness.

- Financial Inclusion and Literacy (p. 93)
- Responsible and Purposeful Lending (p. 83)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 4: Stakeholders

We will proactively and responsibly consult, engage, and partner with relevant stakeholders to achieve society's goals.

### 4.1 Stakeholder Identification and Consultation

Does your bank have a process to identify and regularly consult, engage, collaborate, and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

- Yes
- In progress
- No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated, or partnered with for the purpose of implementing the principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Stakeholder involvement in responsible banking is a top priority for ALEXBANK, acknowledging the crucial role stakeholders play in achieving our responsible banking objectives.

Our stakeholders include our clients, employees, suppliers, business partners, communities, non-governmental organizations (NGOs), governments, regulators, shareholders, and investors.

To assess our progress towards responsible banking targets, we have completed a materiality validation by regularly conducting Materiality Assessments. These assessments guide the bank's environmental, social, and governance (ESG) strategies and initiatives, ensuring they meet stakeholder needs while also aligning with national and international priorities. This year's assessment is in line with the Intesa Sanpaolo Group guidelines and conforms to the updated 2021 GRI Sustainability Reporting Standards. It draws insights from various data sources via the bank's comprehensive stakeholder engagement process.

The Bank evaluates the significance of its material topics by considering their impact on the business as well as the bank's influence on the economy, environment, and society. This methodology acknowledges that impacts are both relatively stable and subject to continuous evolution.

- Fostering Dialogue and Impact (p. 24)
- Stakeholder Involvement in Responsible Banking (p. 26)

### 5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

- Yes
- In progress
- No

Describe the relevant governance structures, policies, and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the principles. This includes information about:

ALEXBANK has established an accurate and effective governance framework that serves as a facilitator for crafting a clear and successful strategic plan. Supported by the strong governance structure of Intesa Sanpaolo (ISP), ALEXBANK's governance is upheld through consistent innovation, streamlined communication, comprehensive internal controls, strategic planning, performance metrics, vigilant monitoring, transparent reporting, and effective talent acquisition. These elements contribute to the development of effective board oversight, robust policies, and sound procedures.

ALEXBANK Management Approach continuously allocates resources to enhance its governance structure, recognizing its crucial role in ensuring it plays in ensuring the Bank's long-term and sustained prosperity. The Bank's governance framework is built on solid board supervision, well-defined policies, streamlines communication, internal control, strategy implementation, performance measurement, and reporting mechanisms. Furthermore, all ESG-relevant policies and updates are regularly presented to the Board of Directors (BoD) in compliance with Central Bank of Egypt requirements, reinforcing the BoD's oversight of sustainable finance practices across the bank's various lines of business.

Good Governance (p. 37)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 5: Governance and Culture

We will commit to these principles through effective governance and a culture of responsible banking.

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

ALEXBANK has a structured approach to sustainable finance governance. Our Bank's sustainable governance framework includes the Sustainability and Sustainable Finance office, where the head reports directly to ALEXBANK's CEO and Managing Director. Under this office, we have three units:

1. Sustainability Monitoring and Reporting Unit: The unit is responsible for managing, reporting, and executing all projects and deals related to environmental, social, and institutional governance, and reporting to the group and regulatory agencies about the bank's sustainable projects. In addition, preparing the bank's yearly sustainability report in accordance with the GRI standards, hence, the unit follows up on the implementation of sustainable finance guidelines and the integration of the ESG aspects into the business operations.
2. Sustainable Finance Unit: The unit focuses on enhancing financial inclusion and literacy in local communities, participating in Central Bank of Egypt initiatives, and developing entertaining educational programs for children. It also works to promote responsible lending, with a special focus on rural area development within our business banking department and financial inclusion office.
3. Corporate Social Responsibility and Creating Shared Value Unit: The unit is tasked with creating projects and initiatives with the Bank's partners helping in creating shared value with positive impacts on local communities in various fields such as: art, culture, women's empowerment, environmental awareness, health, and social integration.

Good Governance (p. 37)

In addition to the Sustainability and Sustainable Finance Office, we have the ESG Forum: This forum is a permanent consultative and decision-making body that coordinates and steers ESG-related matters to ensure the implementation of group requirements in accordance with regulatory demands and local context priorities.

The ESG Forum, chaired by the appointed Deputy CEO from the group, acts as the highest governance body for defining and making decisions regarding ESG matters. Meetings of the forum are scheduled on a bimonthly basis.

Furthermore, ALEXBANK's ESG champions are appointed from each department to manage and communicate updates on ESG projects and initiatives within their departments. Monthly meetings of ESG champions occur to discuss ESG topics and updates, serving as an essential tool in our sustainable governance monitoring process.

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 5: Governance and Culture

We will commit to these principles through effective governance and a culture of responsible banking.

### 5.2 Promoting a Culture of Responsible Banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

To enhance staff capabilities, ALEXBANK provides extensive training to all employees to ensure they possess a thorough understanding of current and emerging topics in ESG, sustainability, and sustainable finance.

In 2023, ALEXBANK increased its training budget by 63%, reflecting the Bank's commitment to continuous learning and development across different areas. Additionally, the Bank mandated an ESG awareness training course through its E-Learning platform for that year.

Moreover, ALEXBANK demonstrates its commitment to inclusivity by ensuring that People with Disabilities are incorporated into all training plans.

Retention, Enhancement, Diversity and Inclusion of Our People (p. 137)

### 5.3 Policies and Due Diligence Processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.

ALEXBANK adopts an Environmental and Social Risk Management System (ESRMS) in accordance with the Parent Company's guidelines to embed ESG factors into the Risk Management Framework. This includes adherence to the Parent Company's governance of ESG risks, the Policy concerning the Equator Principles, and ALEXBANK's Sustainable Finance Policy. The integration of ESG factors into the credit lending cycle is outlined in the macroprocesses detailed below.

The ESRMS Macroprocesses consist of the following steps:

- **Identification:** The Bank identifies sectors that are most exposed to environmental and social risks based on sectoral and geographical factors.
- **Assessment:** ALEXBANK assesses the potential negative implications of sectors most exposed to E&S risks within the credit lending cycle. This includes issuing ESG & Reputational Risk Clearing Reports for clients and project finance transactions adhering to the Equator Principles. For exposures above EGP 200 million, the bank seeks an Environmental consultant's opinion in compliance with Central Bank of Egypt requirements. Additionally, the bank evaluates potential positive ESG impacts by applying the Criteria for Classification of Sustainable Products and Lending Transactions, in line with Parent Company guidelines.
- **Monitoring:** The Bank conducts climate stress testing scenarios during its annual ICAAP to identify the effects of physical and transitional risks on the most exposed sectors and their impact on the Bank's portfolio. ALEXBANK also participates in the Parent Company's exercise involving the Climate and Environmental Risk Gap Analysis questionnaire by the European Central Bank. Furthermore, the bank adheres to CBE requirements for reporting sustainable finance activities and is included in the Parent Company's scope for calculating the Green Asset Ratio of the total portfolio, aligned with the European Green Taxonomy requirements.

Governance of ESG Risks (p. 51)

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 5: Governance and Culture

We will commit to these principles through effective governance and a culture of responsible banking.

Please describe what due diligence processes your banks has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

- **Mitigation:** ALEXBANK follows the Parent Company's lead in mitigating and limiting exposure to certain high-risk sectors, such as tobacco manufacturing.
- **Communication:** The Bank communicates its ESG strategy through an ESG Forum established for higher-level management, and through regular ESG Champions meetings with representatives from various business functions to align updates regarding ESG projects and topics internally.

Governance of ESG Risks (p. 51)

### Self-assessment summary:

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

- Yes  
 No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

- Yes  
 No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

- Yes  
 In progress  
 No

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Requirements	Bank's Response and Self-Assessment	Links and references to sections in the 2023 Sustainability Report
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## Principle 6: Transparency and Accountability

We will periodically review our individual and collective implementation of these principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals

### 6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

- Yes
- Partially
- No

If applicable, please include the link or description of the assurance statement.

It is the role of the Assurer (Masader) to ensure that our ESG report complies with the up-dated GRI Universal Standards 2021. In addition, they have conducted a limited assurance engagement on the PRB self-reporting template. This engagement was based on their professional judgment, inquiries, document analysis, recalculations, and other relevant procedures, to gather evidence sufficient for the scope of the assurance.

UNEP-FI Principles of Responsible Banking External Assurance (p. 223)

### 6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other: ....

ALEXBANKs 2023 Sustainability report is prepared in accordance with the GRI Sustainability Reporting Standards and Sustainability Accounting Standards Board (SASB).

ALEXBANK's seventh Sustainability Report is aligned with the Central Bank of Egypt Sustainable Finance Binding Framework issued in November 2022. This framework mandates banks to publish their annual sustainability report starting in 2024, following the GRI standards. ALEXBANK has been compliant with this requirement since 2017, consistently reporting on the bank's Environmental, Social, and Governance (ESG) performance.

About this Report (p. 8)

### 6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly.

In the upcoming years, the Bank will conduct engagement workshops with key clients in corporate and medium enterprise banking. The Bank will collect data on energy efficiency, water efficiency, and waste management to assess our clients' needs. Accordingly, the Bank can offer tailored financing facilities to support our clients' transition toward a circular economy.

Regarding financial inclusion, the Bank will focus on collecting data on the income and gender segmentation of its retail banking portfolio for a more accurate measurement of the baseline. The Bank will also develop an implementation plan to achieve these targets.

8 For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement  
9 For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

# ALEXBANK 2023 PRB SELF-ASSESSMENT REPORT

Reporting and Self-Assessment Re-requirements

Bank's Response and Self-Assessment

Links and references to sections in the 2023 Sustainability Report

## Principle 6: Transparency and Accountability

We will periodically review our individual and collective implementation of these principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals

### 6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months.

- Embedding PRB oversight into governance
- Gaining or maintaining momentum in the bank
- Getting started: where to start and what to focus on in the beginning
- Conducting an impact analysis
- Assessing negative environmental and social impacts
- Choosing the right performance measurement methodology/ies
- Setting targets
- Customer engagement
- Stakeholder engagement
- Data availability
- Data quality
- Access to resources
- Reporting
- Assurance
- Prioritizing actions internally
- Other: ...

If desired, you can elaborate on challenges and how you are tackling these:

# UNEP-FI PRINCIPLES OF RESPONSIBLE BANKING EXTERNAL ASSURANCE

## Introduction and Objectives of the Engagement

To the Board of Directors of ALEXBANK,

Masader was engaged by ALEXBANK to perform limited assurance on four sections within the United Nations Environmental Programme (UNEP) Finance Initiative (FI) Principles for Responsible Banking's (PRB) Reporting and Self-Assessment template (the 'UN PRB Template') for the period ending December 31st, 2023.

## Scope, Subject Matter and Limitations

According to the UNEP FI PRB reporting and self-assessment guidelines, limited assurance is required on selected responses to ALEXBANK's PRB Self-Assessment Template.

The assurance process was subject to the following limitations and exclusions.

- Verifying the data or information provided by ALEXBANK stated in the About the Bank section, and ALEXBANK's CEO & Chairman Letters.
- Appropriateness of definitions and any internal reporting criteria adopted by ALEXBANK for its disclosures.
- Appropriateness of any new commitments and objectives established and communicated by ALEXBANK.
- Content of external websites or documents linked from the Report and ALEXBANK.

We have not been engaged to:

- Verify any statement indicating intention, opinion, belief and/or aspiration of ALEXBANK.
- Determining which, if any, recommendations should be implemented.

ALEXBANK is responsible for the responses provided in the Assured PRB Self-Assessment Template, and for all information provided in this PRB progress Report.

## Methodology

The following procedures and activities were followed to grant limited assurance on ALEXBANK's responses to Self-Assessment Template:

- Determining whether the PRB framework is being applied correctly in relation to the Assured PRB Self-Assessment Responses.
- Assuring that any disclosure of the scope, scale and exposure, and the disclosure of the assessment of priorities and challenges for countries included in the analysis is consistent with the methodology and analysis undertaken.
- Engaging with ALEXBANK employees to explain and clarify the governance structure and relevant reporting procedures used to prepare the Bank high-level summary responses to the PRB Assured Self-Assessment Template.
- Review of process used for data collection and reporting where applicable and/or available.
- Assuring that the disclosure of the methodology/process applied accurately reflects the methodology and steps undertaken by ALEXBANK to conduct the impact analysis.
- Assuring that the disclosure of areas of most significant impact is consistent with the outcome of the impact analysis carried out.
- Assuring that targets set are consistent with the SDGs and country needs and are considered specific, measurable, relevant and time bound.
- Review of ALEXBANK's Sustainability Report 2023 (the 'Report') to ensure it's in line with our overall understanding of the assurance engagement.

# UNEP-FI PRINCIPLES OF RESPONSIBLE BANKING EXTERNAL ASSURANCE

## Conclusion

We have reviewed the selected responses in the PRB Self-Assessment Template of ALEXBANK. Considering the risk of material error, we received all the necessary explanations from the bank to support sufficient evidence for our assurance conclusion. Based on the activities performed and evidence received, in our opinion, ALEXBANK has complied, with all material respects, with the UNEP Finance Initiative's Principles for Responsible Banking framework for the period ended 31 December 2023.

In accordance with the terms of our engagement, this independent assurance statement on the Selected Information has been prepared for ALEXBANK concerning reporting to Intesa Sanpaolo and the Reporting Organization's stakeholders and for no other purpose or in any other context.

For and on behalf of Masader Environmental and Energy Services S.A.E

**Dr. Abdelhamid Beshara,**  
**Founder and Chief Executive Officer**



Masader, Environmental & Energy Services (S.A.E)  
Cairo, March 17th, 2024

*Abdelhamid Beshara*  
**masader**

