



ALEXBANK | بنك الإسكندرية

الإسكندرية

ALEXBANK SUSTAINABILITY REPORT 2020

Keeping Promises
A path towards shared
prosperity and inclusivity

Wall painting in Tunis Village at Fayoum Governorate made by students as part of the beautification project by ALEXBANK

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1.0

INTRODUCTION

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"The Calligrapher" is a project designed to revive the art of calligraphy and restore public appeal towards it in Egypt



ABOUT THIS REPORT

Report Content and Process (102-46)

The ALEXBANK 2020 SUTSAINABILITY REPORT aims to present progress on material topics that matter to ALEXBANK (hereinafter referred to as “the Bank”) and its stakeholders. The report reflects the Bank’s management approach, performance and key initiatives and achievements. It particularly highlights how ALEXBANK has weathered the unprecedented events of this year – its response strategy, activities, and collaborations. The report structure and content are based on the outcomes of materiality assessment and stakeholder engagement. The material topics covered in the report align with the Intesa Sanpaolo Group materiality approach while reflecting specific ALEXBANK context. All of the Bank’s departments and teams have contributed to the content of this report. The final draft of this report has been approved by the ALEXBANK Board of Directors and Intesa Sanpaolo Group. Masader, Corporate Sustainability Consulting Firm (S.A.E.) has provided a limited assurance statement on the content of this report.

Reporting Period and Scope (102-50, 51, 52)

This report covers the fiscal year 2020 (from January 1st to December 31st, 2020). Any efforts described outside this period are indicated in the respective sections. The provided data is limited to information for facilities owned and operated by ALEXBANK unless stated otherwise. This is ALEXBANK’s fourth consecutive sustainability report, with each of the previous reports covering years of 2017, 2018, and 2019 accessible from its website [Publications section](#) and [GRI Sustainability Disclosure Database](#).

Alignment and Reporting Principles (101, 102-54)

This report has been prepared in accordance with the GRI Standards: Core option and features GRI cross-indexing to facilitate finding relevant information. ALEXBANK has followed Intesa Sanpaolo Group guidelines and the GRI standards on defining report content (stakeholder inclusiveness, sustainability context, materiality, and completeness) and quality (accuracy, balance, clarity, comparability, reliability, and timeliness). Furthermore, Egypt’s vision 2030, United Nations Global Compact (UNGC) and the UN Sustainable Development Goals frameworks were also applied.





Yellow flower field in Dakhla Oasis. Photo from Ahmed Hayman for ALEXBANK's 2018 Sustainability Report

Disclaimer (102-3)

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Ziad BAhaa El-Din,
Chairperson



Dante Campioni,
Chief Executive Officer
and Managing Director

CEO AND CHAIRPERSON LETTER

(102-14)

ALEXBANK's vision towards a solid governance model is refined under a commitment to responsible and inclusive business principles. This report is based on the most comprehensive materiality assessment to date, stakeholders' feedback, and meticulous benchmarking – a foray into values that made the journey possible. The Bank continues to reinforce its transparent reporting pledge with the fourth sustainability report, issued to reflect a critical one-of-a-kind year in the history of Humanity.

A year of profound challenges, it has also been, particularly in Egypt, one of persistence, solidarity, and despite everything, of continued growth. Throughout 2020 ALEXBANK has remained committed to its strong foundation and values built over the years, preserving its legacy, mission and purpose.

The Bank's **glocal** background (a mix of a global and local identity) is an indispensable feature of its DNA, providing room to affirm the best international practices adapting them to the local reality, context and requirements. ALEXBANK seeks to combine an innovative mindset, a genuine commitment to an inclusive business and a sustainable model, bringing together an ambitious global vision with meaningful local impact.

Alongside the advanced directives from its Parent Company of putting people first and the strong alignment with authorities and all collective efforts echoed across the local market, ALEXBANK has responded effectively and efficiently to the crisis since the Global Pandemic.

started emerging. The first and utmost priority was to direct protective measures towards key stakeholders, including employees, customers and the community. The Bank's people showed immense efforts, a sense of responsibility and loyalty, and guaranteed the continuity of the bank's services with care and attention for all customers and partners.

ALEXBANK was among the fastest banks in Egypt to introduce smart working solutions for the HQ personnel, putting people and their families first, keeping HR Care Programs evolving. Streamlining innovation and rigorous measures were introduced across the branches to contain the exposure to the possible infection, trying to keep personnel and customers healthy and safe. The "Crisis Governance Committee", activated in March 2020, held monitoring the situation adapting the measures introduced to the emerging and changing needs.

Since early 2020, ALEXBANK further accelerated the digital transformation to respond to the changing needs and customers' expectations and support the national directions towards a cashless society. The bank recorded a remarkable growth of its digital customer base, to which it strived to offer an enhanced customer experience. In this context, the Bank's strategy has been to serve closely and with renewed efforts, the needs of the "real" economy focusing specifically on increasing its lending to productive MSMEs, thus further affirming its commitment to foster a culture of a responsible and impactful business. **"Listen, act and communicate"** has been the bank's approach all across 2020, both internally and externally.

Community investments in 2020 were boosted to cover a vast array of new partnerships that have consequently strengthened the priorities in line with the bank's CSR and Sustainable Development Strategy, based on the bank's 2018-2021 business plan. Today, the networks of impact comprise more than 60 partners from local to global.

As COVID-19 has underscored the weight of the human-centric approach, the continued pursuits in financial inclusion and women empowerment have proven timely, and the Bank continues to enhance gender diversity ratios. The launch of Ghalya (meaning precious in Arabic) at the Women Economic Forum 2020 marked another milestone in promoting a more inclusive and diverse society, the benefits of which are also increasingly understood by the business community.

Reflecting its commitment also to environmental themes, ALEXBANK has also moved forward with a supply chain localization and optimization, embedding the demand of tight adherence to sound business and environmental practices to its suppliers.

The growing interest in ALEXBANK's performance by its stakeholders highlights that communication and trust are

essential assets in a shared journey towards sustainability. As part of Intesa Sanpaolo Group, which has adopted a holistic approach to ESG (Environmental, Social, Governance) integration, ALEXBANK has sustained compliance to the Equator Principles and corporate governance principles by applying Group policies throughout the year, providing a robust foundation for action on sustainability.

In 2019, ALEXBANK also became a signatory of the UN Environment Programme Finance Initiative' and founding signatory of the Principles for Responsible Banking, supporting the transformation of the financial system towards sustainability. This report summarizes the Bank's progress aligning with core global frameworks, such as GRI standards, UNGC principles, and Sustainable Development Goals.

ALEXBANK keeps carefully exploring new horizons of sustainable investments and finance, regulatory developments and voluntary frameworks to anticipate what the future might bring. Looking beyond the present moment, the Bank aims at ensuring that ESG principles and financial performance keep going hand in hand, year after year, forging a sustainable path towards a better future. This report aims to present a fair, complete, and accurate reflection of the Bank's 2020 non-economic performance on what matters to its stakeholders and business success in an accessible and insightful manner. In the following years, ALEXBANK aims to continue progressing on sustainability, impact and shared benefits.

Sincerely yours,



Dante Campioni,
Chief Executive Officer
and Managing Director

Ziad Bahaa El-Din,
Chairperson



TRIBUTE TO OUR PEOPLE

At ALEXBANK, people have always been at the core of its success. Their engaged response has been crucial to continuing the Bank's operations when COVID-19 pandemic came about. Taken by surprise, the Bank's employees showed commitment to values, perceptive thinking, agility, and ingenuity. They stood up as a team to ensure comprehensive, coherent, and practical action.

The Bank's silent heroes allowed it to stand as a community shield. As the pandemic spread, ALEXBANK employees dedicated their time and expertise to harnessing the challenges, building resilience, and driving digital innovation. The Bank's response priorities have been to: sustain, protect, support, learn and evolve.

Its teams focused on **sustaining and enhancing business operations**, consistently implementing a three-stage Business Continuity Plan, which outlines the roles and responsibilities of various functions to facilitate ALEXBANK's ongoing success.

The challenge required interconnected efforts by multiple departments. The Compliance Department swiftly aligned to new regulations by the Central Bank of Egypt (CBE), developing a training program to keep employees informed of ongoing changes. The Legal team oversaw the changes in the Bank's business operations and created new guidelines to address the changing workflows, and the Internal Audit team had to rethink its operations from the ground up. Those initial efforts have set the foundation for changes that followed up.

Employee and customer safety were a primary concern. The Bank's business is rooted in human relations and connectivity, elements of societal life that have been hit particularly hard by the virus. ALEXBANK has implemented safety procedures to decrease infections based on the lessons shared by Intesa Sanpaolo Group. The Health, Safety and Environment (HSE) Office distributed safety tips on Personal Protective Equipment (PPE) use, provided COVID-19 FAQs to keep everyone and their families safe.

COVID-19 spread was added to the Bank's risk management framework, with the Business Continuity Management office and HR responsible for mitigation efforts. ALEXBANK's response aimed to preserve everyday operations and customer interactions while minimizing exposure and safeguarding everyone against risks.

Together we will keep spreading the wealth, supporting financial inclusion, and creating a shared value together for all.

Facilities Management increased their cleaning and sanitation procedures, using nanotechnology to eliminate viruses throughout the Bank's buildings. Further, over 100 security officers were hired to organize customer interaction and follow social distancing protocols of two meters. The Bank's employees have performed multiple iterative and routine tasks to ensure the implementation of the necessary guidelines and procedures.

Despite all the efforts, the impact of the pandemic had its course, with some of the Bank's employees being infected throughout the first and second waves. Following strict routines, PCR Tests were conducted for all suspected COVID-19 cases at zero expenses for employees.

In addition, for all confirmed cases, People Management Network kept in touch with infected people, and necessary medications were sent to them. When it was clear that COVID-19 was persisting, **accelerating the digital transformation** became an immediate priority.

Digital operations quickly came into force using secure services to support ALEXBANK customers with at-home and hybrid work models. Current infrastructure applications and systems were optimized to support the growth of the digital workplace demands and remain protected against rising cybersecurity threats. This happened along with the rapid expansion of mobile banking amid increasing demand.

Smart Working helped the Bank's employees stay safe at home and the office. Foremost, employees with chronic diseases were asked to work from home to ensure their safety. The Bank also provided opportunities to work from home for all employees whenever it was technically possible.



Investing in our employees is an essential component to our collective success

ALEXBANK was one of the first banks in Egypt to adopt this concept, operational since March 22nd, 2020, before the issuance of local government mandates. The ICT team ensured that staff members had the tools and support they needed to work from home or the Office and continue serving the Bank's customers. To support employees working from home, laptops were deployed and quickly put in secure communication channels. Over the course of 2020, 1,163 employees participated in the Smart Working program, including over 72% of the Head Office staff.

In this new working environment, when some felt isolated and others needed to wear masks daily, engaging people was essential. It started with a comprehensive "Your health and safety are our number one priority" COVID-19 employee guide and specific measures to cherish humanity such as asking employees to add their cover photos within internal communication tools and moving usual events to an online format.

The Bank's Internal Communication team continuously informed employees about the impact of the pandemic on the company and ALEXBANK's responses to them. Multiple announcements have been distributed internally regarding COVID-19, and ALEXBANK People Management Network contacted employees at different stages of their work from home experience. In-house tools like Digital Coach Series helped keep employees motivated, stay safe, efficient, and well.

Digital internships were provided to 200 college students, allowing them to see future possibilities in their careers amid the lockdown. Further, all new hires had an opportunity to undergo the first virtual onboarding. When partial return to work has become possible in September, the Bank has prepared dedicated guidelines in this regard.

To support customers under disruptions to their lives and business operations, ALEXBANK engaged with them via telephone and implemented a credit moratorium. This approach allowed the Bank to ensure continuous customer access to cash and smooth business operations. Further, thanks to ALEXBANK's vast partnership network, it has expanded **collaborations for social impact**, including supporting educational opportunities, providing food, disaster relief, improving healthcare, cherishing culture and arts, and bridging the gender gap. Response to COVID-19 was a joint achievement of all employees who continued serving customers with excellence and care.

ALEXBANK expresses deep respect, admiration, and gratitude to everyone who has made the past year possible. Together the Bank and its people will keep spreading the wealth, supporting financial inclusion, and creating a shared value for all.





2.0

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Handcrafters beautifully crafting ALEXBANK's Ramadan Bags, "Ashry"

ABOUT THE BANK

OVERVIEW (102-1,5)

Established in 1957, today, ALEXBANK is one of Egypt's leading private sector banks and performing under the provisions of the Central Bank of Egypt (CBE) and Monetary Law No. 194/2020. The Bank has been a subsidiary of the Intesa Sanpaolo Group since 2007, with its shares reaching 80 % by 2020. ALEXBANK owns one of the largest private-sector branch networks with 174 branches and four offices across Egypt. Located in every major Egyptian governorate the Bank plays a significant role in Egypt's economic development.

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

MISSION

Dedication, energy, responsibility, and a culture of innovation drive the vision for a successful bank that makes a positive social impact and creates a shared value for all stakeholders.

ALEXBANK is committed to supporting sustainable economic development while ensuring its business grows consistently and responsibly, benefiting those it directly serves and promoting the wellbeing of its employees to build a thriving society and sustainable economy in Egypt while safeguarding the planet amid environmental change.



***178**
**BRANCHES
AND OFFICES
ACROSS
EGYPT**



4200+
PEOPLE



1.6M
CUSTOMERS

* This refers to the numbers of branches at the end of 2020.
As of the date this report was published, the number of branches has grown in 2021.



Supported by the strong values of Intesa Sanpaolo Group, active across more than 40 countries worldwide, ALEXBANK is responsible to both its stakeholders and the communities where it operates. The Bank's commitment to Creating Shared Value (CSV) is ingrained in its culture, helping it grow stronger by practicing sound business principles. In support of Egypt's vision 2030 and the Sustainable Development Goals (SDGs), ALEXBANK aims to balance economic growth, social development, and environmental protection. The Bank's mission drives collaboration with financial and business sectors, governments, employees, and civil society to create a sustainable future.



Today, ALEXBANK focuses on solving some of the country's most complex challenges. The Bank works closely with small and medium-sized businesses to ensure they have the education and tools to grow their business while supporting established companies with advanced products and services. It combines large-scale operations with profound local roots and broad vision without losing sight of individuals.



ALEXBANK buildings provide spacious interiors for employees

**ALEXBANK VALUES
REFLECT ITS IDENTITY
AND HELP THE BANK
STAY COMMITTED
TO ITS PROMISES,
WHILE EVOLVING
AS A FINANCIAL
INSTITUTION AND
PROACTIVELY
RESPONDING TO
EXTERNAL CHANGES.**



VALUES (102-16)



INTEGRITY

The Bank pursues its goals with honesty, fairness, and responsibility in the full and true respect of the rules and professional ethics in the spirit of signed agreements.



EXCELLENCE

The Bank sets itself the target of continuous improvement, farsightedness, anticipating challenges, cultivating extensive creativity aimed at innovation, and recognizing and rewarding merits.



TRANSPARENCY

The Bank is committed to making transparency the basis of its actions, advertising, and contracts in order to allow all its stakeholders to make independent and informed decisions.



RESPECT FOR SPECIFIC QUALITIES

The Bank's intention is to combine large-scale operations with profound local roots and be a bank with a broad vision without losing sight of individuals.



RESPONSIBILITY IN THE USE OF RESOURCES

The Bank aims to use all its resources attentively, promote behavior based on the best use of resources and the avoidance of waste and ostentation, and gives priority to choices that take sustainability into account.



EQUALITY

The Bank is committed to eliminating all forms of discrimination from its conduct and to respect differences in sex, age, race, religion, political and union persuasions, language or disability.



VALUES OF THE INDIVIDUAL

The value of each single person is a guide for the Bank's routine, which adopts listening and dialogue as tools for continuously improving its relationship with all its stakeholders.



STRATEGIC GOALS (102-6)

ALEXBANK's digital infrastructure, new developments in the fintech ecosystem, and big data capacities enable deep insight into the market dynamics and offer innovative solutions that help spread the wealth in society. The Bank keeps enhancing its customer experience, increasing transaction efficiency, and streamlining access to funds.

Amid innovation, ALEXBANK remains mindful of those it serves, aiming to be a trusted partner to its customers by offering inclusive financial services that empower impactful and sustainable growth. The Bank secures individual savings and helps its customers make easy purchases, from ordinary transactions to purchasing at home, improving the quality of their lives. ALEXBANK advises individuals about the best ways to invest for future needs, including their children's education and retirement services.

Support provided to customers helps them leverage opportunities via working capital and payroll to export their merchandise. By loaning to small and medium enterprises, the Bank supports them in developing their businesses, resulting in a growth of the national economy. ALEXBANK strategic goals have remained the same throughout 2020, reflecting the [Intesa Sanpaolo Group 2018-2021 Business Plan](#) and the Bank's operational context.



The Bank's strategic goals have remained the same throughout 2020, reflecting the ISP 2018-2021 Business Plan and ALEXBANK's operational context.



ALEXBANK goals are expected to keep evolving in line with the Intesa Sanpaolo Group strategy, market development and national priorities. Find out more in the Way forward section of this report.

Find out more in the [Way Forward](#) section of this report.

LINES OF BUSINESS (102-2,6)

ALEXBANK provides value-added financial products, services and solutions to Retail, Small Business, Medium and Corporate Enterprises, including current and savings accounts, loans, deposits, credit cards, credit facilities, financial derivatives, lifestyle, remittances and insurance products and digital services. The Bank also handles company mergers, investment purchases, company restructuring financing, treasury management, and financial instruments. Its main lines of business are outlined below.



The Bank offers modern and convenient finance to its retail and private customers, exclusive Magnifica services, and solutions for young people.



The Bank provides financial solutions for Micro, small and medium-sized businesses that improve cash flow and acquire new assets. It is currently expanding its focus on small companies and helping them implement sustainable and competitive innovations.



Domestic Corporate Banking:

Offering high-quality and sophisticated credit assessment to fit the needs of different corporations working in diversified sectors, including, Real Estate, Building Materials, Tourism, Consumer Durables, Transportation, Automotive, and Packing, Food and Beverage, Power, Non-Bank Financial Institutions, Media and Telecom, Pharmaceuticals, Chemicals and Plastic, Fertilizers and Textiles.

Investment Banking:

Helping firms to initiate, finance, and complete complex transactions, providing custom solutions and advice by industry.

Financial Institutions:

Managing relationships with global financial institutions to grow trade business and capitalize Intesa Sanpaolo Group's international presence to grow ALEXBANK's capabilities.

Multinational Corporate Banking:

Serving global companies, with a specific focus on Italian corporations.

Global Transaction Banking:

Focusing on cash management and trade finance, ALEXBANK supports clients by capitalizing on speed, efficiency, security, and connectivity.





2020 SNAPSHOTS

Last year challenged the foundations of our society, yet ALEXBANK did not step back from its promises. The Bank's solid governance model and proactive approach allowed it to stay on firm ground and address evolving stakeholder preferences and client needs. Alignment with the Intesa Sanpaolo Group vision, orderly distribution of functions, healthy corporate culture, a sense of community, and trustful partnerships have proven the cornerstones of rapid and tailored response.

ALEXBANK values its deep roots and lasting legacy while striving to be a dynamic institution that embraces the challenges and opportunities of our time. ALEXBANK team has learned a lot from the COVID-19 crisis and continues innovating as the world changes around us. The Bank is ready to face the future, committed to creating an inclusive, prosperous and sustainable world. its uncertainties, committed to creating an inclusive, prosperous and sustainable world.

PERFORMANCE HIGHLIGHTS

This year, ALEXBANK has seen significant changes in its performance in multiple respects while learning to realign its systems and adapt to the new context rapidly



GOVERNANCE

- 1:3 female/male ratio within the Board
- 58 partners
- 1,613,833 customers
- 280 vendors
- CBE consumer protection pre-compliance: 100/108 points
- 115 onsite and remote internal control visits
- 106% completion of the planned branches monitoring visits by the Compliance Department
- +1,163 employees provided with all necessary tools to work from home



PROSPERITY

- Net loans portfolio up by 14.74% to EGP 47.96 Billion
- Customer deposits down by 2.79% to EGP 85.01 Billion
- Net interest income up by 0.20% to EGP 6,023 Million
- Net Profit before income tax down by 28.49% to reach EGP 3,178 Million.
- Net profit for the year down by 25.58% to record EGP 2,485 Million
- Cost to income ratio: 44.4% in 2020 vs. 39.3% in 2019
- Capital Adequacy ratio increased to: 20.92% in 2020 vs. 18.92% in 2019.
- Earnings per share down by 26.4%: EGP 5.53 per share
- CSR direct beneficiaries: 64,250
- CSR budget: EGP 32 million
- Agribusiness in total loans of Small Business' Portfolio : 18% in 2020 compared to 10% in 2018
- 40% growth in digital customer base considering the Total Contracted Digital (Internet banking and Mobile Banking) customers as of Dec-19 vs Dec-20
- Ebda3 men Masr: 5,300 artisans online



PEOPLE

- Total employees: 4274
- New employees: 378
- Employees: 1 : 2.84 female to male ratio
- 14.81% women in management positions
- 106,109 hours of training
- 3,468 staff trained
- 81.1% of staff trained from total employees
- 200 summer interns
- 30.6 hours of training/employee
- Total Injuries in a year during working hours: 0
- Payslip automation over Oracle self-service to all employees.
- Installed thermal cameras as a COVID-19 measure



PLANET

- 102.16 tons of shredded paper recycled
- 81 personal computers and monitors reused
- 80% recycled and recyclable products at events
- 7% reduction in energy consumption as compared to 2019
- 32% reduced lighting consumption as compared to 2019
- 13% reduction in water consumption as compared to 2019
- Direct (Scope 1) Greenhouse Gas (GHG) emissions: 71.1 mtCO₂e
- Energy Indirect (Scope 2) GHG emissions: 8,056.5 mtCO₂e
- Other Indirect (Scope 3) GHG emissions: 4,015.87 mtCO₂e

COVID-19: MANAGING THE CRISIS WITH COMPASSION AND AGILITY

The COVID-19 pandemic challenged the foundations of our society, yet it also proved a sobering call for everyone to reflect on what matters.

ALEXBANK has responded to the crisis with a resilient strategy built upon its values, priorities, and commitments. ISP GROUP guidelines, alignment with authorities, close interaction with employees and customers, and careful monitoring of needs helped us create effective and timely solutions that kept people healthy and safe while supporting the Egyptian economy.



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GOVERNORATES COVERED BY RESPONSE AND RELIEF

11.5M

EGP PROVIDED IN RESPONSE TO THE COVID CRISIS

86K

BENEFICIARIES OF TAILORED INITIATIVES

Learn more about ALEXBANK's action on COVID-19 via the extended report "[UNITED IN TIMES OF CRISIS: ALEXBANK's Measures In Response To COVID-19](#)".

2020 KEY INITIATIVES

The ALEXBANK team has actively shared its activities across various channels throughout the past year, and below are some of the key initiatives that shaped this year.



WEF - Laila Hosni, Head of CSR and Sustainable Development Office, gives a speech during the Women Economic Forum

Ghalya 's (ALEXBANK Women Empowerment Platform) Launch

ALEXBANK launched Ghalya to empower women across fields of education, health, entrepreneurship, and creative economy. Initiatives that broaden women's opportunities to participate in economic and social life meaningfully are essential for greater gender equality, Financial Inclusion, and true prosperity. Laila Hosny, Head of CSR and Sustainable Development Office, has been recognized among 30 success stories of women making an impact in Egypt at the Women Economic Forum.



Diarna 2020 was designed to symbolize the beauty of Aswan and Egyptian heritage

ALEXBANK is a strategic partner to Diarna Handicrafts Exhibition

ALEXBANK participated as a strategic partner in the [Diarna Handicrafts Exhibition](#) which solidified its position as a strategic partner of the Ministry of Social Solidarity in CSV and the handicrafts sector. Learn more about [Ebda3 Men Masr](#).

38	1	500 Female Artisans
SECURED HITS	PRINT OUTLETS CLIPPINGS	NUMBER OF BENEFICIARIES



29	6
SOCIAL MEDIA HITS	NEWS WEBSITE HITS

Advertising Value Equivalency : EGP 585,154
Earned Media Value: EGP 2,048,037

38	10	28	400
SECURED HITS	PRINT OUTLETS CLIPPINGS	NEWS WEBSITE HITS	NUMBER OF BENEFICIARIES

Advertising Value Equivalency : EGP 388,353
Earned Media Value: EGP 1,359,235

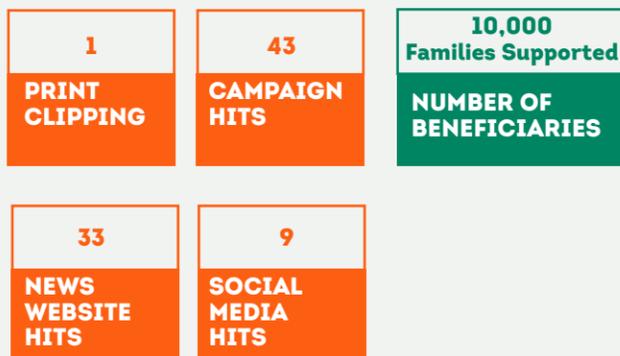
2020 KEY INITIATIVES



An internal announcement was sent to ALEXBANK employees to

“Tahady El Kheir” with Egyptian Food Bank

The viral challenge engaged private sector companies in competition to support families whose daily income was affected due to the COVID-19 lockdown.



Advertising Value Equivalency: EGP 273,171
Earned Media Value: EGP 956,098



Eng. Samih Sawiris Board Member and Eng. Noura Selim Executive Director of Sawiris Foundation

ALEXBANK x El Gouna Film Festival

To support the arts, the creative economy, and handicrafts sector, ALEXBANK participated in the 4th annual Gouna Film Festival and provided an opportunity to showcase Egyptian heritage.



Supporting SMEs' access to credit fuels the growth of the Egyptian economy

Business Club Academy

The academy provides dedicated training for SMEs on a wide range of topics and skills essential to succeed in the rapidly evolving economy. Partners: European Bank for Reconstruction and Development (EBRD), Egyptian Banking Institute (EBI). [Learn more](#)



Advertising Value Equivalency: EGP 802,208
Earned Media Value: EGP 2,807,729

2020 KEY INITIATIVES



Gifted children with disabilities attend the "Awladna Forum for the Arts of the Gifted" along with famous artists like Anoushka.

The 4th Annual International Awladna Forum

ALEXBANK participated in the 4th annual international Awladna Forum for the Arts of the Gifted as a strategic partner. Supporting talented children is crucial to a dynamic creative economy in Egypt.



A yoga session bringing people together for Yes Yoga Day looking towards the Great Pyramids

Yes Yoga Day: Say Yes to No Violence

ALEXBANK hosted a day-long festival called "Yes Yoga Day" under the slogan "Say Yes to No Violence" to mark the International Day for the Elimination of Violence Against Women, commemorating women and raising awareness on women-centric issues underlined in Egypt. The proceeds, which resulted in approximately EGP 70,000, were directed to the "Combating Early Marriage in Manial Shiha" project to combat early marriage for women and girls by improving their medical, educational, psychological and social conditions.

72	6	66
SECURED HITS	PRINT OUTLETS CLIPPINGS	NEWS WEBSITE HITS

600	70K
WOMEN AND GIRLS	EGP RAISED IN PROCEEDS



3.0

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A talented artisan displaying his pottery craft during the Tunis Village Festival in 2019.

STAKEHOLDERS AND MATERIALITY

Every journey starts with a question on the path to be taken. During 2020 ALEXBANK reflected on what matters to it as a financial institution, people, and stakeholders.

DEFINING WHAT MATTERS

(102-42, 46)

The past year has marked ALEXBANK's most comprehensive materiality assessment to date. Material topics have been clearly defined, aligned with the global developments, and are considered robust in rapidly changing circumstances. This section presents the Bank's materiality methodology, process, and outcomes.

ALEXBANK materiality assessment methodology has been developed in line with Intesa Sanpaolo Group guidelines and GRI Sustainability Reporting Standards. It includes six distinct stages, each featuring a specific outcome that provides the baseline for the next stage.

The materiality assessment has been conducted using a **double materiality lens** to reflect the intersection of stakeholder expectations and what matters to the Bank's business success, helping identify ESG-related risks and opportunities on the performance, impact, development and position of ALEXBANK.



Details of those phases are below:

1 | IDENTIFICATION

The materiality process started by creating a long list of issues based on ESG benchmarks and ratings, ALEXBANK context and official documents, sectoral trends, authoritative reports, and peer analysis. This was followed by the initial filtering of issues, going from 100 identified issues to 36 broad issues, which were further grouped into 25 prospective topics based on how unique or different they were and whether the bank's activities were either directly or indirectly related to the topic (as impact or exposure). Those topics were clustered into four pillars (Governance, People, Prosperity, and Planet), drawing upon the recent [World Economic Forum](#) on ESG frameworks alignment.

2 | OUTREACH (102-40)

A stakeholder analysis was used to identify relevant groups and create a stakeholder engagement plan. ALEXBANK's key impacts and engagements in 2020 allowed selecting key groups for consultation: Employees, NGOs, Government authorities and Foreign Entities, International Organizations, Social Enterprises, SMEs, Suppliers, Consultants and Customers. Individual interviews were conducted by an independent consultant with select representatives of internal (C-suite, Departments) and external stakeholder groups to obtain their feedback and gather qualitative insights.

Representatives of external stakeholders and ALEXBANK departments were further invited to participate in the survey and rate each of the 25 topics from "not important at all" to "extremely important". A database with initial scores was created, and interview results were recorded and transcribed based on the responses.

3 | PRIORITIZATION

3.1. Survey responses were analyzed to arrive at initial rankings of the topics on the x-axis (Impact on ALEXBANK business success) and y-axis (Importance to Stakeholders). Internal stakeholder perspectives (ALEXBANK Divisions and C-suite) were factored into the x-axis, while all other stakeholders to the y-axis.

3.2. To combine qualitative and quantitative results, qualitative results were interpreted and weights were used to determine their impact on the overall score.

3.3. The topics were further refined, considering material topics from [previous sustainability report \(p.13\)](#) to maintain continuity and the group-level material topics from the [Intesa Sanpaolo Consolidated Non-Financial Statement 2020 \(p. 47\)](#) to facilitate alignment. The extra weight was given to topics with greater continuity and alignment, while some were renamed or merged. Further, the topics have been discussed by the Bank's teams, leading to a consolidated list of 14 prioritized material topics.



Environmental stewardship is increasingly becoming a significant topic for ALEXBANK and its stakeholders. Photo by Mohamed El Gendy for ALEXBANK's 2019 Sustainability Report

4 | VALIDATION

No further calibration was considered necessary due to the absence of extra-significant events that could lead to changes in materiality during the reporting period. The matrix has been further verified against internal priorities, GRI principles and approved by senior management of ALEXBANK. The discussion has been limited to events during the reporting period or later reports on those events.

5 | INTEGRATION

Topic boundaries were clarified based on the value chain and geographical locations. The topics were further matched with specific GRI standards and disclosures, Egypt's 2030 vision and respective SDGs. The material topics were used to define core chapters and sections of this report.

6 | APPLICATION

This report includes both the materiality assessment and results of disclosures per each material topic in line with applicable frameworks. Insights gained through the process are to be used to improve future materiality assessments.

DURING 2020 THERE HAS BEEN A SIGNIFICANT EVOLUTION OF THE BANK'S MATERIAL TOPICS WHILE SUSTAINING ITS BROADER COMMITMENTS.

EVOLVING TOPICS (102-48, 49)

The distribution of priorities across four-pillar presents ALEXBANK's clear focus on Governance, People, Planet, and Prosperity, while the Bank is also gradually exploring the significance of the Planet pillar.

Since the previous year, five topics remained unchanged: Integrity in Corporate Conduct, Digitalization and Accessibility, Agribusiness (defined at the intersection of two pillars), Community Development and Empowerment, and Sustainable Investment. The new material topics of the year 2020 represent the effort for capturing greater the breadth of impacts better while more clearly articulating what matters to ALEXBANK and its stakeholders.

Business Efficiency and Continuity, Economic Performance and Market Presence, Company Value and Solidity have been merged into a single topic framed as Business Performance and Market Presence. The shift allowed for a more explicit representation of different focal points of ALEXBANK Annual and Sustainability reports.

Sustainable and Responsible Procurement and Direct Environmental Impacts have been merged into a single topic framed as Environmental Stewardship. The move towards stewardship represents the aim to grasp better impacts and

the diversity of ways to address them. The Bank expects future changes in the materiality of this topic to resonate with the dynamics of environmental change.

Workplace Diversity and Inclusion and Training and Development have been consolidated into a single topic titled Retention, Enhancement, Diversity, and Inclusion of the Bank's People to better align with the Intesa Sanpaolo group stance.

One of the past year's topics, Financial Inclusion and Purposeful Lending, has been split into Financial Inclusion and Literacy and Responsible and Purposeful Lending to grasp the specifics of each area's impacts. In light of the COVID-19 crisis, the Bank has also focused on Corporate Governance and Risk Management and Quality of Service and Customer Experience, significantly strengthening the Governance pillar and improving further alignment with Intesa Sanpaolo Group.

The rise of digitalization and concern over the social implications of COVID-19 created the need to refine the understanding of two other topics. ALEXBANK has made a shift from Privacy and Security to Data Management and Cybersecurity, and from Customer and Employee Health and Safety to a broader topic of Wellbeing, Health and Safety.



A panel discussion during Yes Yoga Day: Say Yes to No Violence Event exchanging insights on women empowerment

ALEXBANK'S MATERIAL TOPICS FOR THE YEAR 2020 (102-46, 47)

• Financial Inclusion and Literacy

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.

• Community Development and Empowerment

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.

• Sustainable Investment

The Bank's approach to sustainable investment has a double-fold aim of preventing negative impacts while addressing significant sustainability challenges through the Bank's priorities and strategic investment decisions.

• Retention, Enhancement, Diversity, and Inclusion of the Bank's People

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 flexibly and responsibly enter the future of work. 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.

• Wellbeing, Health and Safety

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 over the years, gaining new momentum in 2020.

• Environmental Stewardship

ALEXBANK 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.

• Quality of Service and Customer Experience

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.

• Digitalization and Accessibility

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.

• Data Management and Cybersecurity

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.

• Corporate Governance and Risk Management

Optimizing mechanisms and procedures, including internal controls, reporting, decision-making approach, strategy, metrics and targets, board oversight, and ensuring practical, proactive, and comprehensive risk management. ALEXBANK applies a robust set of risk management policies, mechanisms, and procedures to foresee and mitigate business risks.

• Agribusiness

Loaning 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.

• Responsible and Purposeful Lending

The Bank's lending aims to foster customer alignment with sustainability imperatives while ensuring improved access to finance by youth, women, and creative entrepreneurs.

• Business Performance and Market Presence

Solid business performance and market presence are essential for the Bank's existence as a financial institution, investment in the national economy, and expanding the world of real possibilities for all.

• Integrity in Corporate Conduct

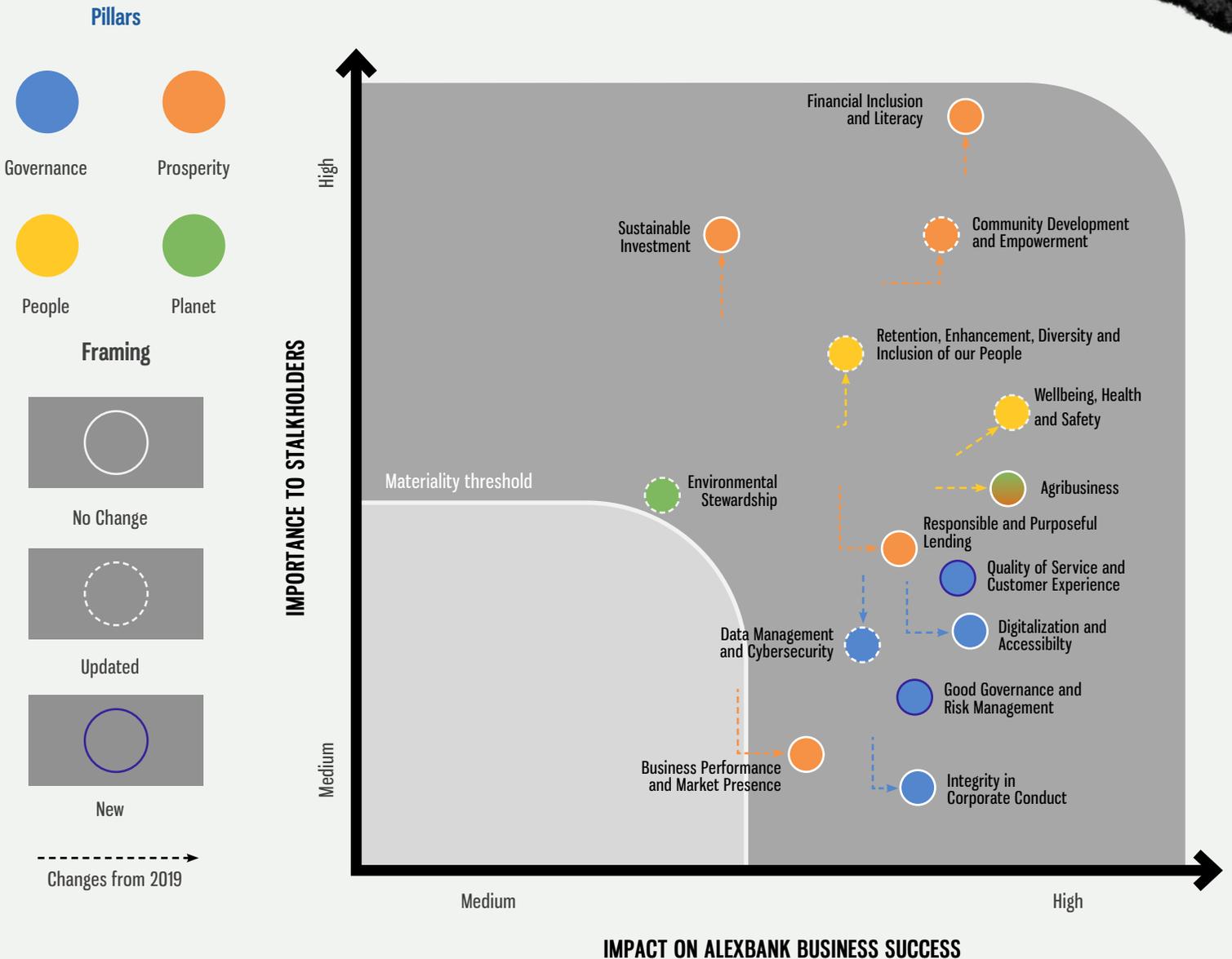
Values, principles, standards, and norms; how they are promoted and upheld within the Bank's global operations, business partners, and suppliers. This also includes a commitment to transparency and accountability.

Top Material Topics	Material Topics in 2019	Material Topics in 2020
No Change	Integrity in Corporate Conduct	Integrity in Corporate Conduct
	Digitalization and Accessibility	Digitalization and Accessibility
	Agribusiness	Agribusiness
	Community Development and Empowerment	Community Development and Empowerment
	Sustainable Investment	Sustainable Investment
Updated Topics	Privacy and Security	Data Management and Cybersecurity
	Financial Inclusion and Purposeful Lending	Financial Inclusion and Literacy
	Business Efficiency and Continuity	Responsible and Purposeful Lending
	Economic Performance and Market Presence	Business Performance and Market Presence
	Company Value and Solidity	
	Workplace Diversity and Inclusion	Retention, Enhancement, Diversity and Inclusion of our People
	Training and Development	
	Customer and Employee Health and Safety	Wellbeing, Health and Safety
	Direct Environmental Impacts	Environmental Stewardship
	Sustainable and Responsible Procurement	
New Topics	-	Good Governance and Risk Management
	-	Quality of Service and Customer Experience

MATERIALITY MATRIX (102-44)

ALEXBANK's materiality matrix has been created to represent several patterns and trends visually. Many of the assessed issues have been excluded from the matrix, and thus it presents only material topics that have medium-to-high significance to ALEXBANK and its stakeholders.

THE MATRIX REFLECTS THE BANK'S UNDERSTANDING OF THE IMPORTANCE OF EACH TOPIC TO ALEXBANK'S STAKEHOLDERS AND THE IMPACT ON ITS BUSINESS.



STAKEHOLDER ENGAGEMENT

(102-21, 40, 43)

In 2020 ALEXBANK focused on its connections and how they can lead to positive outcomes beyond the capacities of any single actor. Inquiry, care, and humility have been at the heart of the Bank's stakeholder engagement.

Stakeholders have provided valuable perspectives and helped ALEXBANK make the right decisions throughout the year.

ALEXBANK stakeholders are defined as groups or individuals that the Bank affects through its activities or products and services, affecting its ability to achieve its goals. The Bank is thoughtful and responsible in identifying partners, causes, and initiatives to implement projects that increase and positively impact the Bank's focus areas.

The Bank's stakeholders include customers, communities, industry peers, local and national government agencies, and international institutions, which all play a part in the business decisions. Continuous and regular stakeholder engagement takes place to identify, classify and assign priorities to relevant material topics, better identify and mitigate emerging risks, and harness new opportunities for ALEXBANK to create value for all stakeholders.

By proactively and responsibly consulting, engaging and partnering with relevant stakeholders to achieve society's goals, align with Principle 4 of the Principles for Responsible Banking to which ALEXBANK is a signatory. The Bank's stakeholder engagement process is carried out via an iterative process of mapping and prioritizing stakeholders, identifying issues and acting on them, which repeats for every stakeholder group in a tailored manner and feeds into the materiality process. This process has been designed considering materiality and stakeholder engagement approaches at the Intesa Sanpaolo Group level.

In times of COVID-19, ALEXBANK continued to engage with each of these stakeholders via live events that could take place and using platforms for two-way communication and gathering feedback. Stakeholder engagement was used to facilitate learning from experience and incorporating new perspectives on complex social and economic issues. In 2020 stakeholders raised several common issues such as response to COVID-19 and business resilience. Issues raised by several stakeholder groups are presented.



Art from the Kharga Oasis, inspired by Egypt's natural resources. Photo by Ahmed Hayman for ALEXBANK's 2018 Sustainability Report

SHAREHOLDERS

METHOD	FREQUENCY	ISSUES RAISED (102-21,29)
<p>Board of Directors meetings Board Committee meetings Policies, guidelines and circular Regular reports and sustainability publications on ALEXBANK's performance Regular calls and meetings between each function and their counterparts</p>	<p>Daily Weekly Bi-Monthly Monthly and Quarterly</p>	<ul style="list-style-type: none"> • Business performance and market presence • Risk management and particularly engagement with ESG risks • Good governance, integrity and compliance • Streamlining of ESG corporate governance model • Consistency and alignment with national laws and regulations • Ensuring that the corporate governance rules and regulations are applied

EMPLOYEES

<p>In-person and online training Company intranet and email Face-to-face meetings Performance reviews Employee engagement events Periodical internal communications and announcements Surveys</p>	<p>Daily Weekly Monthly Quarterly</p>	<ul style="list-style-type: none"> • A diverse and inclusive workplace • Career development and workplace wellbeing • Healthy and safe working conditions • CommUnityShip • Transparent performance appraisal processes • Accessibility of offices to colleagues with disabilities • Employee wellbeing and Smart working • Compensation and benefits programs • Intesa Sanpaolo talent program • Medical Care and COVID-19 awareness guide • Business updates impacted by COVID-19
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CUSTOMERS

<p>Customer satisfaction surveys and calls SMS and Social media platforms Webinar Contact Center channels Dedicated mailbox Digital Campaigns Relationship managers Dedicated channels of complaints receiving</p>	<p>Daily Weekly Monthly Quarterly</p>	<ul style="list-style-type: none"> • Quality of service at experience both at branches and digital • Accessibility and convenience • Continuity of business • Clear and favorable conditions • Customer Rights Protection • Smooth and easy to access communication channels • Advisory and solutions to the client regarding financial obligations re-schedule in light of the liquidity crunch • Information dissemination and clarifications regarding the CBE initiatives and regulations regarding moratorium. • Awareness campaigns simplifying to customers new financial services available through digital channel • Health and Safety measure • Tailored financial products for marginalized segments
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COMMUNITIES

<p>Regular meetings Field visits Social Media platforms Events and conferences Memberships to industry-based initiatives at the international and national level Publications Partnerships Surveys One on one virtual meetings with 18 representatives from NGOs partners in community development projects</p>	<p>Weekly Monthly Quarterly</p>	<ul style="list-style-type: none"> • Straightforward communication • Corporate Social Responsibility and Sustainable Development Office Strategy and focus areas of interventions • Boosting synergies and networking among the Bank's NGOs community members to encourage intersection and collaboration on areas of common interest • Monitoring and improving the impacts associated with financing projects • Emergency relief response in reaction to the COVID-19 crisis and support offered to community members
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4.0

CORPORATE GOVERNANCE

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Talented female artisans crafting ALEXBANK's Ramadan Bags, "Ashry"

**GOVERNANCE IS
AT THE CORE OF
ALEXBANK EXISTENCE
AS A FINANCIAL
INSTITUTION AND AS A
CORPORATE CITIZEN. IT
CREATES AN ESSENTIAL
FOUNDATION FOR BOTH
LONG-TERM PLANNING
AND EVERY-DAY
DECISION-MAKING.**



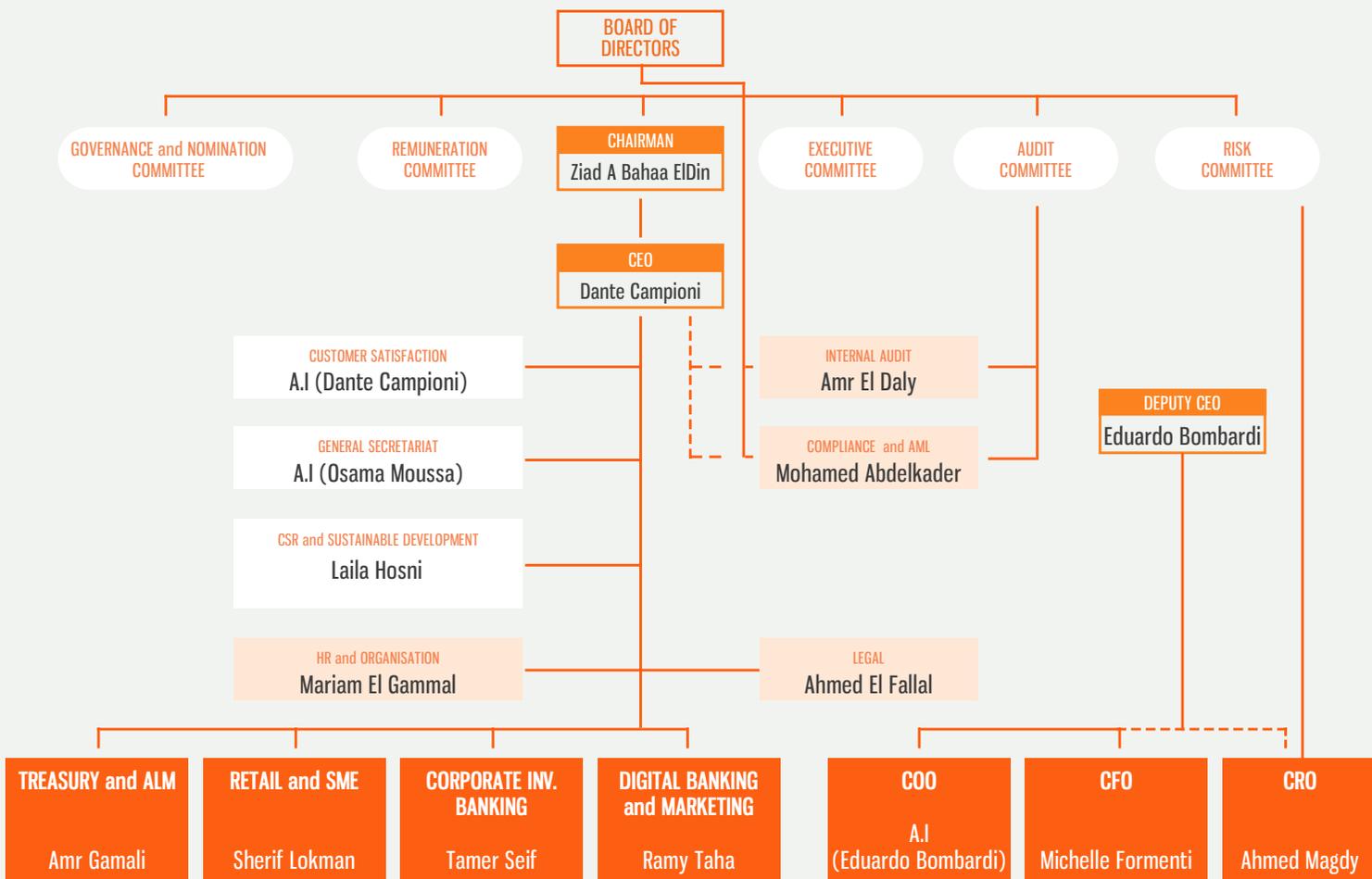
ALEXBANK aims to serve customers by being a partner of growth

GOVERNANCE FRAMEWORK

ALEXBANK governance framework outlines the responsibilities of the Board of Directors, Senior Management, and Committees, providing direction on decision-making processes and risk management across the Bank. It aims to facilitate an effective and responsible approach that allows ALEXBANK to succeed and prosper over the long term.

The General Secretariat's Office is responsible for carrying out corporate governance at ALEXBANK, serving as the link between stakeholders and ALEXBANK's Senior Management and in line with its organizational structure.

ALEXBANK ORGANIZATIONAL STRUCTURE (102-18)





ALEXBANK has partnered with Al Qalam Foundation to teach graduates Calligraphy, in an effort to preserve Arabic art

THE GENERAL SECRETARIAT'S OFFICE IS RESPONSIBLE FOR: (102-24)

- Ensuring that the corporate governance rules and regulations are applied.
- Keeping up to date with regulatory or statutory changes and policies that might affect the Bank.
- Ensuring that the Corporate Governance Code is up to date and adequately approved. Implementing the Central Bank of Egypt laws and regulations and all local Egyptian regulations regarding Corporate Governance.
- Supporting the Board members' appointment process.
- Monitoring Board Members' independence and conflicts of interests that may arise during their term.

ALEXBANK Board of Directors evaluates the General Secretariat's performance on an annual basis. The annual assessment is tabled and monitored by the Governance and Nomination Committee and raised to the Board. The General Secretariat Office is currently updating the ALEXBANK Corporate Governance Code and Management Committees' charters to reflect new CBE banking requirements.



BOARD AND COMMITTEES (102-22)

The Board Members collectively represent a broad range of experience and knowledge of global financial markets to guide ALEXBANK's strategic and operational activities. The Board also includes representatives from Intesa Sanpaolo to ensure alignment with its interests and legal requirements.

BOARD MEMBERS (102-26, 28)

As the highest governance body within ALEXBANK, the Board of Directors (further - "the Board" or "BoD") oversees the Bank's operations and financial performance. The Board's key responsibilities include providing strategic direction for ALEXBANK, approving significant business plans and activities, ensuring integrity and compliance, and overseeing risk management. The CEO and Managing Director, Mr. Dante Campioni report to the Board and not to the Chairperson, as requested by the CBE in 2020. However, the amendments took effect during Q1 of 2021.

BOARD VIRTUAL MEETINGS

Since march 2020, the office successfully conducted all the board committees and management committees meetings via secured video conferencing, adapting to changing global conditions and COVID-19 restrictions. In addition, the office conducted regular meetings with the chairperson and with peers in intesa sanpaolo group to keep them updated on alexbank's corporate governance structure.

The Board conducts an annual self-assessment as per local regulations and Intesa Sanpaolo Group requirements. It is tabled and monitored by the Governance and Nomination Committee (see Board Committees). The assessment is carried out via two Questionnaires: (1) Board Assessment Questionnaire and (2) Individual Self-Assessment for Board members and the Board of Directors collectively. The Chairperson of the Board may ask to interview the Board members separately to discuss the results further. The 2020 annual assessment shows positive results across all sections.

Board members are nominated based on consultation between the governing body and significant stakeholders. Following Board confirmation, nominees are presented to the Central Bank of Egypt for final approval. Since February 2019, the Board has been independently chaired by Dr. Ziad Ahmed Bahaa Eldin.

The Board consists of six non-executive members and two executive members who are ALEXBANK's CEO and Managing Director Mr. Dante Campioni and ALEXBANK's Deputy CEO Mr. Eduardo Bombieri. ALEXBANK is committed to increasing diversity within its leadership, as evidenced by having both female members among its board composition.

BOARD COMPOSITION (102-23, 32)		<p>Dr. Ziad Ahmed Bahaa El- Din</p> <p>Non-Executive Chairperson of the Board of Directors</p> <p>Representative of Intesa Sanpaolo</p>
		<p>Mrs. Elena Breno</p> <p>Non-Executive Board Member of the Board of Directors</p> <p>Representative of Intesa Sanpaolo</p>
		<p>Mr. Dante Campioni</p> <p>Chief Executive Officer and Managing Director, ALEXBANK</p>
		<p>Dr. Ehab Mohammed Hassan Abouaish</p> <p>Non-Executive Board Member</p> <p>Representative of the Egyptian Ministry of Finance</p>
		<p>Mrs. Sherine Hamed El Sharkawy</p> <p>Non-Executive Board Member</p> <p>Representative of the Egyptian Ministry of Finance</p>

Please find out more about each of BoD members on the Bank's [website](#).



BOARD COMPOSITION (102-23, 32)

	<p>Mr. Giovanni Bergamini</p> <p>Non-Executive Board member</p> <p>Representative of Intesa Sanpaolo</p>
	<p>Mr. Eduardo Bombieri</p> <p>Resigned from the ALEXBANK Board of Directors effective December 31st, 2020, as Executive Board member and Deputy CEO</p>
	<p>Mr. Andrea Bressani</p> <p>Resigned from the ALEXBANK Board of Directors effective July 7th, 2020, as a Non-executive Board member. Replaced by Alessandro effective July 2020</p> <p>Representative of Intesa Sanpaolo</p>
	<p>Mr. Alessandro D'oria</p> <p>Non-Executive Board Member</p> <p>Replacing Mr. Giovanni starting July 2020</p> <p>Representative of Intesa Sanpaolo</p>

BOARD COMMITTEES (102-19, 20)

The Board has five Committees that support it in the implementation of its responsibilities.

- The Executive Committee**

provides advice to the Board on ALEXBANK's strategic direction, including overall credit risk exposure, potential acquisitions, divestments, and new equity issuance. The Committee also suggests modifications to the organizational structure and governance system of ALEXBANK.
- Governance and Nominations Committee (102-27)**

evaluates ALEXBANK's governing system and supports the Board in delegating tasks and responsibilities across the Board and other sub-committees.
- The Risk Committee**

supports the Board's oversight of ALEXBANK's risk management framework, including market, credit, operational (including legal and IT), and reputational risks according to approved risk appetite. This Committee also oversees the implementation of the strategies for capital and liquidity
- Audit Committee**

is responsible for regularly assessing the adequacy, efficiency, and functionality of ALEXBANK's internal control system and accounting system, including risk management, internal audit, compliance, anti-money laundering, and local administrative, financial governance.
- Salaries and Remuneration Committee**

recommends and approves ALEXBANK's remuneration rules, policies, and incentive schemes and verifies alignment with Intesa Sanpaolo's remuneration policy.

MANAGEMENT APPROACH

“Operating in a rapidly evolving emerging market enriched with diversified needs and expectations is an exceptional experience that comes with opportunities and challenges. Against this backdrop,

Keeping sight on the firm values shaping our corporate culture is essential for driving our business growth and an impetus for reinforced ethical business conduct and extended shared benefit for the economy and society alike. For us, the concept of corporate social responsibility (csr) is not something that is set apart from the wider bank’s vision, it’s rather a key component manifested in everything we do.”

Dante Campioni,
Chief Executive Officer and Managing Director





ALEXBANK has eight 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 area.

The Credit Risk Governance Committee ensures a qualified and coordinated management of credit risk within the exercise of credit prerogatives of the Bank and compliance with the applicable laws, Group regulations, and Parent Company strategic decisions. It defines and updates credit risk strategic guidelines and credit management policies based on the constant credit portfolio monitoring and, for Product Governance purposes, and analyzes and assesses issues related to the launch and monitoring of the products that imply credit risk (102-29).

The Credit Committee is the highest permanent decision-making committee of the Bank regarding performing counterparties, whose primary 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.

The Assets and Liabilities Management Committee (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 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 competencies established by the Board of Directors, is dedicated to Financial Risk Governance and Assessment, Operative management, Product Governance for Financial and Liability Products.

The Problem Assets Committee is the highest permanent decision-making Committee of Bank regarding risky and non-performing counterparties whose main responsibility consists in taking necessary measures 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.

The Operational Risk Committee (ORC) is a permanent decision-making and advisory Committee ensuring a qualified and competent management of operational risk issues (ICT/cyber risk inclusive) in compliance with the applicable laws, Group regulations, and internal procedures.

The Change Management Committee (CMC) manages changes within the Bank's operations by defining and monitoring project portfolio, prioritizing projects and investments in line with the Bank's strategy, and handling any escalations that emerge in the process.

The Internal Controls Coordination Committee (ICCC) focuses on ensuring and improving coordination and cooperation among the various Bank's control functions and facilitating risk management processes integration.

The Tender Committee ensures that ALEXBANK makes effective decisions when selecting suppliers and contractors for assets, goods, and services on a tender basis and in compliance with ALEXBANK "Procurement rules".

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

“Over the past years and since the establishment of the CSR and Sustainable Development Office back in 2018, the concept of csr – a pillar of our governance culture – has gone through a paradigm shift from mere corporate giving and employee-centered volunteer activities to a full-fledged strategy reflected in numerous of our external and internal projects revolving around the environmental, social and governance (esg) aspects to increase the integration of sustainability into our core business operations.

For us, COVID-19 had shown the essence of our community development approach, which is genuine and strong partnerships and thanks to the agility and determination of our partners and the shared objectives linking us, we were not only able to carry on existing projects, but we were keen to seek far-reaching impacts by launching new projects with each one of them embodying its unique imprint. Remaining a pioneer bank for the esg mainstream movement, which has increased in viability following the pandemic, is our goal for years to come with a high ambition to contribute to the reimagining of sustainability landscape associated with higher levels of responsible business practices and extended long term value to our key stakeholders.”

Laila Hosny,
Head of CSR and Sustainable
Development Office



A LONG-TERM MINDSET

Environmental, social, and governance criteria are integrated with all other business functions. The Bank's sustainability efforts are founded on its competitiveness, efficient use of resources, and good governance. Its CSR and Sustainability activities are key pillars of the Bank's strategic development.

The Bank is committed to valuing its people, advancing diversity, developing its community, directly contributing to economic development, managing industrial responsibility, safeguarding the environment, and respecting human rights. ALEXBANK aims to responsibly address contemporary challenges by applying its values and principles, ESG and SDG lenses, to guide its business choices.

The Bank recognizes that many of the biggest societal challenges are part of a significant economic and social transition that will take years, in some cases generations, to come to fruition based on a long-term approach.

CSR AND SUSTAINABLE DEVELOPMENT OFFICE STRATEGY 2018-2021

In 2018, ALEXBANK demonstrated its role as an agent of positive change by committing considerable resources and focus to its four-year “CSR and Sustainable Development Office Strategy 2018-2021”.

The strategy focuses on Creating Shared Value (CSV) for all stakeholders. It addresses business activities by designing and implementing social projects that generate economic value for the organization (business value) and social value for the community (social value) in response to its economic, social, and environmental needs. By doing so, ALEXBANK’s Corporate Social Responsibility and Sustainable Development Office through its three units (CSR and Shared Value Unit, Social Performance and Reporting Unit, and Sustainable Finance for Development Unit) engages in activities that target the following issues:

- 1 ECONOMIC DEVELOPMENT, SOCIAL INNOVATION AND EDUCATION**
- 2 ENVIRONMENTAL SUSTAINABILITY**
- 3 FINANCIAL INCLUSION AND SUSTAINABLE FINANCE**

The CSV model represents a move away from peripheral engagements with society via an isolated corporate philanthropy model towards creating sustainable social value within a growing economy. This CSV approach helps generate measurable business returns without ignoring social and environmental challenges.

THREE DIMENSIONS OF CREATING SHARED VALUE

A RECONCEIVING PRODUCTS, CUSTOMERS, AND MARKETS

- ▶ Meeting the needs of all segments of society through tailor-made products.
- ▶ Serving unprivileged, unserved, or underserved customers.

B REDEFINING PRODUCTIVITY IN THE VALUE CHAIN

- ▶ Utilizing resources more efficiently.
- ▶ Taking active measures to engage suppliers in continuous quality control and procedural enhancements.
- ▶ Providing relevant training to employees.

C CREATING AN ENABLING ENVIRONMENT AND STRENGTHENING LOCAL BUSINESS ECOSYSTEMS

- ▶ Improving skills, the supplier base, the regulatory environment, and the supporting institutions that affect the business.
- ▶ Strengthening the cluster on which the company depends.

Specific Sustainability Objectives:

- Strengthen governance framework with ethics, transparency, and accountability.
- Provide value to consumers through effective stakeholder engagement.
- Promote gender equality, diversity, and well-being of all employees.
- Respect the protection of internationally proclaimed human rights.
- Build inclusive, healthy, and sustainable communities.
- Undertake initiatives to promote greater environmental responsibility.
- Promote responsible access to finance and sustainable finance.
- Communicate the Corporate Social Responsibility objectives and goals to all internal and external stakeholders.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT GOALS

ALEXBANK has defined how its activities contribute to the 17 Sustainable Development Goals and 169 targets adopted by the United Nations (as referred to below) that align most with the Bank's internal priorities and reflect its capacities for positive impact.



GOAL 2:
Zero Hunger
Target: 2.A

ALEXBANK's support to the agricultural sector and agribusiness enhances agricultural productive capacity in developing countries.



GOAL 3:
Good Health and Wellbeing
Target: 3.4, 3.8 and 3.C

The Bank's multiple initiatives and investments contribute to health and wellbeing, including reducing mortality from non-communicable diseases, basic and extended health coverage, and particularly supporting employee health. ALEXBANK contributes to those matters through direct measures, awareness-raising, and its partnerships and initiatives.



GOAL 4:
Quality Education
Target: 4.2, 4.4, 4.6

The Bank assists in achieving universal literacy, supports quality education and improves access to it through numerous initiatives, partnerships and projects.



GOAL 5:
Gender Equality
targets: 5.1 and 5.5

ALEXBANK policies procedures and mechanisms ensure the end all forms of discrimination against women. Moreover, ALEXBANK ensures that women have full and effective participation and equal opportunities within the company's positions.





GOAL 8: Decent Work and Economic Growth

Targets: 8.1, 8.2, 8.3, 8.4, 8.5, 8.7 and 8.8

The Bank's growth strategies address Target 8.1, where it contributes to Egypt's economy's continuous growth. The Bank's financial services and constant improvement of business lines enable achieving higher levels of economic productivity (8.2) through diversification, technology upgrades, and innovation. Those efforts positively impact and add value for people and the different financial market segments served.

The Bank contributes to Egypt's economic growth and employment by ensuring decent working conditions, entrepreneurship, and creativity.

ALEXBANK has implemented measures to support a full and productive career for its people and enforce equal pay for equal work.

The Bank's Code of Conduct and ethics establishes that it is against and does not engage in human rights violations, forced work, or child labor (8.7). The Bank's Health and Safety management system ensures safety of employees across all of the Bank's operations.

ALEXBANK consistently links its progressive improvement initiatives to sustainability implementation, and value-added outcomes align with sustainable development best practices and international standards.



GOAL 9: Industry, innovation and Infrastructure

Target 9.3

Inclusive finance is a crucial success factor for ALEXBANK's progress. ALEXBANK aims to build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. This success factor helps us increase the access of small-scale enterprises, particularly in developing countries, to financial services that facilitate integration into value chains and markets.



GOAL 10: Reduce inequalities

Targets: 10.3 and 10.4

ALEXBANK contribute to ensuring equal access and reducing workforce inequalities in the communities operated in through corporate governance, ethics framework, and established policies.



GOAL 12: Responsible Consumption and Production

Targets: 12.2, 12.5, 12.6, 12.7, 12.8

Waste generation reduction, recycling and proper disposal are integrated into the Bank's operations. ALEXBANK policies and guidelines facilitate the decrease in consumption and improvement of the circularity of the consumed products. The Bank spreads awareness and provides environmental training both internally and externally to increase awareness. It aims to refurbish buildings which would decrease the Bank's Carbon and Environmental footprint. [Intesa Sanpaolo Rules on Lending Operations in the Coal Sector](#) and [Rules for the Environmental and Energy Policy](#) also support action on climate change.



GOAL 17: Partnerships for the Goals

Targets: 17.8, 17.16 and 17.17

ALEXBANK aims to fully operationalize technology and innovation through its inclusive and digital financial services that enhance communication, transparency, and full accessibility for across its wide partnership network (17.8).

The Bank invests in stakeholder engagement to 1) ensure it addresses the needs and requirements of groups that influence and impact ALEXBANK, 2) promote and provide technology and expertise, and 3) share knowledge on sustainable practices and sustainable development. ALEXBANK has partnered with many public and private organizations regarding business lines, products, and services aligned with sustainability and sustainable development goals (17.16 and 17.17).

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

ROLES AND RESPONSIBILITIES (102-20, 26, 33)

ALEXBANK CSR and Sustainable Development Office's Head oversees the work of three Units (CSR and Shared Value Unit, Social Performance and Reporting Unit, and Sustainable Finance for Development Unit) and reports directly to the CEO. This facilitates integrating sustainability across all functions and business lines.

The office works closely with all relevant functions in initiating policies, processes, and procedures and localizing Intesa Sanpaolo Group-level rules and regulations regarding sustainability, Environmental and Social Risk, and ESG criteria to support continuous alignment and increased integration of the sustainability aspects into the overarching business strategy. The Head of the Office presents to the BoD a bi-annual update on the overall office activities, results, and plans for acknowledgment and approval.

COMMUNICATION

The CSR and Sustainable Development Office utilizes different media to report on the changes taking place at ALEXBANK, promoting transparency and accountability to stakeholders. Out of 27 banks across Egypt's banking sector, ALEXBANK LinkedIn page ranked 2nd most followed page due to its various activities, content and engagement with followers, including various sustainability issues.

SUSTAINABILITY NEWS AND TOPICS

The CSR and Sustainable Development Office publishes the Sustainability News and Topics bi-annually to highlight current initiatives, promote sustainability practices, and create shared value for all. First published in 2018, ALEXBANK keeps the community informed and strengthens its stakeholder communication by updating them twice a year about the Bank's sustainability efforts. All previous editions of Sustainability News and Topics are available in English and Arabic and can be found on the [ALEXBANK website](#).



Combining intertainment with traditional teaching skills is foundational for children empowerment and unleashing their hidden creative abilities.



SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

DIGITAL SUSTAINABILITY AWARENESS CAMPAIGN

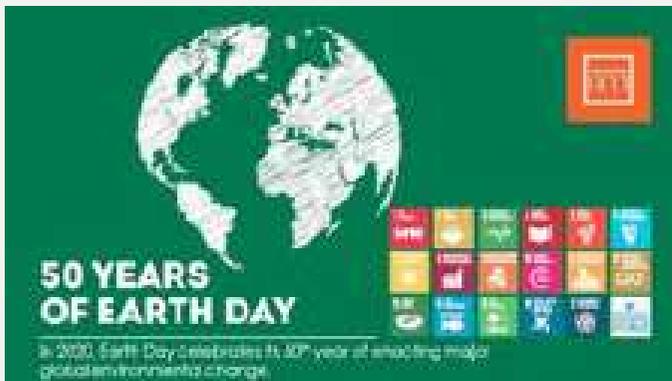
With over 200,000 followers on LinkedIn, ALEXBANK strives to leverage social media to promote environmental and social awareness. In 2020, the Bank's social media posts focused on several themes, including supporting marginalized communities, promoting sustainable and healthy lifestyles, and fostering awareness of the needs of people with disabilities.



INDOOR SMOKING



NATIONAL ENVIRONMENT DAY



EARTH DAY



ENERGY EFFICIENCY



WORLD ENVIRONMENT DAY



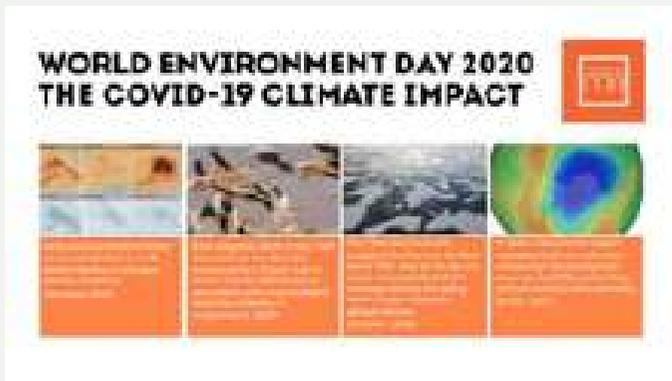
WORLD CLEANUP DAY



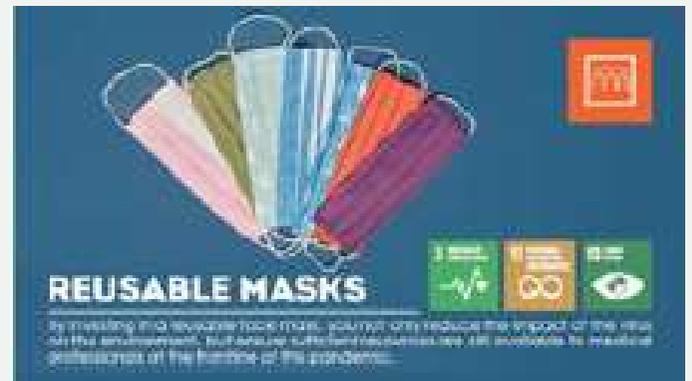
SAY NO TO SINGLE-USE PLASTIC



WORLD WATER DAY



WORLD ENVIRONMENT DAY



REUSABLE MASKS



WORLD HUMAN RIGHTS DAY



INTL' MOUNTAIN DAY

INTEGRITY AND COMPLIANCE

“At the heart of ALEXBANK is our team. It works daily to ensure seamless integration of various requirements, empowered by experienced leadership, efficient digital solutions, and advanced technology. Our team spirit drives collaboration and success, allowing us to sustain compliance and keep improving with every step.”

Mohamed Abdelkader,
Head of Compliance and AML Department



ALEXBANK prioritizes integrity and compliance to ensure alignment with all applicable rules, regulations, and guidelines. The Bank strives to ensure sound conduct and meticulous compliance while anticipating changes one step ahead, building a future-ready culture, systems, and tools that can handle well the complex realities of the rapidly changing world.

ALEXBANK structures, policies, and procedures serve its stakeholder needs, including employees, customers, investors, and community. The Bank promotes a culture of accountability and ethical conduct guided by the provisions of the Intesa Sanpaolo Group Organization, Management, and Control Model and monitoring system, ensuring effectiveness and transparency while limiting inefficiencies, failures, and irregularities. The Bank continuously invests in improving controls, compliance, and auditing. In 2019, the CBE enacted new Customer rights protection instruction, and ALEXBANK is actively adopting internal policies to comply with these new laws.

ETHICAL CONDUCT AND HUMAN RIGHTS (102-16)

ALEXBANK's employees are committed to building and maintaining clients' trust across every transaction and interaction by responsibly providing products, services, and expertise. All employees are expected to comply with all applicable laws, regulations, and internal policies.

At all levels, employees hold to the highest ethical and professional standards when serving clients, customers, and communities and report non-compliance, serious concerns, suspected fraud cases, or corruption in line with Intesa Sanpaolo Group's guidelines. The guidelines guarantee the protection of individuals from any form of retaliation, discrimination or penalization while ensuring maximum confidentiality except in cases otherwise indicated.

ALEXBANK's Code of Ethics and Principles for Human Rights Policy are part of the wider vision on social and environmental responsibility. They attribute primary importance to ALEXBANK's relations with all its stakeholders and outline the principles of conduct in stakeholders relations. The values declared in the Code of Ethics are the expression of the Bank's culture, and they characterize ALEXBANK's activities.

Safeguarding human rights sets the foundation for every interaction that happens at ALEXBANK daily. Upholding human rights extends across the value chain. It is guided by the Intesa Sanpaolo [Principles of Human Rights](#), which specify the action on the issue in regards to all stakeholders. ALEXBANK creates and maintains policies and standards that protect employees, clients, and communities, guide suppliers, and inform business decisions, including financing priorities.

Human rights implications are considered across all operations through risk analysis, due diligence, and regular engagement with stakeholders. ALEXBANK is committed to identifying, mitigating and, where possible preventing, potential violations of human rights linked to its activities, as recommended by the UN Guiding Principles on Business and Human Rights. The implementation and progressive extension of human rights protection is monitored and evaluated by third parties according to ISO 26000 to which ALEXBANK participates as a Subsidiary of Intesa Sanpaolo Group, annual sustainability reporting, reporting to Compliance and AML Department, and Intesa Sanpaolo Group Consolidated Non-Financial Statement.

The analysis of the business impact and potential risks on human rights, subject to periodical updates, highlights the areas of greater risk-taking into consideration the International Bill of Human Rights and the eight main ILO conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, which is performed through regular reporting to Intesa Sanpaolo Group on human rights-related issues as part of the data collection for the consolidated non-financial statement, as well as annual reporting to Compliance and AML department In the Compliance Annual Risk Assessment.



Equipping ALEXBANK's employees with our corporate governance values is part of our ethical business conduct

INTEGRITY AND COMPLIANCE

ENSURING COMPLIANCE (102-17)

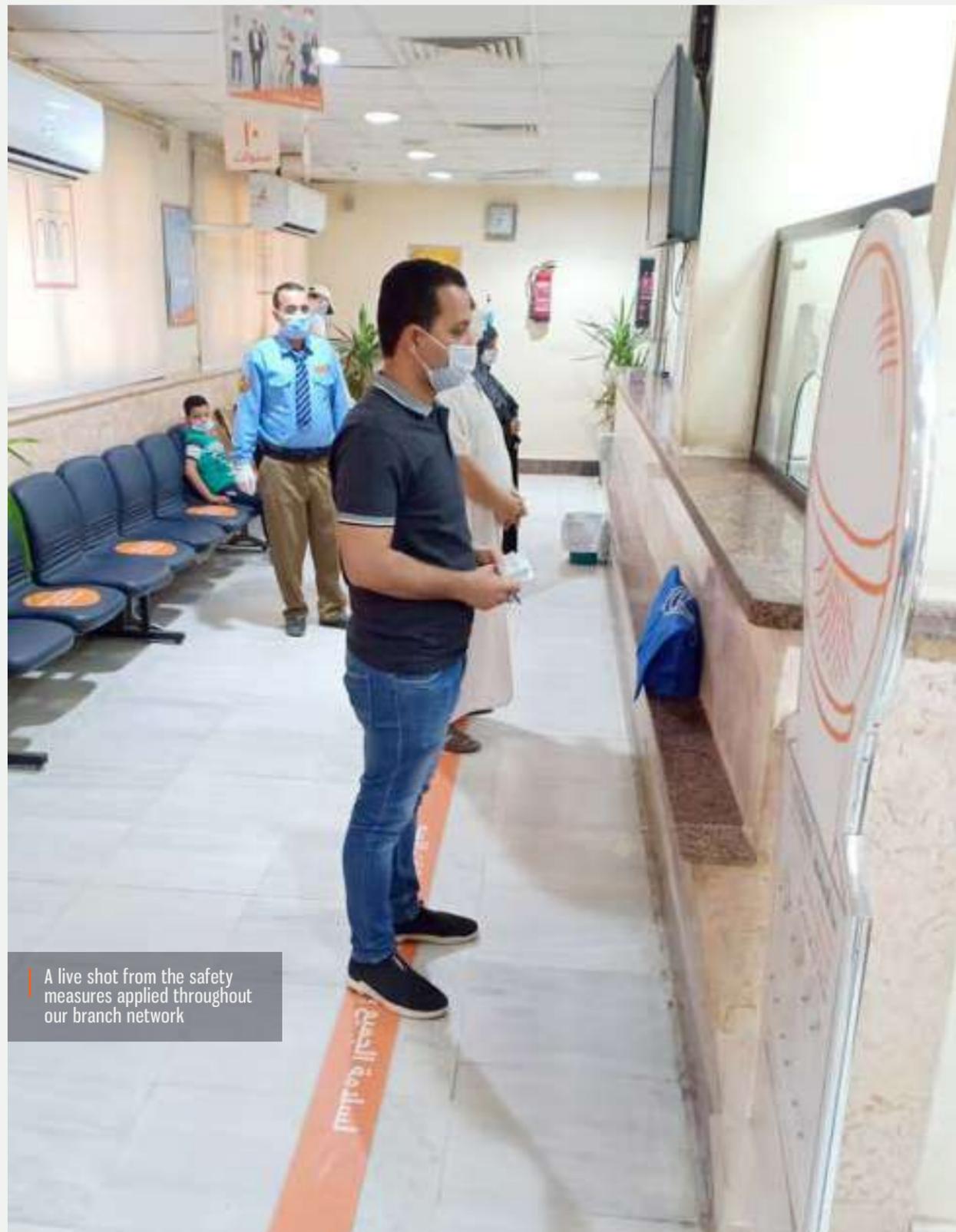
Compliance management within ALEXBANK falls under the Compliance and Anti-Money Laundering (AML) Function, providing advice and assistance to all business units. It helps business units optimize their business results, streamline and simplify processes guided by applicable external and internal regulations.

ALEXBANK has established a compliance risk governance structure to address risks of incurring judicial or administrative sanctions, material financial losses, or reputational harms as a result of violations of statutory provisions (laws and regulations) or self-regulatory codes (e.g., Group’s policies on AML, Guidelines on Reputational Risk, Intesa Sanpaolo Group Compliance Guidelines and Rulebook, Group Anti-corruption Guidelines, CBE instructions for Banks ‘Corporate Governance and Internal Control Rules, codes of conduct). Compliance risk focuses on sanctions and financial losses to operational risk and damages to reputation, resulting in reputational risk.

Compliance risk governance is carried out with a preventive view, ensuring that external regulations are monitored and adequately transposed into internal guidelines, processes, and procedures.

COVID-19 has significantly increased the volume of instructions, initiatives, and regulations enacted by the CBE. This required a full-fledged training plan to guarantee all requirements were fully embedded (see Retention, Enhancement, Diversity and Inclusion of the Bank’s People section). The library with CBE letters and instructions received from 2005 to date, in both English and Arabic languages, is available to all bank employees. Based on Egyptian Money Laundering and Terrorist Financing Combating Unit (EMLCU) instructions, ALEXBANK has introduced an advanced reporting system, GAML (Global Alliance to Monitor Learning). In 2020 it completed timely submissions of the Foreign Account Tax Compliance Act (FATCA) Report.

ALEXBANK’s whistleblowing policy enables employees to raise serious concerns, suspected fraud cases or corruption in line with Intesa Sanpaolo Group’s guidelines. The guidelines guarantee the protection of individuals from any form of retaliation, discrimination or penalization, while ensuring maximum confidentiality except in cases otherwise indicated by the law. A dedicated email is set in place to direct any communications to the Head of Internal Audit, as well as the CEO directly, who are the only designated persons to receive whistleblowing cases of non-compliance. In 2020, ALEXBANK has worked to further enhance and adjust its existing guidelines to better align with the Group’s guidelines.



A live shot from the safety measures applied throughout our branch network

LEGAL DEPARTMENT

The Legal Department plays a vital role in the Bank’s operations, ensuring mitigation of legal risks and safeguarding the rights of customers and employees and guides obligations towards them. The Legal Department applies the rules of justice and provisions of the law. It provides opinions on all issues referred to by the competent departments to ensure that all the Bank’s policies, procedures, decisions, activities, and products conform with the banking laws and norms as well as the instructions of the CBE and the regulatory bodies, and the Bank’s internal instructions.

COVID-19 RESPONSE: STREAMLINING PROCESSES

THE LEGAL DEPARTMENT HAS TAILORED DOCUMENTS AND FORMS TO FACILITATE WORKFLOW AND ACTIVATE THE ELECTRONIC CHANNELS SUCH AS:

- Exchange Correspondence between the Bank and the clients via mail to be signed one time by the clients.
- Standing instructions to issue Letter of Guarantees and Letter of Credits to be signed one time by the clients.
- Special wording undertakings and documents to handle the daily work due to the partial lockdown of the governmental and non-governmental bodies.

INTEGRITY AND COMPLIANCE

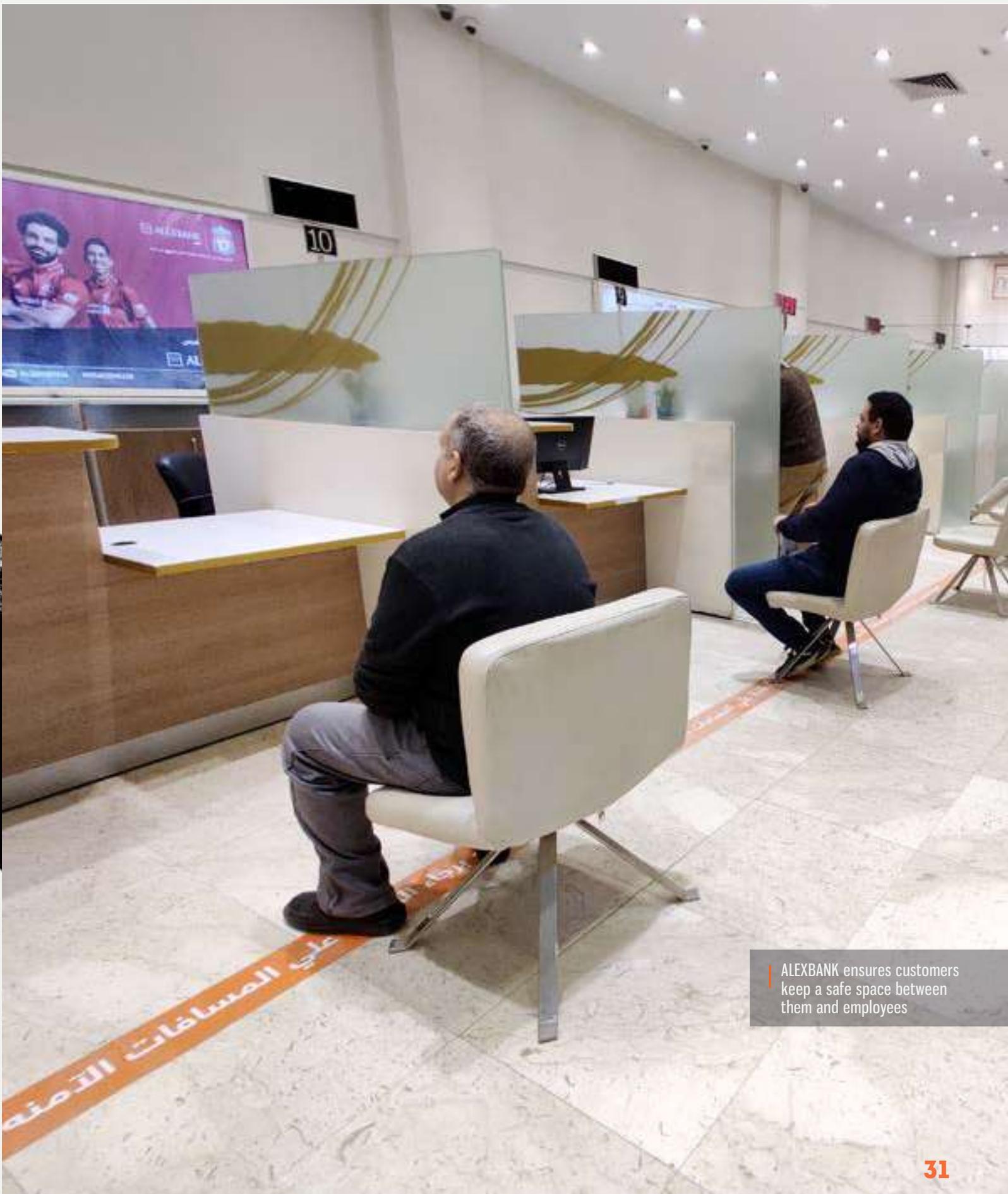
INTERNAL AUDIT (307-1)

The Internal Audit (IA) function assists the Bank in accomplishing its objectives by ensuring a systematic and disciplined approach to evaluate and improve the Bank's risk management, control, and governance processes. Internal Audit Mission, Vision and Strategy are aligned with the Bank's overall strategy by supporting its governance processes and ensuring that the Top Management, the Internal Bodies and Regulators are provided with a prompt and systematic information flow on the Internal Control System status and on the findings of the activities carried out.

IA ensures continuous and independent monitoring of the regular way of conducting activities and on the Bank's processes to prevent or highlight anomalous or risky behaviors or situations while evaluating the functioning of the Internal Control System and its adequacy. The evaluation of the 2020 Audit Plan came to light due to the unprecedented measures and changes in the Bank due to the pandemic. It also provides an independent opinion on the efficiency and effectiveness of the Bank's processes, safeguarding of the Bank's assets and the prevention from losses, the reliability and integrity of accounting information, the compliance of the performed transactions with the policies established by the governance bodies as well as with the internal and external regulations.

IA also provides advisory support to the Bank's functions and units and participates in projects to create added value and improve the effectiveness of control processes, risk management, and governance activities without undertaking any operational or executive duties. It manages the Bank and the regulator (CBE) relationships regarding Internal Control and auditing activities.

The Internal Audit Quality Assurance and Monitoring unit was established on 1st of September 2020 and started work activities on 1st of October 2020 as per executive committee approval. The quality assurance process is in place and functioning regarding internal audit activities and issued reports.



ALEXBANK ensures customers keep a safe space between them and employees

INTEGRITY AND COMPLIANCE

RESPONSIBILITIES OF THE INTERNAL AUDIT QUALITY ASSURANCE AND MONITORING UNIT (307-1)

The Unit supports adequacy and updating the Internal Audit goals, objectives, charter, policies and procedures. It ensures the completeness of the audit universe and the preparation of a risk-based audit plan.

It provides the Internal Audit Function's compliance with the applicable laws and regulations and the internal audit standards, policies, and procedures. An example to these standards is the Quality Assurance and Improvement Program that is designed to enable an evaluation of the internal audit activity's conformance with the Standards and an evaluation of whether internal auditors apply the Code of Ethics. Further compliance assuring is done through the continuous followup, audit charter reviews and audit review done by the Parent Company as well as applying a risk model and an audit plan. It also establishes and updates quality assurance programs as per international standards and Intesa Sanpaolo rules, maintaining internal audit process improvement programs.

The Unit interprets and implements quality assurance standards and procedures, ensures ongoing compliance with quality and regulatory requirements and handles the Internal Quality Assurance process through collecting and analyzing audit quality data. In addition, it coordinates and supports external quality assessment, whether conducted at the Group level or by an external service provider.

HANDLING COMPLAINTS (418-1)

ALEXBANK takes great responsibility in handling customer complaints. The implemented systems allow the Bank to:

- 1 REPORT ON COMPLAINT CAUSES
- 2 MANAGE CUSTOMER REIMBURSEMENTS WITHIN APPROPRIATE LIMITS
- 3 EFFECTIVELY PROCESS CUSTOMER COMPLAINTS AND SUGGESTIONS
- 4 IMPROVE PERFORMANCE

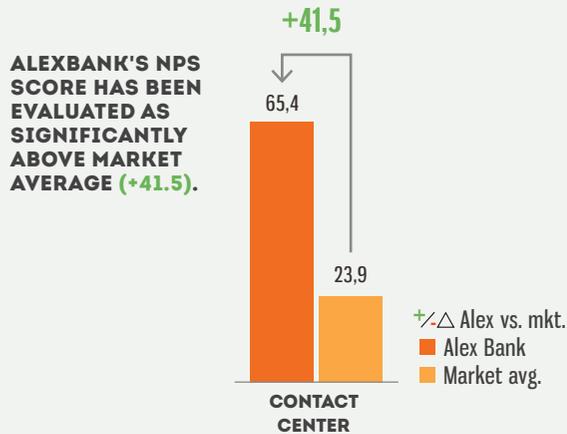
TOTAL COMPLAINTS IN 2020 DECREASED BY -18 % COMPARED TO TOTAL COMPLAINTS IN 2019		
COMPLAINTS BY PRODUCTS	2020 VS. 2019	CAUSES
CARDS	- 36 %	Delivery and Delay
ACCOUNT AND DEPOSIT COMPLAINTS	- 13 %	KYC and Block accounts
ATM (AUTOMATED TELLER MACHINE)	+187 %	No deposits appears and No cash exiting from ATM machine
LOANS	+236 %	Delays in loan procedures and last installment
REMOTE BANKING SERVICES (E-BANKING + MA7FAZTY)	- 81 %	Delay in activation

THE BANK'S CUSTOMER CONTACT CENTRE (CCC) RECEIVED OVER 3.4 MILLION CONTACTS IN 2020, A 26% INCREASE FROM 2019. CCC IS OFTEN A PRIMARY CONTACT OF CONSUMER COMPLAINTS.

Net Promoter Score/ Customer Satisfaction

In 2020, Customer Contact Centre, in collaboration with the International Subsidiary Banks Division has conducted a customer satisfaction benchmarking survey comparing the customer satisfaction levels across main Egyptian banks. The survey covered broad areas including products, digital channels and branches services. At ALEXBANK's level the contact center has started in July 2020 implementing the NPS to evaluate the customer's level of satisfaction towards the handling of the request and the attitude of the contact center officer.

ALEXBANK's NPS score has been evaluated as significantly above market average (+41.5).



INTEGRITY AND COMPLIANCE

" At the beginning, there was a huge state of anxiety that dominated us because of the significant pace of the virus spread; however, the tangible caring approach of the crisis handling by the management to ensure a safe working space for all of us has provided the staff with a feeling of assurance and encouraged us to do our work effectively and safely."

Karim Zein Elabdeen Aly, Contact Center Agent



Protecting Customer Rights in the Banking Sector

ALEXBANK has implemented CBE consumer protection rules by establishing a Consumer Rights Protections Office that directly reports to the Head of Compliance, which further reports to the Audit Committee and BoD. Existing documents have been updated to accommodate new rules, and a new pre-contractual document has been introduced to improve client awareness and build their confidence.

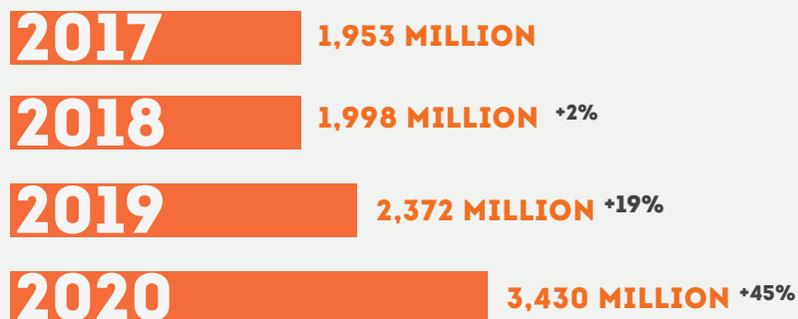
"The precautionary measures and efforts applied by the bank throughout the crisis have helped me to face my fears and motivated me to continue working. This has added to my experience and personality as I learned to be patient amidst difficulties."

Sally Samir Mohamed, Contact Center Agent





Total Customer Contact with Contact Center Channels (inbound call, e-mail, Facebook, Customer rights protection)



ALEXBANK analyses the content of the complaints received to identify recurring problems and then submit them to the appropriate business units to develop improvements. This reporting helps to raise customer awareness to employees and across the business lines. A quarterly report to CBE regarding customers' complaints is prepared using the CBE guidelines.

IMPROVING CUSTOMER EXPERIENCE IN 2020

- ▲ ABANDONMENT RATE REDUCTION: 14% TO 4%**
 Percentage of Calls abandoned by Customer before speaking to an agent at the beginning vs. the end of 2020
- ▲ SERVICE LEVEL IMPROVEMENT: 54% TO 83%**
 Percentage of Calls answered within a predefined Target Time

CRISIS AND GOVERNANCE FRAMEWORK (102-11)



“The lockdown dramatically affected micro businesses. Alexbank was one of the first banks in Egypt to support customers in overcoming the liquidity crisis. In 2020 we supported customers with tailored microfinance solutions while also expanding the bank’s suite of services to agribusiness, including insurance, capacity building and implementing energy and resource-efficient technologies.”

Ahmed Magdy, Chief Risk Officer

A PRUDENT YET DYNAMIC APPROACH FAVOURING SUSTAINABLE GROWTH

“Our team showed great flexibility and effort in adopting new habits and patterns for working from home. For critical functions that had to be operated from the bank, we reimagined office space to ensure social distancing. As the pandemic evolved, we learned along the way and adjusted our decisions based on the continuous flow of new knowledge and instructions”

Noha Mostafa, Head of Business Continuity Management Office



In light of the COVID-19 outbreak globally, the risk management department's role became more crucial in managing the critical situation and ensuring that all risks are mitigated via ALEXBANK's prudent yet dynamic approach favoring growth. The risk management activated instant monitoring for the bank's risk profile, especially capital and liquidity position and the CBE, risk appetite limits, and managed all risks arising from the pandemic and its impact on economy and ALEXBANK. Thanks to the Bank's diligent and growing investment in technology, systems, tools and database infrastructure, the risk management department was able to effectively and timely manage the consequences of the pandemic on the banks' risk profile.

ALEXBANK has strengthened its risk governance framework and culture to integrate better Intesa Sanpaolo Group policies, procedures, guidelines, international best practices, and ESG considerations. ALEXBANK promotes risk awareness and encourages communication on risks among employees. It has adopted a suite of relevant policies, including Stress Testing Policy, Liquidity Policy, Financial Portfolio Policy, ICAAP, and ILAAP Framework Policy and Concentration Risk Policy. They provide a solid foundation for effective risk identification, measurement, and management while supporting more sound and robust decision-making.

The Bank's Risk-Appetite Framework (RAF), aligned with the Intesa Sanpaolo Group, sets out the maximum risk that can be assumed, the business model, and the strategic plan. It includes the risk appetite, tolerance thresholds, risk limits, risk governance policies, and the necessary processes for calculating and implementing them. The RAF consists of (i) general risk appetite principles, (ii) monitoring of the Overall Risk Profile of the Group, (iii) monitoring the Group's Main Specific Risks. ALEXBANK risk governance framework currently incorporates the types, sources, and manifestations of risks outlined below.

BUSINESS CONTINUITY MANAGEMENT (102-15)

ALEXBANK's Business Continuity Management (BCM) Department is responsible for protecting the Bank's resources, prioritizing human resources, and ensuring the continuity of its critical services, processes, and functions. The department contributes to the organization's stability, maintaining customer trust, safeguarding revenues, and mitigating risks.

In 2020, the BCM Department prepared a Business Continuity Plan (BCP) in coordination with Intesa Sanpaolo Group to rapidly and effectively adjust the business operations. The BCP lays the foundation for all functions, including Human Resources, ICT, Information Security, Real Estate, Security, Operations, and all other departments, to efficiently protect the Bank's business operations and customers.

BUSINESS CONTINUITY PLAN (102-15)

STREAM 1

ADDRESS THE IMMINENT EMERGENCY

- Since March 18th, 2020, the Crisis Governance Committee (CGC) meetings have been organized regularly to review the situation and make necessary decisions.
- Continuous monitoring of pandemic dynamics internationally, locally, and in ALEXBANK.
- Checking regulations and circulations from CBE related to COVID-19 and ensuring communication and follow-up implementations with all stakeholders new cases, staff quarantines, and branch closures.
- Daily monitoring and reporting to the top management, highlighting
- Systematic monitoring of socio-political consequences of the crisis and activation of internal continuity plans and modifications as required.
- Coordination between all functions to ensure smooth information exchange and accurate decision-making.

STREAM 2

MITIGATING THE IMPACT ON BUSINESS

- Smart working procedures for over 72% of ALEXBANK's Head Office staff.
- Supply of necessary tools, information, and support.
- Implementing business continuity solutions for each function independently, depending on the nature of work and the business requirements.
- Conducting virtual meetings whenever possible.
- Reducing onsite staff to the minimum number of people required for operations.
- Implementing business continuity plans to all branches. Decisions varied according to the crisis stage and the last decision of the Crisis Governance Committee.
- Applying safety measures within branches, including seating areas outside branches, using social distancing protocols, and ensuring all clients wear masks in branches.
- Encouraging digital channels to minimize the number of clients in branches paired with enhancements of Digital banking and automated channels.

STREAM 3

ENSURE HEALTH AND HYGIENE MEASURES

- Sanitizing bank premises with nanotechnology
- Providing the cleaning company with disinfection tablets for weekly sanitization or in case of infection in any of the bank locations.
- Providing bank staff members with masks and face shields as an additional measure of safety.
- Stationing a mobile bus for people suspected of having COVID-19 symptoms outside of bank locations.
- People would make an appointment to conduct the Polymerase Chain Reaction (PCR), helping to minimize the risk of spreading the virus and facilitate additional steps for negative PCR tests.
- Directing vulnerable employees to remain at home to avoid the risk of infection.
- Installing seven thermal cameras across four main H.O. buildings that detect the temperature of entering individuals

CRISIS AND GOVERNANCE FRAMEWORK (102-11)

CREDIT RISK (102-15)

On March 17th, 2020, CBE circulated instructions requiring banks to postpone all the payments accruing during the six months till September 2020 for all types of loans, except the Microfinance loans upon request. ALEXBANK decided to support microfinance and relieve the burden of the capitalized interest on the customers.

Anticipating the impact of this decision on the Bank's quality of portfolio towards the end of the moratorium, working groups have been formed with the meetings being held regularly from Risk and Business divisions to monitor the portfolio closely to identify the most affected and resilient sectors and come up with solutions tailored to the customers who were facing financial difficulties.

ALEXBANK continues monitoring a set of both quantitative and qualitative factors to identify significant increases in credit risks (SICR) related to the sectors most affected by the crisis according to the best estimates, available information on previous events and current conditions, and based on the assumptions related to the expected economic performance. Provisions in 2020 were formed to reduce the impact of this outbreak. The suite of tailored solutions helped to sustain customer and shareholder confidence and trust. An early comprehensive analysis of how the changes could influence the quality of the Bank's portfolio allowed ALEXBANK to meet requirements on capital, liquidity, and profitability.

The Bank postponed all the credit facilities demands for all legal entities and individuals for a period of 6 months. The whole bank portfolio was automatically enrolled in this moratorium unless a customer request was received to cancel the postponement. At the end, more than 95% were under the moratorium. For the microfinance segment however, the postponement was based on customer written requests.

MARKET AND FINANCIAL RISKS (102-15)

In 2020, the Market and Financial Risks Office played a pivotal role in the strategic decisions of the bank related to the repricing of the Retail Assets and Liabilities Products following the CBE decisions on changing the interest rates and responding to the market dynamics. Market and Financial Risk Office has called for the Assets and Liabilities Management Committee (ALCO) meetings monthly to discuss all the market events and their effect on the bank's products and collaborate with other Bank's teams.

ALEXBANK regularly monitors the liquidity indicators in local and foreign currency to sustain capacity for meeting any sudden cash withdrawal. The Bank has also managed the market risk limits, limit breaches and applied several scenarios affecting its investment strategy in collaboration with the relevant stakeholders.

The Bank aims to maintain a prudent Liquidity position with a Liability driven strategy, as almost the entire funding base is customer-based, which is a core component of the Risk Appetite. It has established a Contingency Funding Plan (CFP), where Liquidity Risk is assessed in line with all Regulatory and Internal Liquidity Measurements and Basel II requirements, including Liquidity Stress Testing (LST); Net Stable Funding Ratio (NSFR), and Liquidity Coverage Ratio (LCR).

OPERATIONAL RISKS (102-15)

During 2020 there has been a significant improvement in spreading the Operational Risk awareness and culture across the bank through the role of "Business Line Operational Risk Managers" (BLORMs), where 95% of the BLORMs have completed the quiz, and the majority of the risk events that were identified have been reported to the Operational Risk Unit. New key risk Indicators related to Information Security and ICT have been identified and submitted to the Operational Risk Committee to ensure regular monitoring of non-traditional risks that have risen in significance in light of COVID-19 and the expansion of digital and online banking transactions.

There have been drastic improvements in the management of the Operational Risk Committee, including across the Operational Risk and Reputational Risk section, the ICT and Information Security Risk section, the BCM Risk section and the Legal Risk section. This has shown an improvement in the material being presented to the members and improved monitoring of significant risks the bank is exposed to, and better interaction has been witnessed across the members. The operational risk committee is convened four times per year and can be convened on an exceptional basis upon need.



CRISIS AND GOVERNANCE FRAMEWORK (102-11)

ESG RISKS (102-15)

ALEXBANK manages the environmental, social, and governance (ESG) risks associated with its activities that support the principles set out in the Parent Company’s Environmental and Energy Policy Rules, ALEXBANK’s Human Rights Principles, and Guidelines for the Governance of ESG Risks Concerning Leading Operations and its correlated Rules on Lending Operations in the Coal sector.

ESG risks may arise from potential adverse impacts, direct or indirect, on the environment and people, in addition to those arising from corporate governance. They may affect profitability, reputation, and credit quality and may have legal consequences.

The Bank excludes financial relationships which support economic activities that contribute, even indirectly, to the violation of fundamental civil rights, hinder human development, or severely damage the health of persons or the environment. Promoting peaceful coexistence, the Bank also avoids providing financial support to economic activities that might jeopardize it and prioritizes projects with high environmental and social value. Sensitive areas of action under the ESG are identified among those sectors with a relevant socio-environmental risk profile. They are subject to awareness-raising initiatives or pressure campaigns by specialized NGOs, civil society groups, and customers.

To strengthen ALEXBANK’s Guidelines for the Implementation of Equator Principles in the Management of Environmental and Social Risks when Granting Loans, in-house training activities on the guidelines (Rules Concerning the Equator Principles) have taken place during 2020 across relevant functions.

Thus, 52 Risk Analysts and Investigation Officers of all levels, Junior, Senior, and Managerial, have gone through the training. In 2020, these sessions were conducted online due to COVID-19. It has been planned to further upscale the scope of the training by extending it to Relationship Managers and new colleagues from the risk division.

Knowing that propelling a sustainable growth and responsible management of savings is predetermined by an institution having a robust policy framework, leveraging on its long-standing partnership with Green for Growth Fund (GGF) dating back to 2016 by kicking-off the activation of the technical assistance program associated to the original loan agreement is another milestone marking the Bank’s path. The Green Growth Fund targets SMEs mainly and part of the large corporate as all supranational use Euro Zone definition for SMEs. A total amount of USD 20 million to finance a sub-loan portfolio related to renewable energy and energy efficiency projects owned by public and private entities was provided.

REPUTATION RISKS

ALEXBANK Reputational Risk and Group Guidelines for the Governance of Reputational Risk policies address the prospective negative impact of such risks on the bank’s profit and capital due to insufficient compliance with industry service standards, inappropriate business conduct, failure to deliver on commitments, inadequate service quality, and customer satisfaction rates, unreasonable rate or other events that do not match market circumstances or customer expectations.

During 2020 ALEXBANK has continued to build upon initial experiences of identifying and assessing reputational risk scenarios to which it is exposed. ALEXBANK also uses its new Reputational Risk Scorecard Model to calculate reputational risk capital requirements.





ALEXBANK's renovation efforts align with our vision to promote customer satisfaction and convenience



5.0

DRIVING DIGITAL TRANSFORMATION

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ALEXBANK encourages users to use Digital Banking for a fast and convenient service

DRIVING DIGITAL TRANSFORMATION

“ALEXBANK has witnessed remarkable growth in its’ digital activities, empowered by a strong analytics model that has been designed to closely monitor our digital performance and deliver customized commercial content and ads on our digital channels, helping deliver the right products and services to the right customers. We’re taking our first steps towards true Data Science, where machine learning is becoming a powerful engine for ALEXBANK’s digital transformation and helping guide customers towards sustainable financial products and services, while growing our digital business at a record pace.”

Reham Amin,
Head of Retail Customer
Relationship Management Unit



74
تم ربط الوديعة/الشهادة



Digital Banking supplies different banking features to customers at the comfort of their homes





TOWARDS A DIGITAL BANK

Digital solutions are the key to an inclusive and prosperous future. The pandemic showed how global society relies on technology to share information, conduct business, and safeguard people. Digitalization empowers financial inclusion, data security and privacy, customer satisfaction and allows to scale up solutions with positive environmental and social outcomes. For those reasons, ALEXBANK has upgraded its technological basis and developed digital solutions that empower Egyptian people to do better and do more.

The Digital transformation of ALEXBANK is led by the Digital Banking and Marketing Division with the support of the ICT department according to a multi-year strategy that focuses on evolving its systems and infrastructure to drive a new era of customer satisfaction through reliable, fast and innovative digital banking solutions.

ALEXBANK continuously explores opportunities to improve automation across customer channels and back-office and integrate its systems to better process transactions and data. New electronic services and e-channels are used as enablers to customer's needs and aspirations. ALEXBANK digitalization efforts leverage its partnerships, data warehousing, big financial data applications, and infrastructure virtualization.

The Bank's vision for digital transformation focuses on several strategic goals that help it align with the pace of digital and technological evolution. It includes recruitment and human capital development, enabling technologies, improving cost efficiency and operating efficiency, infrastructure development and enhancing service availability and sustainability.

While a sizable portion of the Bank's customer base depends on its physical branches and analogous processes, it also invests in digital solutions representing a significant opportunity for future growth. A rapidly growing segment of customers expects digital innovation that provides easy-to-use tools, convenient access to financial information, and solutions that help them manage their money responsibly.

The instant onboarding model deployed by the Contact Center allowed to onboard 120K customers in 2020 alone and launched the features of biometrics and Touch-ID to login. For faster and safer customer onboarding, a new backend process was assigned along with the launch of a new

personalized Qmatic queuing system with real-time reporting for branch performance and optimized customer waiting time. During 2020 and as part of ALEXBANK efforts to facilitate employees' access to their financial information, a payslip over Oracle self-service was introduced.



A new generation of online banking services to enhance customer experience

Enjoy an easier banking experience with our newly updated mobile banking application



TOWARDS A DIGITAL BANK

CORPORATE BANKING UPGRADE AND TRANSFORMATION

ALEXBANK took the core banking upgrade and transformation program to support its strategic objectives of business growth, operational efficiency and compliance with internal and external regulations. The program aims to undertake a deep technological and operational transformation through the upgrade of the Core Banking System and the Reengineering of the most crucial Business Processes.

ALEXBANK, together with Intesa Sanpaolo Group, has started the execution phase of the Core banking Upgrade Program in June 2020, and the Go-Live is expected in March 2022. The program will go beyond application renovation and include infrastructure enhancements, architecture and data archival apart from the application upgrade to help the bank achieve its strategic objectives across the following initiatives:

1

CORE BANKING EVOLUTION

2

RE-ENGINEERING OF BUSINESS PROCESSES

3

RATIONALIZATION OF EXISTING HARDWARE AND OPTIMIZATION OF DATA CENTERS

4

INTEGRATION LANDSCAPE UPGRADE IN LINE WITH THE NEW CORE BANKING VERSION FUNCTIONALITIES

MOBILE AND ONLINE BANKING

- Improved the e-Channels infrastructure to accommodate the network load due to shifting a significant portion of our branches' transactions to online channels.
- Upgrading our Mobile and Online Banking to add more functionalities and enhance the performance.
- Monitor, identify and fix performance issues for the ATM and POS platform to maximize customer service availability 24/7.



BUSINESS PROCESS MANAGEMENT (BPM) PROCESS AUTOMATION

ALEXBANK started the implementation journey of a new and reliable business process management tool to support its strategic objectives of business growth, time to market and flexibility in terms of products offered. The main goal is to review the actual processes and implement new agile solutions that will leverage traditional and digital banking processes together with the upgrade of the Core Banking System.

- Completed the implementation and rollout of the IBM BPM platform for Customer’s Onboarding, which significantly reduced the load on front officers in branches and better controlled the process governance, including the account opening.
- Ongoing implementation for Credit Lending, Microfinance, and Outgoing Remittance processes automation, including the approval cycle and documentation and archiving.
- Electronic Documents Management System implementation for the entire Bank is about to start to secure the physical documents and free spaces inside the Bank.

CHANGE MANAGEMENT PROCESS (CMP): IT DEMANDS WORKFLOW AUTOMATION

- In-House development of workflow based on IBM BPM platform to automate IT Demands process.
- The approval cycle of control functions is automated.
- Demand Delivery SLA has been defined (end to end in 40 days).
- Online Dashboard to check the status of Demands is available for business.
- Automatic email Escalations in case of breaching the SLA of the Demand Process.



DIGITALIZING TREASURY AND ALM

“Since Treasury had no more than 25% of its people working at premises, thus carrying on the digitalization of our operations and working on developing advanced and automated solutions for better communication channels internally and between customers and us is our aim for success”.

Amr Gamali,
Head of Treasury and ALM Division



More than 50% of the bank’s earned assets are treasury products managed by the Treasury Team. During 2020 the division achieved expected performance despite COVID-19, assuring that the Bank’s portfolio is managed properly and liquidity is maintained across all areas

The division has the following main pillars:

FIXED INCOME DESK

Responsible for managing Bank’s fixed income securities portfolio, to secure lucrative returns to the Bank on the short and long terms, inline with market directions and yield curves expectations

ASSET AND LIABILITY MANAGEMENT

Responsible for running a balanced Bank’s Financial position “balance sheet”, ensuring a healthy composition with regard to related interest rate and liquidity risks along with efficiency of physical banknotes cycles





MONEY MARKET DESK

Responsible for managing Bank's liquidity in foreign and local currencies, run liquid and profitable positions to face any requirements in line with internal and regulatory framework, ratios and Bank's liquidity composition

CUSTOMER EXECUTION

Responsible for managing customers' relation with the bank in relative to customers' requirements of fixed income securities and liabilities preferential rating, along with the related operational functions

FOREIGN EXCHANGE DESK

Responsible for managing Bank's currencies positions, foreign currency resources and utilizations along with banknotes positions in local and foreign currencies, inline with global markets movements and sentiments

DIRECT INVESTMENT

Responsible for managing Bank's direct investment portfolio in addition to supervising Bank's mutual funds performance along with related mutual funds operations

The division managed to digitalize a real-time solution to properly monitor the banknote balances in all currencies across the bank, especially ATMs, to control cash; the Treasury team successfully introduced foreign currency benchmarks.

An extra milestone was achieved to avail extra benchmarks on the Bank's infrastructure (Secured Overnight Financing Rate, Euro Short-Term Rate, Cairo Overnight Index Average), highlighting that ALEXBANK forward-looking approach aimed at developing the money market in Egypt.

Treasury division had strict abidance by the Precautionary measures set by CGC in combating the spread of COVID-19 while re-equipping the disaster recovery site located in Kasr El Nile to be a full-fledged location that can accommodate safely up to 30% of the team.

Treasury has also supported the bank in maintaining profitability, liquidity and portfolio properly and sustainably while launching several automation projects and enhancements on the system's infrastructure that remarkably helped in better controls and a high level of efficiency amidst an unprecedented and remarkable year for the entire sector.



DATA MANAGEMENT AND CYBERSECURITY

The Information Security Department is responsible for managing the cybersecurity strategy for ALEXBANK and its implementation. They also oversee governance controls to ensure security and privacy within ALEXBANK customer services and supporting infrastructure. This includes planning for information security controls and monitoring, incident handling and response, data governance, information security awareness, information security risk management, and reporting.

STRATEGY

ALEXBANK aligns ALEXBANK's information security strategy with the Intesa Sanpaolo Security Principles, annual monitoring and review, ALEXBANK business plan, information security standards, best practices, and existing control gap assessment. ALEXBANK Information Security Policy, ICT Risk Management Policy, Master Information Security Policy, Cybersecurity and Data Protection Policy are reviewed and approved by the Board annually.

The Bank continuously works on deploying processes and security controls that protect data at multiple stages when the data is at rest, in transit or during processing. Data protection controls are part of the security and privacy by design architecture that the Intesa Sanpaolo Group and ALEXBANK follow. The cybersecurity strategy implementation is an ongoing process based on governance, technology, and Operating control models used by ALEXBANK.

The Digital business services roadmap enabled digital operations through secure services to support ALEXBANK customers and minimize the branches' traffic flow during COVID-19. With the extension of the work-from-home (WFH) and hybrid operations, the Bank optimized our current controls supporting the infrastructure applications and systems and ensured that new controls acquisitions support remote working.

MAKING SECURE REMOTE WORK A NEW NORMAL

ALEXBANK has made extensive assessments on the control of our system to make sure the process of working remotely is safe and efficient by investing in assets and technologies enabling remote working.

OUR EFFORTS INCLUDED:

- Remote secure access for work from home
- Employees secure platforms for remote access
- Variety of collaboration tools for secure communication

The Bank focuses on minimizing and eliminating cybersecurity threats while enabling the operation of digital solutions in a fast yet secure manner while continuously providing support and guidance to our employees to build awareness of certain work from home. It also engaged remotely with vendors, which helped to reduce costs.

During COVID-19, ALEXBANK worked internally with Intesa Sanpaolo Group and security vendors for regular assurance services for the Bank's perimeter and internal networks. It has continued monitoring services for cybersecurity threats together with Intesa Sanpaolo Group and locally to ensure pre-emptive response and ongoing security awareness campaigns for the cybersecurity threats for both our customers and employees through different channels.



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STAKEHOLDERS & MATERIALITY

CORPORATE GOVERNANCE

DRIVING DIGITAL TRANSFORMATION

BUILDING INCLUSIVE PROSPERITY

ELEVATING HUMAN POTENTIAL

ENVIRONMENTAL STEWARDSHIP

SOCIAL & COMMUNITY IMPACT

WAY FORWARD





DIGITALIZATION IN PROCUREMENT AND SUPPLY

STREAMLINING PROCUREMENT (308-1)

ALEXBANK strives to partner with reputable organizations that align with our values. The procurement department is divided into four procurement areas: IT Applications and Infrastructure, Facility and Logistics, Tender and Contract Management, and Cost Management and Vendor Monitoring.

APPROACH

There are four processes to manage procurement, which are integrated and correlated effectively. They include: Procure to Pay, Sourcing, Tendering and Contracting, and Cost Management. Procurement processes start after the budget is approved based on receiving an official approval report. An amount of the assigned budget is spent via the Tender Committee and the rest via direct negotiation.

Most of the Bank's suppliers are local, with headquarters in Egypt. ALEXBANK rarely deals with suppliers with headquarters outside of Egypt, which primarily regards IT licenses. ALEXBANK develops inquiries and researches the reputation of every new supplier. Our Investigation Department makes sure to conduct complete due diligence on the supplier before contracting with them.

SELECTING SUPPLIERS

(102-9, 102-10, 308-1, 407-1, 408-1, 409-1, 414-1)

ALEXBANK requires proof of the supplier abiding by all relevant local laws, regulations and ALEXBANK rules through a clause in all contracts with all vendors. Given the country context, a clause on child labor was added explicitly to ensure suppliers know that the Bank will take action in any violation of human and labor rights. ALEXBANK's Code of Ethics principles mirror the Egyptian law and, thus, it is an implicit yet essential part in managing and dealing with all parties involved.

ALEXBANK also ask its partners to pass three tests that include:

- 1 **ACTING IN OUR CLIENTS' BEST INTERESTS**
- 2 **CREATING ECONOMIC VALUE**
- 3 **BEING SYSTEMICALLY RESPONSIBLE IN OWN OPERATIONS**

For non-compliant suppliers, penalties are applied on a case-by-case basis. Selecting reliable partners allows the Bank to generate positive financial and social impact in the communities it serves.





+280 suppliers



+EGP 1.5 billion total budget spent



EGP 20 million savings on CAPEX base



ALEXBANK waiting areas include screens to inform customers of new promotions and service features

DIGITALIZATION IN PROCUREMENT AND SUPPLY

ALEXBANK WILL BEGIN CONDUCTING VENDOR PERFORMANCE EVALUATIONS FOR THE LARGE TENDERS BY JUNE 2021. MORE THAN 90% OF THE GLOBAL VENDORS ARE IN THE ICT AREA MANAGED WITH INTERNATIONAL SUBSIDIARY BANKS DIVISION OF INTESA SANPAOLO, TO WHICH ALEXBANK PARTICIPATES AS A SUBSIDIARY .

Some Local categories have to go under advisory approval depending on the different category type limit, such as contracts exceeding € 25.000, € 100.000 or € 350.000.

In 2020, the Bank expanded the scope of the tender committee to include the sales of reposted assets, rentals, and conducted direct purchases to 12 tender committees in the last quarter compared to 8 in total by 2019. IT also started using the Oracle soft launch option. ALEXBANK is currently integrating Bravo Solution for complete vendor management.



1 | BUDGET SUBMISSION

- Budget is uploaded to Oracle.
- We are working to have a tool to automate or Semi Automate the budget process.
- Budget will be visible to users and then users can view their progress in spend for the budget title.



2 | USER PROFILES SET UP HIERARCHY

- Users who issue the PRs and the Users who issue the POs are defined from each function.
- Users reporting lines is highly important as system will follow the reporting lines for approvals.
- Any update in people hierarchies / interval moves / newcomers etc. must be reflected on Oracle. HR and Procurement to be notified.



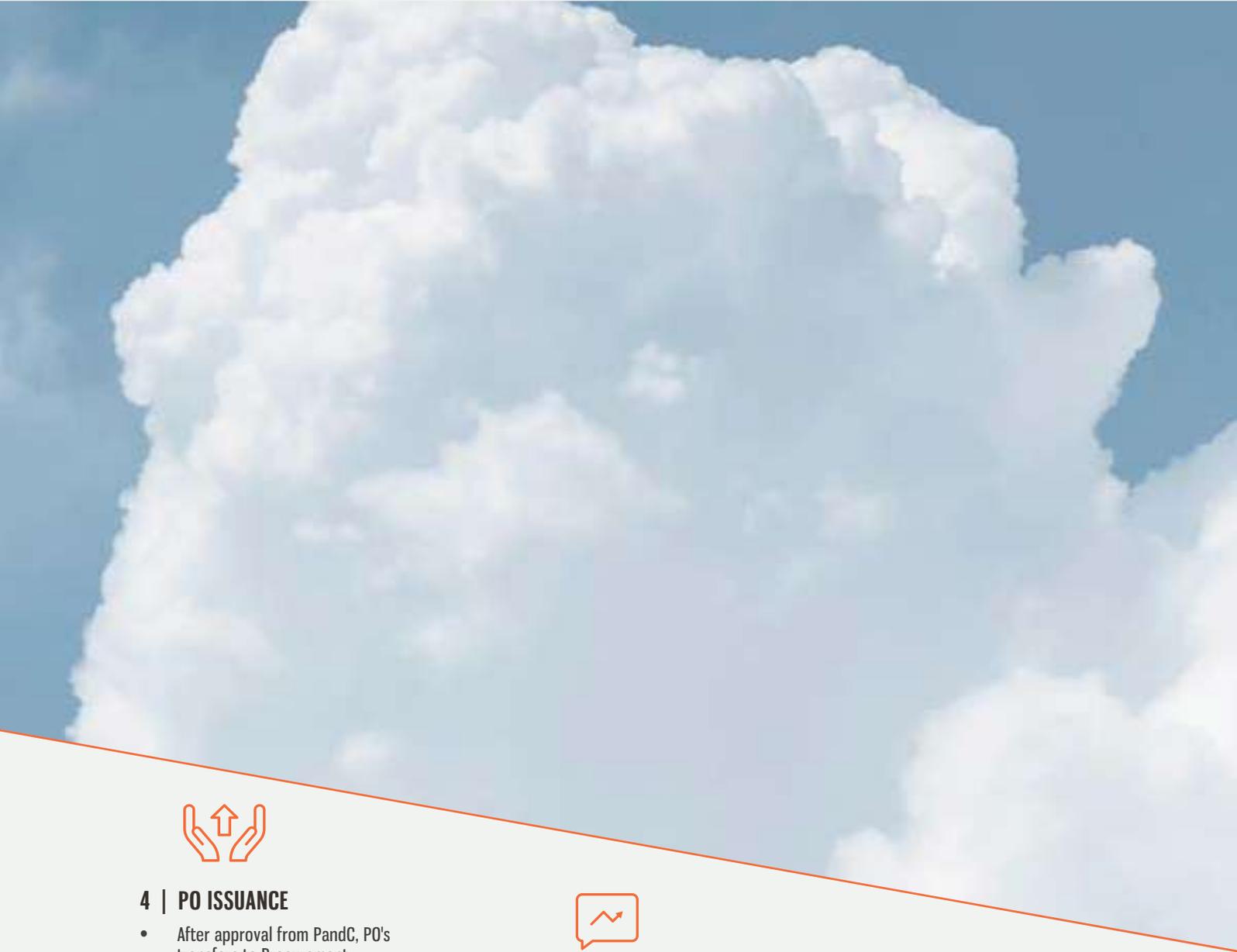
3 | ISSUE THE PR

- PRs are following the approval cycle from the UAT.
- All framework agreements had been loaded.
- PRs after approvals will be directed to POs.
- RFQs can be carried out by Oracle.
- Approvals follow the DOA of the bank.

ENABLING THE DIGITAL TRANSFORMATION IN PROCUREMENT:

APPLYING TOOLS THAT DRIVE ACTION





4 | PO ISSUANCE

- After approval from PandC, PO's transfers to Procurement.
- this is the final stage - goes to Procurement.
- PO is issued and printed.
- Next step to send the PO via mail box to vendor to sign and resend.



5 | REPORTS

- Designed Reprts for the PRs, POs issued during a financial year.
- Reports can be designed to accomodated further data.



6 | PAYMENTS TO VENDORS

- Business should recieve the PO on the system.
- The recieving enables the payments to be initiated via the ERP.

DIGITALIZATION IN PROCUREMENT AND SUPPLY

THE BANK HAS IMPLEMENTED OR COMMITTED TO SEVERAL TRANSFORMATIVE PROJECTS THAT WILL ALIGN ITS SYSTEMS AND PRACTICES WITH THE DEMANDS OF RAPID TECHNOLOGICAL SHIFT.

MEGAPROJECTS

HORUS

Horus project is one the biggest projects implemented in the past three years, with a total investment of around € 10 million CAPEX and €1 million OPEX allocated for 2020 and 2021. ALEXBANK partnered with 15 global and local vendors to upgrade the existing core banking system (Finacle) via solutions from IBM, Cisco, MS, DELL. All the global commodities have been managed by both ALEXBANK and Intesa Sanpaolo Group central procurement in vendor selection, awarding and negotiation.

GOMHOREYA BUILDING

The tender was launched in October 2020, with EGP 150 million was allocated for the renovation of the building. The Intesa Sanpaolo Central procurement team launched the tender on the Bravo platform, which was the first tender for ALEXBANK.



VENDOR MANAGEMENT

ALEXBANK has succeeded in a new agreement to maintain the relationship with a strategic multinational technology company providing the source code related to the Operation Decision Manager (ODM), a deliverable which was developed as part of the Credit Lending of Unsecured Individuals (CLUI) and the Credit Lending of Micro-Finance (CLMF) process automation development activities.

2023 PROCUREMENT STRATEGY

- Shifting the procurement team from reactive mode to be business partnering model.
- Sharing our experience with the Parent Company via Global Buyers roles.
- Automating the Purchase Order (PO) issuance process via Oracle Procure to Pay module.
- Launching Bravo Solution for online tendering and manage vendors' life cycle, including vendors management, sourcing (including E-Auctions) and contract management.
- Adapting analytical tool for the spend.
- The Tender Committee will be the leading platform for all the spend scope.
- Establishing the Commercial Contract Management process and Resource Service (RS) rentals negotiations.
- Oracle procurement to improve the Go To Market (GTM).
- Linking the KPIs with the pay-out and setting the KPIs to meet our 2023 vision.

QUALITY OF SERVICE AND CUSTOMER EXPERIENCE (418-1)

“Being a universal bank, we believe digital is a platform for everyone and is an essential pillar in ALEXBANK's future. We constantly aim to develop our services using customer data-driven insights. The COVID-19 pandemic was a catalyst to accelerate our digital growth. In 2020, we prioritized customer experience (CX) by removing old procedures that required customers to visit the branch, such as registering for a digital banking contract and resetting passwords, to be performed through our call center and self-registration.

We also developed advanced tutorials to guide our customers through our digital services, in addition to launching an awareness campaign through social media and sms to notify them of our new services, system enhancements and CBE initiatives. The seamless merging of marketing, customer relationship management (CRM) and digital banking has enabled us to take those concrete steps towards providing a very competitive digital banking experience.”

Ramy Taha,
Head of Digital Banking and Marketing Division



Quality service is at the foundation of our success. We have policies and systems to ensure we treat customers responsibly and fairly, as reflected in our Code of Conduct and supported by our internal controls. We aim to ensure that our first time clients become our life-long customers and partners.

In 2020, ALEXBANK opened three new branches and renovated six branches to guarantee a welcoming environment and high-quality banking services that provide a personal ALEXBANK customer experience.

EXPANDING THE BANK'S NETWORK

During 2020 the Bank has focused on sustaining the quality of service in the new COVID-19 context while streamlining customer experience via combining enhancements to the digital banking services paired with awareness campaigns supporting customers in the effective use of the Bank's products and services.

" What helped us to pursue serving our customers during the crisis was the obvious support from ALEXBANK's top management to frontline supervisors, proactive and ongoing communication among the branches front line managers and teams since the early stages and the application of diligent precautionary measures."

Tarek Salah Mostafa,
Branch Manager, Cloud 9





ALEXBANK encourages users to use Digital Banking for a fast and convenient service

DIGITAL BANKING



01

Mobile Application and Internet

03

Electronic Bill Payments (Fawry)

05

Contact Center

07

Mobile Application

02

Ma7fazty Mobile Application

04

O-Key Application

06

ALEXALERTS SMS Service



QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

ACCESSIBLE BRANCHES

During 2020 ALEXBANK worked to make its branches more accessible to people with disabilities (PWDs) in line with CBE's mandates and regulations, making branches more accessible and inclusive. Enabling access for PWDs is implemented across two contexts: (1) as a regular client who can access all services offered across the Bank's branches and (2) as an employee providing PWDs an equal opportunity to contribute to the banking industry.

Together with Helm Consulting, the Banks conducted two Disability Equality Training (DET) sessions for 30 ALEXBANK front-line employees enabling them to manage relationships with PWD employees and customers better. Since the launch of ALEXBANK's Accessible Branches project in 2018, it has made a total of 32 branches accessible.

“The ATM team has been able to effectively face the tremendous pressure resulted from COVID-19, which required us to ensure maintaining the availability of our ATM network consistently. As a result, the number of transactions and volumes performed over ALEXBANK's ATM network has increased substantially compared to 2019.”

Tamer Fekry,
Head of ATMs Unit



ALEXBANK's vast network of ATMs is located in diverse spots throughout the country, providing the convenience of Self-Service Banking 24 hours a day, seven days a week:

INITIATIVES PERTAINING TO DIGITAL BANKING TO FACE COVID 19

- Cash withdrawal
- Balance inquiry and mini-statement requests
- Cash Deposit
- PIN change (Personal Identification Number)
- Credit card payment
- Fawry (Digital Transformation and E-Payments Platform) and Bill payments,
- Wallet cash in and out
- Mezza Deposit (the first National pre-paid card simplifying payment without the requirement to have a bank account)



LAUNCHED QR ACCEPTANCE AND AVAILING INSTALLMENT SERVICE FOR ALEXBANK CREDIT CARDHOLDERS DIRECTLY ON THE POS'S



DEBIT AND CREDIT CARDS

Debit and credit cards have shown significant progress and performance during 2020 vs. 2019:

- Debit card POS spend perceived growth of 90% and 17% in the number of spenders.
- Debit card average ticket size has increased by 24%.
- Credit card total spend increased by 24% and 6% in the number of spenders.
- Credit card average ticket size increased by 16%.
- Credit Cards ENR grew by 29%.
- Despite the pandemic, ALEXBANK experienced 15% growth in Credit Cards acquisition.
- ALEXBANK aims to provide a seamless, secure e-commerce transaction and has upgraded the current 3D secure version to the latest version.

MEEZA CARDS

In alignment with the Egyptian government and the Central Bank of Egypt's vision to promote a cashless society through electronic payments, ALEXBANK launched "Meeza," the first national prepaid card, in October 2019. The product launch included an educational video circulated to all employees to overview the card's features. The card issuance aims to support the Egypt Vision 2030 goal of limiting the circulation of cash outside the scope of the formal economy.

The card issuance was exempted from administrative fees until December 31st in 2020 and is open to all Egyptians regardless of their client status. Applicants benefit from simplified steps that guarantee the acquisition of the card on the same day without an obligation to open a bank account implemented in collaboration with the Intesa Sanpaolo Group team.



2020 INSIGHTS



THE TOTAL NUMBER OF ATMS GREW BY 10% COMPARED TO 2019 TO OFFLOAD TRAFFIC FROM BRANCHES DUE TO COVID-19 AND SUPPORT OUR BRANCHES WITH DEPOSIT ATMS.



TRANSACTIONS PROCESSED BY ALEXBANK ATMS INCREASED BY 28%



CASH DEPOSITS IN ATMS IN BRANCHES INCREASED BY 36%

QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

WAIVING FEES

In response to CBE initiatives, the Bank waived Digital Banking services semi-annual and transfer fees within the scope of local banks. If the monthly installment of the microfinance customers was paid through Fawry, the Bank bore the payment commission so that the customer paid the installment without incurring any commissions.

"Working hard to comply with the government regulations required to contain the spread of COVID-19 has given prominence to the electronic payments related services which had been our main focus during the year while ensuring at the same time that the customer experience is not compromised. The team was continually making sure the cards are delivered, ATMs are full of cash and POS machines are distributed to new merchants to facilitate the payment experience."

Hesham Elmaazoun,
Head of Electronic Payment
Products and ATMs office

SIMPLIFIED ONLINE REACTIVATION

ALEXBANK introduced a new re-activation flow for both Mobile Banking and O-Key applications by entering the customers' digital banking credentials without needing a new to visit the branch.

STREAMLINED REGISTRATION AND PASSWORD RESET

The Bank replaced its old Digital Banking registration process, which mandated customers to visit the branch and get a printed password with a new process. Customers can now get registered to Digital Banking services via the Call Center and receive their initial login password via SMS. Instead of visiting the branch, they can now also reset their passwords via a Call Center and receive a new initial login password via SMS.



FASTER PROCESSING

ALEXBANK has started processing transfers towards local banks online through a scheduler to simulate integration with an Automated Clearing House (ACH) Network and ensure that the transfers performed by customers will be handled on the same working day or in 24 hours. Multiple initiatives have been implemented as part of the larger project in collaboration with the Intesa Sanpaolo Group team.

CERTIFICATE AND DEPOSITS BOOKING

The Bank's Internet and Mobile Banking services enable its Digital Banking users to book their deposits anytime, anywhere through their Digital Banking profile*.

AWARENESS CAMPAIGNS

ALEXBANK has implemented several awareness campaigns focusing on improving interaction with customers across its suite of services. They included a User Manual to guide the Bank's customers on how to execute all their financial needs through Digital Services and SMS and social media awareness notifications and promotions on staying safe at home, using Digital Banking services, and Mobile Banking app installation and activation. Awareness campaigns also covered other fee waivers and streamlined registration and password recovery processes.

MA7FAZTY AND MEEZA LOAN DISBURSEMENT

Microfinance Loans were disbursed only on Ma7fazty Application or on Meeza card to minimize customer's flow in branches and ensure their safety.

ONLINE APPLICATION

Applying for the microfinance loan was made possible from home or anywhere through the official Bank's website. This allowed preventing customers from branch visits. The customer received a call from a bank representative to understand their needs and answer questions and inquires, allowing them to decide on the feasibility of a branch visit.

* Notice on the event after the reporting period: started in 2020, finalized in March, 2021.

REMITTANCES

INITIATIVES	ACHIEVEMENTS	ADDED VALUE
ONBOARDING ABROAD CUSTOMERS FOR BANK ACCOUNTS	Initiated a new special scheme code to open bank accounts for Egyptians working abroad to enable them use the banking system while sending their hard-earned money back home.	Attracting new customers to the banking system to benefit from variety of ALEXBANK's banking solutions.
INTRODUCING NEW REMITTANCES SYSTEM	Launched a new sophisticated system and platform for the remittances transaction flow. The newly introduced system will allow remittances' customers to send and receive money on real-time basis.	Position Alexbank as the preferred money transfer partner for Egyptian expatriates through offering reliable and fast money transfer services
MARKETING CAMPAIGNS AND PROMOTIONS	Launching dedicated marketing campaigns in the key sending corridors to make our services more accessible to the target segments.	Becomes more accessible to the Egyptians working abroad by creating proper awareness on the value additions which Alexbank offers regularly to the target segments in various sending corridors.
FACILITATING OUTGOING INTERNATIONAL REMITTANCES TO BENEFICIARIES' BANK ACCOUNTS VIA WESTERN UNION	Introduced Western Union's APN remittances facility, a tool that allows the customers in Egypt to send money worldwide directly to a recipient account quickly and efficiently.	Delivering better customer experience through offering seamless remittances' products to more than 200 countries in collaboration with our strategic partner "Western Union".
DISBURSEMENT OF EGP REMITTANCES PAYMENTS VIA WESTERN UNION	Launched the disbursement of EGP remittances payments to Western Union customers who wish to select EGP as the preferred pay-out currency.	Introduced diversity of money transfer products to the remittances' beneficiaries in Egypt by enabling the remitters abroad to select Egyptian pound currency as a direct pay-out currency when sending money through Western Union to beneficiaries back home in Egypt.

Regardless of the slowdown and overall restrictions imposed by COVID-19, ALEXBANK has increased its sales efforts via the telesales channels covering various bank products with steady improvement throughout the year.



QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

PRIVATE CUSTOMERS

"Our focus and effort were channeled towards maintaining the best customer service level possible, especially in light of shortages we had in the magnifica team and entire branches closing at times whenever there was a COVID-19 case. The biggest challenge for us was to develop innovative solutions allowing us to serve our customers while growing the business simultaneously without the crucial human interaction, which affluent and private customers usually appreciate. Hence, we began utilizing the contact center heavily in several critical activities like customers upgrading.

We also started cross-selling activities by promoting products and services bundles from value propositions through two-way sms campaigns. More importantly, magnifica relationship managers communicated and handled customers through virtual meetings, standing orders, and e-mail instructions, which had a huge positive impact on enhancing customers' loyalty and offloading branches while maintaining customers and business acquisition. These out-of-the-box but necessary solutions have been stimulating and stressful at the same time. However, the bank's drastic measurements, which put the safety of the people first through working from home and providing all the necessary tools to eliminate any business disruption, helped a lot in easing the pressure and provided an environment to operate as normal as possible safely."

Sherif AboRaya,
Head of Affluent and Private Client Department



THROUGHOUT 2020, ALEXBANK SUPPORTED ITS MAGNIFICA AND PRIVATE CUSTOMERS VIA A SERIES OF MEASURES.

DAILY EXTENSIVE FOLLOW-UPS AND CALLS WITH CUSTOMERS BY THEIR RELATIONSHIP MANAGERS

Relationship managers stayed close to their customers, assuring them and keeping them informed about their accounts and all the updates happening in the Bank. They also conducted Zoom meetings with Private customers to provide personal assistance while they remained at home. These strategies helped increase customers' loyalty, and many stayed with ALEXBANK despite competing offers from other banks.

UPGRADING EXISTING CUSTOMER TO MAGNIFICA/ PRIVATE VIA PHONE CALLS

Due to the limitation of customers' branch visits, ALEXBANK created this initiative to help branches and the Magnifica team with business acquisition and cross-selling. This availed Phone Banking service to potential Mass customers to get upgraded to Magnifica/Private through a recorded call without visiting the branch.

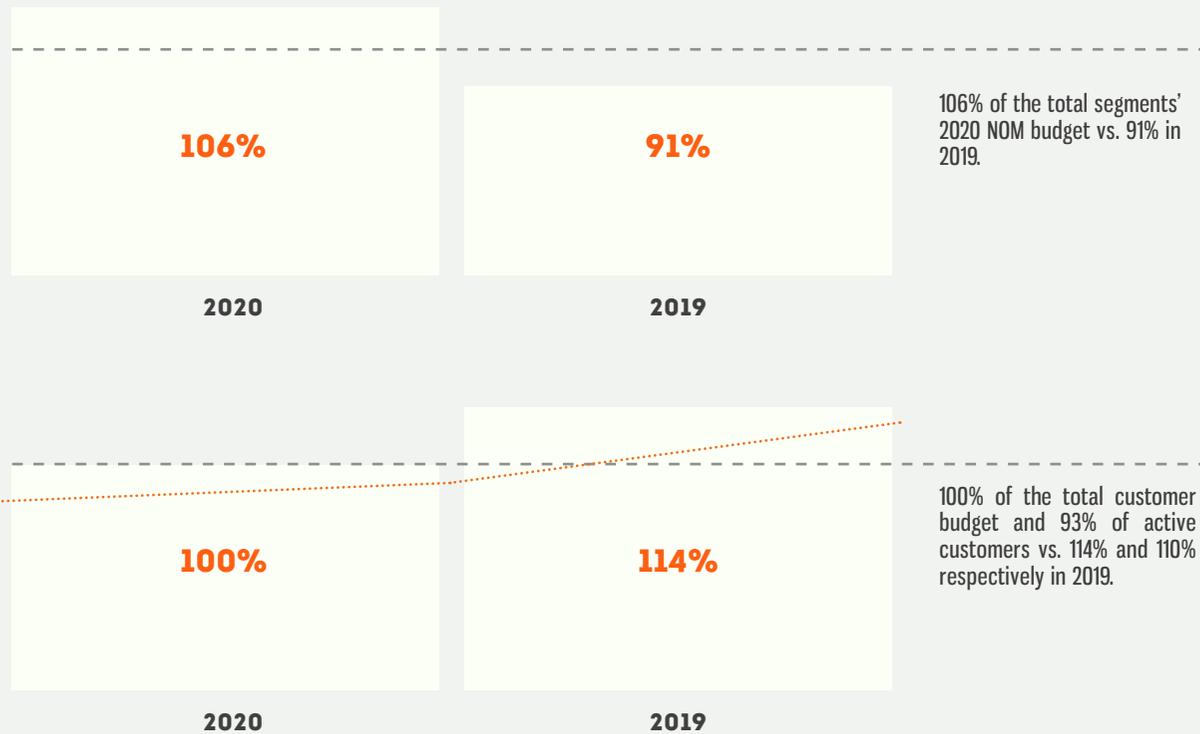
BUNDLE CAMPAIGNS TO MASS/ MAGNIFICA/PRIVATE CUSTOMERS

To highlight and enhance customers awareness of the benefits they receive from being ALEXBANK’s Magnifica/Private customers, the Bank developed a way to enhance loyalty and steer customers’ mentality away from return gaps through the creation of different bundles made up of various products (Assets / Liabilities) and services from segment’s value proposition targeting different sub-segments based on customers’ profile to maximize business and cross-sell impact.

RELYING ON CONCIERGE SERVICES

ALEXBANK was one of the first banks in the Market to implement a fully-fledged concierge service. It relied on and focused on concierge service's strong brand and quality to help customers perform certain essential services without leaving their homes, including governmental services and errands.

NET OPERATING MARGIN (NOM) LEVEL



The Bank’s achievement of these KPIs came from shifting its strategy towards being close to its customers when they could not visit the branches.

QUALITY OF SERVICE AND CUSTOMER EXPERIENCE

GROWING DIGITAL SERVICES

MA7FAZTY

Launched in early 2017, Ma7fazty is one of the Bank's most popular digital services. Ma7fazty combines all essential daily money transactions in one mobile application. It is a highly effective method of facilitating and simplifying secure money transactions, all in a few simple steps.

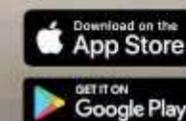
This tool allows customers to transfer money to any wallet in Egypt, pay mobile and utility bills, and make online purchases. Moreover, customers can Cash In and Out money from any ATM allowing Card-less Services, ALEXBANK branches, or Fawry outlets. In 2020, Ma7fazty achieved considerable positive growth in all metrics compared to 2019, where Ma7fazty Base increased by almost 48%. The number of transactions in 2020 vs. 2019 increased by more than 50%, boosting transactions by 134%, more than double 2019's value.

For Ma7fazty, ALEXBANK took many initiatives to cope with the COVID-19 challenging circumstances, the most important of which was offering registration through the Call Center. This service provided convenience to customers who could not visit the branch to register and increased Ma7fazty new acquisitions. No fees were applied for some Ma7fazty services such as money transfer to other wallets, Cash In and Out, and Online Card generation, leading to an increasing number of transactions. Awareness campaigns and promotional activities were conducted to help activate Ma7fazty customers.

In the case of paying the monthly installment of the microfinance customers through the Ma7fazty application, a cashback of 25 pounds was credited to the customer's account upon the installment payment, and the customer did not bear any other expenses by paying through Ma7fazty.

ALEXBANK gives customers the option to enjoy banking services anytime and anywhere

مبروك كسبت ٢٠ جم
في رهيد محفظتي



اشترك دلوقتي ولفترة محدودة في تطبيق محفظتي واحصل على ٢٠ جم رصيد هدية

*هذا العرض ساري من ١٤ سبتمبر حتى ٣٠ سبتمبر
*تطبق الشروط والأحكام



6.0

BUILDING INCLUSION PROSPERITY

Business Performance and Market Presence	53
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Vibrant setup for children at Banati Foundation in preparation of a creative art workshop

BUILDING INCLUSIVE PROSPERITY

“I strongly believe that in every difficult situation there are always opportunities. The challenging times we lived since the start of the pandemic, gave us the chance to revalue our priorities, our lifestyle and our contribution to develop a more sustainable society.”

**Michele Formenti,
Chief Financial Officer**



The global economy was hit by a dual shock on demand and supply, shrinking by about 4.4% against 2019. Millions of people lost their jobs, and many people faced difficulties in sustaining a decent living standard. Countries quickly reacted with comprehensive stimulus packages, including direct financial aid, tax relief, loan guarantees, loan moratorium, and public investments. ALEXBANK has witnessed those events from the inside, with significant disruptions faced by its customers, particularly MSMEs. Despite the obstacles, the collaborative work of multiple departments and teams across the bank allowed the Bank to reach sound performance, develop new financial services, manage risks and help clients weather the pandemic.

In 2020, the Egyptian government adopted a balanced approach to tackle the complex implication of the COVID-19 pandemic, including partial lockdown and increasing government expenditures. While acting proactively, ALEXBANK has considered what others were doing, such as allocating over EGP 109.6 billion (2% of GDP) to combat the virus outbreak by the Egyptian government. Egyptian authorities secured almost USD 23 billion foreign funds from multiple sources in 2020, making the Egyptian Pound one of the top-performing currencies in EMs during 2020.

Considering those developments, ALEXBANK has focused on supporting Egyptian society while leveraging the macroeconomic dynamics to strengthen position and performance. Aligning with the Intesa Sanpaolo Group, the Central Bank of Egypt (CBE), national authorities, and other stakeholders allowed ALEXBANK to address the diversity of COVID-19 impacts, minimize risks to customers and expand its strategic lending priorities.





Promoting female entrepreneurship and financial inclusion is one of the pillars of building inclusive prosperity. To learn more on Um Ziyad success story with our microfinance Tamkeen product, please refer to our 2018 Sustainability Report. Photo by Ahmed Hayman



BUSINESS PERFORMANCE AND MARKET PRESENCE (102-15)

FINANCIAL RESULTS AND COMMENTS ON OPERATIONS (102-7,201-1)

In 2020 FY, ALEXBANK achieved sound results despite the pandemic. The consolidated net income went up 0.65% y-o-y to EGP 6.67 billion, net interest income went up by 0.22% from 2019, and net fees and commission income grew 5% over the previous year EGP 651 million. ALEXBANK maintained operational efficiency, with the cost-to-income ratio standing at 44.4% compared to 39.3% in 2019.

Below are some other financial highlights of the year. For more detailed information, please see ALEXBANK's [Financial Statements for 31 December 2020](#).

NET LOANS PORTFOLIO  **14.74%**
TO EGP 47,964 MILLION

NET INTEREST INCOME  **0.20%**
TO EGP 6,024 MILLION

NET PROFIT FOR THE YEAR  **25.58%**,
EGP 2,485 MILLION

CUSTOMERS' DEPOSITS  **2.79%**
TO EGP 85,011 MILLION

NET PROFIT BEFORE INCOME TAX  **28.47%**,
EGP 3,178 MILLION

COST TO INCOME RATIO:



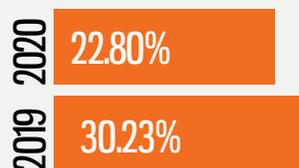
CAPITAL ADEQUACY RATIO:



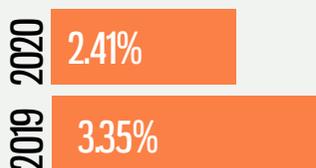
EARNINGS PER SHARE:



RETURN ON AVERAGE EQUITY (ROAE):



RETURN ON AVERAGE ASSETS (ROAA):





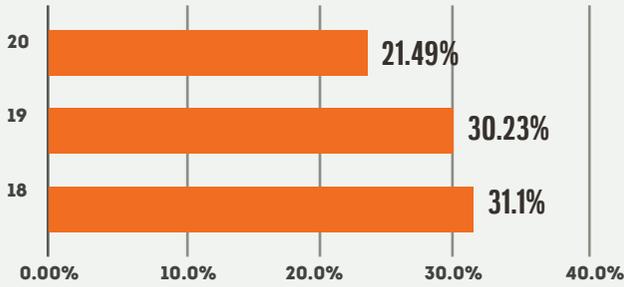
YEAR	NET INTEREST INCOME (EGP, MILLION)	TOTAL ASSETS (EGP, MILLION)	NET PROFIT BEFORE INCOME TAX (EGP, MILLION)	NET LOANS (EGP, MILLION)	NET PROFIT (EGP, MILLION)	CUSTOMERS' DEPOSITS (EGP, MILLION)
2020	6,024	102,238	3,178	47,964	2,485	85,011
2019	6,011	104,178	4,444	41,802	3,339	87,452
2018	5,573	95,133	3,981	38,239	3,025	78,782
2017	4,862	77,679	3,665	32,149	2,783	63,537

ALEXBANK had a net operating income reach EGP 6,674 Million, up by 0.65% vs. 2019 Y-o-Y, caused by increase in both net interest income and net fee and commission income compared to FY2019.

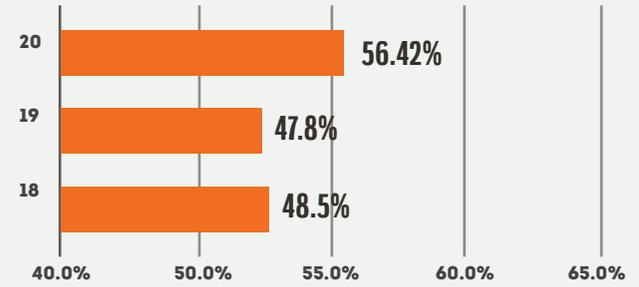
YEAR	NET FEES AND COMMISSION	EARNINGS PER SHARE (EGP)	CAPITAL ADEQUACY (BASE II) (%)
2020	651	5.53	20.92
2019	620	7.51	18.92
2018	680	6.83	21.23
2017	563	6.26	18.88

BUSINESS PERFORMANCE AND MARKET PRESENCE (102-15)

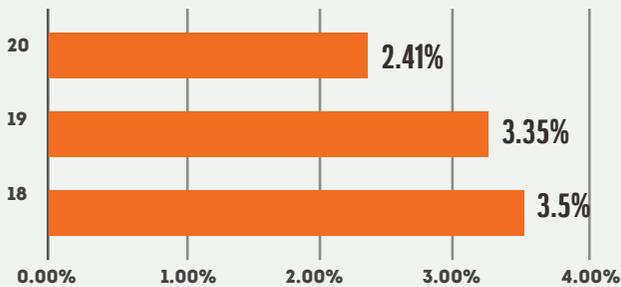
Return on Average Equity (%): ↓ by 8.7 bps



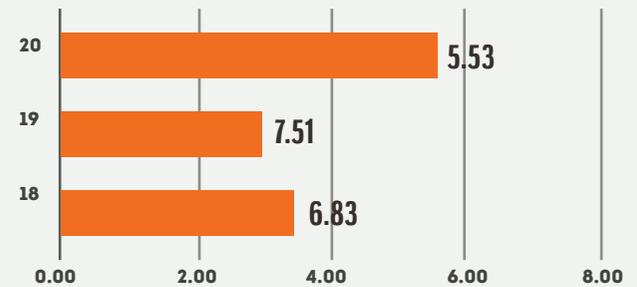
Net Loans/Deposits (%): ↑ by 8.6 bps



Return on Average Assets (%): ↓ 0.9 bps



Earnings per Share (EGP): ↑ EGP 1.98



Total Liabilities (in Bln.)



Total Assets (in Bln.)



TOTAL LIABILITIES RECORDED EGP 90.70 BILLION FY2020, DOWN BY 2.04% FROM EGP 92.59 BILLION IN 2019 SEGMENTED AS FOLLOWS

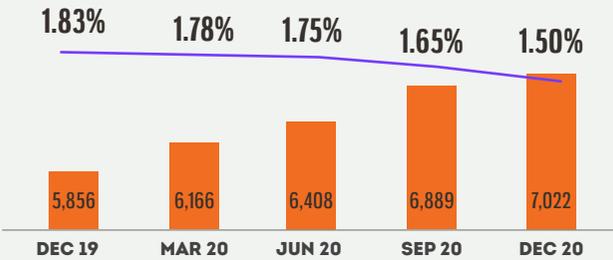
TOTAL ASSETS STOOD AT EGP 102.24 BILLION FY2020, DOWN BY 1.9% FROM EGP 104.18 BILLION IN 2019 SEGMENTED AS FOLLOWS

MARKET SHARE

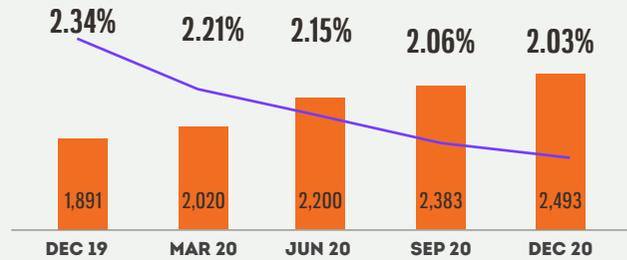
The Bank's market share has undergone the following changes during 2020.

— Total Market — BOA's Market Share

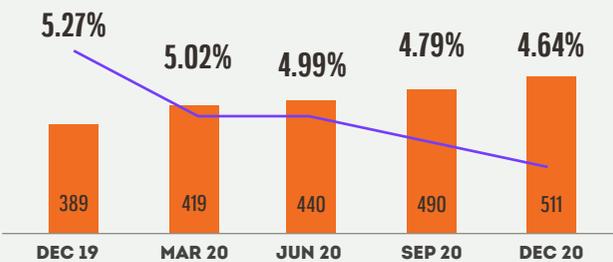
Total Assets



Total Loans



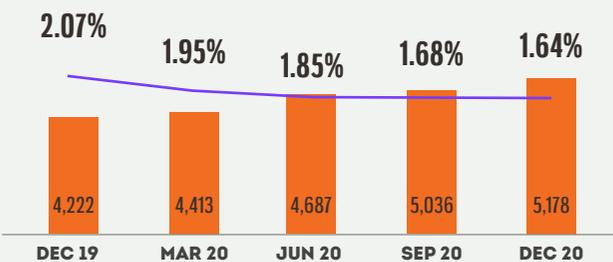
Retail Loans



Corporate Loans



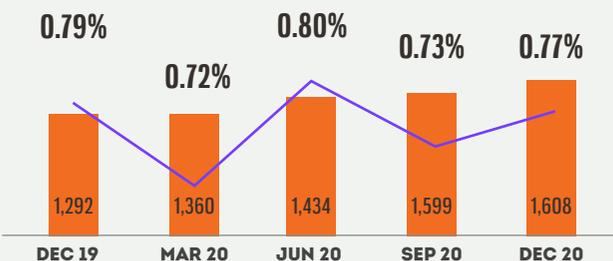
Total Deposits



Retail Deposits



Corporate Deposits



TOTAL ASSETS MARKET SHARE DECREASED TO 1.5% COMPARED TO 1.83% IN 2019

TOTAL LOANS MARKET SHARE DECREASED TO 2.03% COMPARED TO 2.34% IN 2019

TOTAL DEPOSITS MARKET SHARE DECREASED TO 1.64% COMPARED TO 2.07% IN 2019

BUSINESS PERFORMANCE AND MARKET PRESENCE (102-15)

ECONOMIC VALUE DISTRIBUTION (201-3, 203-2)

WELFARE OF EMPLOYEES

2020 witnessed an increase in post-retirement medical benefits by around EGP 131 million, 12% more than in 2019. A rise in pension cost, amounting to EGP 142.7 million or 78.4% Y-o-Y was witnessed due to the Early Retirement Plans, pension cost reached EGP 324.8 million in 2020. Total Salaries cost increased by EGP 39.4 million (including social insurance), 3.9% higher than in 2019.

LOANS TO CUSTOMERS

ALEXBANK's financing of businesses and individuals grew by 14.2% to reach EGP 50.6 billion, with a loan market share of 2.03%.

STABLE PARTNER TO THE EGYPTIAN GOVERNMENT

ALEXBANK maintained its track in supporting the economy and the Egyptian government through major channels where the bank paid Corporate Tax of EGP 0.7 billion.

GROWTH FOR THE ECONOMY

Supply chain impacts on sustainability, environmental footprint and creating shared value performance can be significant. ALEXBANK's indirect impact on the stability of its operations and the jobs of its suppliers can be measured by the EGP 1.5 billion allocated for total procurement in 2020.

CSR BUDGET AND PARTNERSHIPS EVOLUTION

	2018	2019	2020
NUMBER OF BENEFICIARIES	30,000	59,864	64,250
NUMBER OF PARTNER ORGANIZATIONS	36	43	58
*TOTAL CSR SPENDING (EGP IN MILLION)			
* In the form of donations to NGOs and support to community development activities. EGP 23,492,624 from total amount were devoted to donations for CSR activities conducted by NGOs. The rest of the amount is for activities implemented by non-NGOs. (by non-NGOs we refer to entities such as social enterprises or individuals whose role is vital to sustain the implementation of the projects core activities and components)	22	28	32

More information on ALEXBANK'S Financial Statements and Financial Audit can be found in the [Financial Statement Report 2020](#)



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STAKEHOLDERS & MATERIALITY

CORPORATE GOVERNANCE

DRIVING DIGITAL TRANSFORMATION

BUILDING INCLUSIVE PROSPERITY

ELEVATING HUMAN POTENTIAL

ENVIRONMENTAL STEWARDSHIP

SOCIAL & COMMUNITY IMPACT

WAY FORWARD



More information on Hagg Ahmed Rabea's journey with ALEXBANK's Mircofinance program can be found [here](#)

RESPONSIBLE AND PURPOSEFUL LENDING

"Our partnership and "CommUnityship" concepts have helped us overcome the COVID-19 effectively. The support we provided to SMEs helped them sustain their business, build professional capacities and implement sustainable solutions."

Sherif Lokman,
Head of Retail and SME Division



ALEXBANK aims to drive a competitive and resilient MSME sector. In 2020, ALEXBANK Board approved the Financial Inclusion strategy aligned with the Intesa Sanpaolo Group business plan (2018-2021).

Focusing on Micro, Small, and Medium-Size Enterprises (MSME) to support their business expansion, financial success and avoid the access-usage gap helps strengthen the bank's efforts for micro-lending using its five financial inclusion characteristics.

Total Lending exposure allocated to MSMEs has exceeded CBE's 20% minimum requirements. Today, 79,000 MSME clients have benefited from the full-fledged lending strategy conceived to meet their needs. Most of the Bank's MSME lending portfolio is active in the Manufacturing sector (30%), closely followed by the trading sector (26%), the Agriculture sector (18%), and Construction (12%).

The new market challenges imposed by the COVID-19 outbreak impacted mostly the Small Business segment. At the same time, the portfolio proved to be resilient thanks to the structural transformation over the past 3-4 years. The Small Business' portfolio composition moved towards more sustainable and stable sectors shifting from the conventional commercial traders to the industrial and agri-business (milking and fattening). Over the period from 2018-2020, the conventional commercial trader's portfolio dropped from 84% to 37%, while the agri-business/ livestock that increased to 18% compared to 10% as of 2018.

YEAR	TOTAL LENDING EXPOSURE	AMOUNT (EGP, MILLION)
2020	21.98 %	9,671
2019	20.49 %	7,657
2018	16.42 %	6,221

Aim: 25% Small and Medium Enterprises in 2022



The Cattle Fattening farm of our Microfinance client

DISTRIBUTION OF ALEXBANK'S MSMEs CLIENTS ACROSS SECTORS (203-1, 203-2)

YEAR	CLIENTS	MANUFACTURING SECTOR (%)	TRADING SECTOR (%)	AGRICULTURE SECTOR (%)	CONSTRUCTION SECTOR (%)
2020	79,000	30	26	18	12
2019	74,000	38.1	28	11	20

Microfinance is a segment under the Retail and SME business in ALEXBANK with 73,000 active customers and a total portfolio as of December 2020 that reached EGP 1.9 Billion thanks to the targeted diversification of the Bank's range of products and services tailored to this segment which culminated into the

expansion of agribusiness finance to the Microfinance this year. The CBE considers this segment under the MSMEs sector, helping ALEXBANK ensure that it offers different products and services that satisfy this segment's needs.

RESPONSIBLE AND PURPOSEFUL LENDING

OUTSTANDING VOLUMES (LOANS PORTFOLIO)

	2018 OUTSTANDING EXPOSURE	2019 OUTSTANDING EXPOSURE	2020 OUTSTANDING EXPOSURE
MICROFINANCE (INDIVIDUALS)	535,234,138	606,992,527	1,185,674,263
MICROFINANCE (ENTERPRISES)	66,514,659	144,120,024	313,014,649
TOTAL MICROFINANCE LENDING	601,748,798	751,112,552	1,498,688,912
GROWTH YOY	39%	25%	102%

NEW BOOKING (LOANS)

	2018 NEW BOOKING IN EGP	2019 NEW BOOKING IN EGP	2020 NEW BOOKING IN EGP
TOTAL MICROFINANCE (INDIVIDUALS)	850,099,100	877,434,100	1,201,710,300
TOTAL MICROFINANCE (ENTERPRISES)	83,853,500	162,260,000	301,828,000
MICRO FINANCE IN COORDINATION WITH NGOS/ ENTITIES (INDIVIDUALS)	1,191,000	593,000	535,000
MICRO FINANCE IN COORDINATION WITH NGOS/ ENTITIES (COMPANIES)	0	260,000	675,000



In 2007, ALEXBANK launched the Microfinance program for individuals as part of its strategy to bank the unbanked and financially support the economic empowerment of this underserved segment. This product offering helped increase the Bank's market share in the Egyptian banking industry. In 2019, a new direction emerged, focused on supporting the business by aligning with governmental, NGOs, and private sector entities. This approach allowed ALEXBANK to create a new lending solution that serves the Microfinance segment.

Following CBE direction, ALEXBANK has started utilizing financial inclusion via a Know-Your-Customer (KYC) approach to products and services regulation to revamp the microfinance accounts and offer digital and traditional banking products to the unbanked business customers who lack formal documentation. For managing the microfinance portfolio in the light of the COVID-19 pandemic, the Bank extended upon the CBE initiative, offering favorable conditions and extra flexibility to its customers.

Standing by our customers to help them achieve their aspirations and scale-up their business opportunities. Photo taken from the farm of Hagg Haytham, one of ALEXBANK's Microfinance Agribusiness clients

RESPONSIBLE AND PURPOSEFUL LENDING

CBE POSTPONING INSTALLMENTS INITIATIVE (SINCE MARCH 2020)

The initiative allowed clients to postpone the installments without paying any amounts during the postponement period. The installment value increased after the postponement period by the value of the postponement cost for a period of 6 months. The financing period was extended by the amount of the deferral period.

ALEXBANK POSTPONING INSTALLMENTS INITIATIVE (SINCE MARCH 2020)

Clients could postpone the installments while paying the value of the deferral cost in monthly installments during the postponement period. The financing period was extended by the amount of the deferral period. Postponing the monthly installments for regular customers did not increase the installment after the end of the postponement period.

POSTPONEMENT CAMPAIGNS AS OF DEC 2020

POSTPONEMENT OPTION	NUMBER OF CUSTOMERS	OUTSTANDING AMOUNTS (EGP)
ALEXBANK	12,910	177,490,989
CBE	13,133	185,976,314
TOTAL	26,043	363,467,303

TAILORED FINANCE (203-1) FOR AGRIBUSINESS

" Since its creation, the agriculture desk has a key mission to support the Bank's strategy to increase its agribusiness lending across different segments. The main three drivers of turning the office mission into action are knowledge sharing, business and products development. Since 2019, the desk has contributed to advancing the staff's knowledge on the topic through regular communication and internal publications. We also have strengthened the coordination with internal functions from both the business side and the CSR and SD Office to launch new products and develop the business synergies with external partners of proven track record in the field to enhance the positioning of our agriculture proposition in the market."

Amr Sabry,
Assets Product Manager



ALEXBANK signed a protocol with the Ministry of Agriculture to avail finance for small farmers seeking funds to expand their livestock business. This protocol aims to support the livestock business development in Egypt. It capitalizes on the ministry's direction to enhance the livestock breed in Egypt by importing new breeds of cattle and sheep. The livestock programs reflected significant growth in the small business and micro portfolio, to reach EGP 1 billion for the year 2020 (22% from total Small Business and Micro lending portfolio).

The World Food Program (WFP) has several projects to upgrade the small farmers' agricultural and other rural activities.



Therefore, WFP approached ALEXBANK to support small farmers by providing them suitable financial and non-financial solutions. Contributing to the WFP's Smallholders Support Program in Upper Egypt culminated into the MOU being signed in December 2020.

By signing the protocol, ALEXBANK and the WFP Egypt jointly affirm their willingness to build the resilience of smallholder farmers and their communities by enhancing their productive capacity, ensuring that equitable access to resources and opportunities, and enabling them to sustainably maximize their output.

Meanwhile, smallholder farmers are offered a version of the individual agribusiness microfinance product, non-agribusiness micro-loans, and individual livestock microloans to help those who need immediate support.

ALEXBANK and International Finance Cooperation started cooperating under its "Clean Technology Entrepreneurship" project to design new financial products that enable farmers - most of whom may lack direct access to the electricity grid - to purchase and install solar-powered irrigation pumps.



Next Steps:

- Explore community development associations (CDAs) in the governorates of Aswan, Asyut, and Sohag.
- Provide capacity building components (virtual) for the CDAs.
- Explore ways to EMM microloan proposition.
- Covering up to 1 million smallholder farmers and 5 Community Development Agencies in 5 governorates in North Upper Egypt.

INDUSTRIAL SECTOR (203-1)

ALEXBANK launched The Industrial Development Authority (IDA) lending product to avail finance for entrepreneurs, startups, or existing entities to benefit and profit from the industrial units available through the IDA. The mutual agreement enhanced the industrial sector by facilitating access to viable financial solutions for customers seeking finance in the industrial sector. The portfolio achieved significant growth of EGP 28 million for the year 2020 compared to 21 million at the end of 2019.

FINANCING (203-1) HEALTHCARE

ALEXBANK and Siemens Healthcare mutually agreed to promote the medical sector by facilitating access to viable financial solutions for doctors to purchase medical equipment for the targeted medical industry from Siemens Healthcare. This alliance allowed ALEXBANK customers to get the best medical equipment in the market with the best financial solutions that match their needs. The cooperation achieved EGP 23,978,800 for the year 2020. Numbers are expected to increase significantly by the end of 2021 due to multiple promotional campaigns.

"During COVID-19, regular communications with the branches network had been the strongest key element of the support provided to branches' staff, to discuss insurance activities versus sales targets. For our customers, we have launched alongside the ALEXBANK Marketing team to cooperate with our insurance partners a "New Website Leads activity" to better serve our customers remotely and expand the business opportunities. The Overall performance certainly was negatively affected; however, we have learned that what matters is to deal with the crisis and give the best you can as long there is a strong entity standing by your side and supporting you."

Ahmed Ghareeb,
Head of Insurance Sales Unit



FINANCIAL INCLUSION AND LITERACY (203-1, 2)

A COMPREHENSIVE APPROACH

Financial inclusion is one of ALEXBANK’s key priorities. The Bank strives to continuously develop innovative financial products and services, many of which target underserved and vulnerable populations. This contributes to a higher quality of life, equality and inclusivity. ALEXBANK particularly focuses on improving financial literacy among children and youth, harnessing the power of gamification and digitalization. It also supports micro enterprises in sustainably scaling their business with a wide range of non-financial services, competitive interest rates and simplified payments.

On July, 2020, ALEXBANK BoD has approved the Financial Inclusion strategy aligned with Intesa SanPaolo 4 Years plan (2018-2021) focusing on Micro, Small and Medium Size Enterprises (MSME) to support their business expansion, financial depth and avoid access-usage gap, in addition to strengthen the bank’s efforts on micro-individuals lending using the below 5 financial inclusion characteristics:



PERSONAL FINANCE SOLUTIONS (203-2)

Digital Savings Groups

In July 2019, the “National Digital Savings Groups” project was launched by the Central Bank of Egypt. In partnership with ALEXBANK, National Council for Women (NCW), CARE International Egypt Foundation, and Vodafone Egypt. Influenced by CARE International Egypt’s Saving Groups model, ALEXBANK has been working to advance this method for poverty alleviation by encouraging savings and lending as an investment into income-generating activities. Moreover, this project is an initial step towards partial digitalization, aiming to enhance the traditional method allowing for safer transactions while paving the way for the project’s development. The project also includes training on financial literacy, entrepreneurship, and social skills, while engaging men and boys to ensure effective implementation and project success.

Thus far in the pilot phase, ALEXBANK has onboarded 200 into ten savings groups across Asyut and Beni Suef. National IDs were issued for 100 women, and loans were granted to 61 women, 13 of whom used the loans for income-generating activities. Additionally, 78 women in 5 savings groups received financial literacy sessions. The Post-Pilot Phase of the Digital Savings Groups Project aims to enable beneficiaries to access the digital savings platform to help them socially and economically.

ALEXBANK is making an additional contribution in the form of a social, non-financial service - a micro-insurance package for women in the digital savings groups. This offering covers medical costs for accidental death, permanent disability due to accident, funeral expenses in case of accidental death, accidental medical reimbursement, critical illness (including female cancer), female cancer treatment, and in-hospital stays.

In October 2020, a second phase of the project began, in partnership with CARE Egypt, The National Council for Women, the Central Bank of Egypt, and Vodafone Egypt (December 2019 – Ongoing); it enrolled 3,000 women into savings groups in Asyut. This phase continues the initial work, which began in 2018 and continued within onboard 200 women during December 2019 and August 2020. The Agent Banking Agreement was embarked on with Care Egypt. ALEXBANK’s additional contribution is a social non-financial service—a micro-insurance package for onboarded women, which bundles together various health services tailored specifically for women.



+3,200 Women

IN ASYUT ONBOARDED INTO SAVINGS GROUPS

100 Women

WERE PROVIDED NATIONAL IDS

61 Women

GRANTED LOANS

78 Women

RECEIVED FINANCIAL LITERACY SESSIONS

Judging ENACTUS Youth Competition of Financial Inclusion and Economic Development



For the second year in a row, ALEXBANK partnered with Enactus NGO, a non-profit organization that works to foster more sustainable Egyptian communities to sponsor, assist, and guide university students to develop innovative solutions and projects to financially include marginalized communities, with results expected to impact 100,000 – 130,000 people marginalized in the local communities.

ENACTUS Egypt monitored and selected 35 universities to showcase their innovative business solutions. Contestants presented the solutions in July 2020 through an online platform (due to social distancing amid COVID-19), showcasing top innovation projects designed by the students from 35 universities and 16 different Governorates.

ALEXBANK Office and Department heads and external partners participated as judges and business leaders to determine the ENACTUS team and student entrepreneurs named National Champions. They were allowed to represent Egypt on a global platform at the ENACTUS World Cup in September 2020 and they went on to win the World Cup. The top two finalists were Cairo University, whose Electronic Waste project named “The Cost of Evolution” came in 2nd place, and El Azhar University’s Shrimp Waste Initiative in Al Qaroun Lake, El Fayoum “Chitoshrimp” came in 1st place, thereby preserving Egypt’s title for two years in a row.

**8,000 active students in
58 teams representing
34 universities in
16 governorates**



Women beneficiaries of the Digital Savings Group come together

Ebda3 men Masr Microloans (EMM)



Within extension to the Bank’s financial inclusion activities, Ebda3 men Masr (EMM) microloan was launched in 2019 to empower its target segment. It is expected to create business value for ALEXBANK in serving the underbanked artisans who were not encouraged to borrow under the conventional microfinance umbrella.

The loan is accompanied by a business skill and financial literacy component designed to grow their businesses successfully. A microloan product branded EMM enables ALEXBANK to capture its target segment and allow the Bank to achieve the objective of shared value: business for ALEXBANK and social value for the handicraft community.

The average EMM loan ranges around EGP 50,000 to purchase raw materials and fixed assets to participate in exhibitions. The EMM is tailored specifically for handcrafters’ needs and provides innovative and responsible financial solutions to the under-served. In addition to the financial package, a bouquet of non-financial services, including legal advisory services, business skills training sessions, digital marketing training, and consulting services, as well as direct sales opportunities, is provided.

Over the project’s entire period, 39 artisans have been supported through microloans. ALEXBANK is currently preparing the Creative Industries Guide to Finance in Arabic and English to outline all available products and services on the Microfinance segment and other services offered by ALEXBANK.



FINANCIAL INCLUSION AND LITERACY

CBE FINANCIAL INCLUSION EVENTS

International Youth Day (August 2020)

ALEXBANK has celebrated International Youth Day with New To Bank (NTB) acquisition promos to support the opening of [youth accounts and mobile wallets](#). The Bank has run several cashless spending campaigns focusing on Meeza and Debit cards.

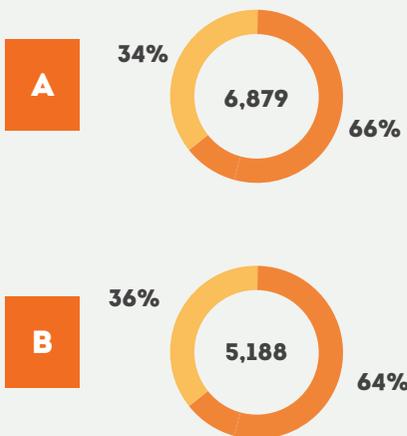
PROGRESS ON YOUTH ACCOUNTS: 2020 VS. 2019 HIGHLIGHTS

International Youth Day

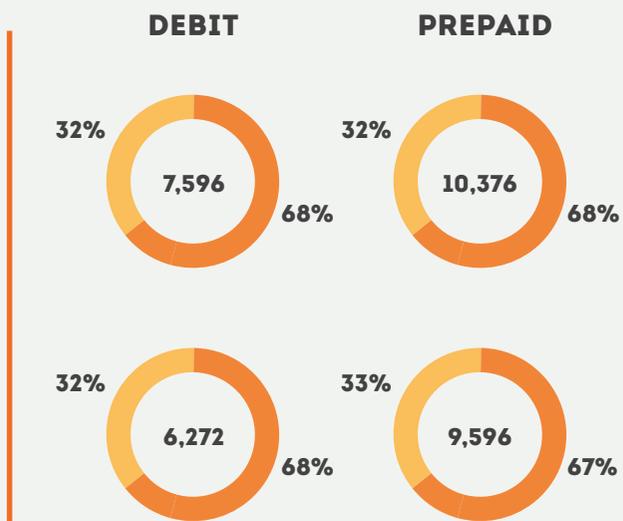
YEAR PRODUCTION		CLOSING PORTFOLIO		INTERNET BANKING SUBSCRIBERS		X-SELL RATIO		AVERAGE MONTHLY DIGITAL PAYMENT TRANSACTIONS	
2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
21,100	20,400	42,800	53,100	19,100	36,700	3,340	3,990	13,500 / month	20,700 / month
2019: -3%		2019: +24 %		2019: +92 %		2019: +19%		2019: +53%	

World's Savings Day Celebration

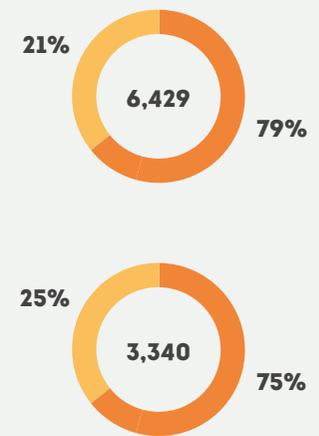
ACCOUNTS OPENED



CARDS ISSUED



MA7FAZTY REGISTRATION



Male Female



World Saving's Day Celebration and International Financial Inclusion Week (October 2020)

In 2020, when COVID-19 local gatherings were required social distancing, the Bank raised awareness about the Central Bank of Egypt (CBE) direction, capitalizing on the World Saving's Day Celebration and International Financial Inclusion week (15th -31st October 2020) digitally.

On LinkedIn, ALEXBANK raised awareness on the CBE's financial inclusion efforts and initiatives aligning with the regulator, Egypt Vision 2030, Intesa Sanpaolo Group's Business Plan (2018-2021), and the Sustainable Development Goals (SDGs).

ALEXBANK also participated in a Financial Education Webinar "Sharing Experiences" organized by Intesa Sanpaolo's International Subsidiary Banks Division and the Museum of Saving, during which Intesa Sanpaolo's Subsidiaries were invited to share their country-specific experiences and initiatives.

Following CBE direction, and in celebration of World Saving Day, ALEXBANK has also opened four funded saving accounts with over EGP 70 Million deposits.



A group of children lined up during one of our Hady Bady roll-out events back in 2019



البنك المركزي المصري
CENTRAL BANK OF EGYPT



FINANCIAL INCLUSION AND LITERACY

MICROFINANCE CLIENT STORIES

Hagg Ahmed Rabea

Hagg Ahmed Rabea, a father of three boys and one girl, has been an ALEXBANK client for more than ten years. As soon as the livestock product has been extended to the microfinance segment in 2020, Hagg Rabea applied to take it. He initially took his first loan of 70,000 EGP, paid it back, and renewed it with a larger amount of 100,000 EGP.

Hagg Rabea's project mainly focuses on **Cattle Fattening and Livestock**; ALEXBANK approached him to propose the new microloan; he believes that this product's interest and the grace period are much better than the last loan product he took. Hagg Rabea has successfully grown his business with this loan by increasing cattle headcount, starting with four and expanding it to ten.



"I have no complaints. I am very satisfied with this loan and this bank. So far, I have faced no obstacles. In the future, I aim to expand my project; by attaining a bigger piece of land and owning more cows."

Hagg Haytham Mohamed Abdel-Aal

Hagg Haytham is a third-generation farmer. His eldest son, who moved to France for work, encouraged him to become banked. Hagg Haytham has been an ALEXBANK client for two years. He started with a loan of 100,000 EGP to start a **Cattle Fattening** farm and has recently opened a **small dairy farm with only two cows for the experimental phase**.

Hagg Haytham's Cattle Fattening farm has capacity and space for around 30 cows; however, the farm currently holds 21 cows and aims to acquire a larger number of cows in the future.

Hagg Haytham makes sure that his farm generates no waste whatsoever; all residues that come out of his farm are made use of in a very efficient way.

The business performance of Hagg Haytham's project is very promising for a potentially higher-tiered loan. However, the one factor he is concerned over is being overwhelmed; "We have a saying in Egypt that goes: 'as far as your quilt can go, you stretch your leg'.



"ALEXBANK people are my brothers; they're my friends! The bank is very good; I've faced no problem with them at all, as they are such decent people and I'm very grateful. The grace period is very good, and the loan's interest rate is not too high, not too low. I've spent a good two years with them, however lately, it's been a couple of rough months, with the increased price of Cattle Feed in the market nowadays. But generally speaking, this market makes a good profit."

"Everything in this farm has a use and an advantage; waste of livestock is reused to nourish soil, even the rice straw can be utilized to be cattle-feed, no one in Samanoud burns rice straw, we collect it and sell it. What helped us was some guidance from Egypt's Ministry of Agriculture; after conducting some lab tests, they discovered that the protein within rice straws is higher than wheat straw, so we feed it to the cattle."

"A Year of Change is what best describes 2020. It was challenging at first to manage what was happening on-ground while working from home. WhatsApp groups were created with all branches' staff and sales agents, and online meetings were continuously scheduled to be close to them as much as we can. On the other hand, it was a great opportunity to boost digital solutions for disbursing loans and collecting installments. We had a special higher limit on Meeza Cards for loans disbursement than other banks. ALEXBANK tailored initiatives for installments' postponement allowed the segment to stay afloat also keep growing. Changes were applied to the KPIs and incentives payout for the staff and sales agents to be realistic and reflect the changes during the pandemic. It was, for sure, a year of opportunities as much as the year of challenges. Looking back at it, we now can say we know our customers now more than ever."

Habiba Bolteya,
Microfinance Development and Sales Officer



CORPORATE INVESTMENT FOR IMPACT (203-1)

"We are an Egyptian bank with an Italian majority ownership. Our strategy is to contribute to Egypt's economic growth and our Commercial plan, is to diversify our portfolio supporting all economic activities".

Tamer Seif,
Head of Corporate Investment Banking Division



CORPORATE AND INVESTMENT BANKING STRATEGY

Corporate and Investment Banking Strategy has focused on the mid-corporates (corporate clients with turnover ranging between EGP 200 million and EGP 1 billion) to widen the customers base and diversify the overall portfolio considering the importance of this segment to the economy. Corporate and Investment Banking collaborates with the different functions to provide the clients with all their needs. The further aim is to increase the shared wallet with the private sector, subject to risk appetite.

THE DIVISION'S PRIORITIES
INCLUDE THE FOLLOWING

THE INVESTMENT BANKING

"The COVID-19 pandemic has had a significant impact on the way we work especially not being able to meet in person with clients and other stakeholders which is important in our line of business in terms of keeping relationships with stakeholders, current clients, creating new client relationships, and growing our portfolio. Thanks to the Bank's swift response to the crisis and the adoption of online communications we could stay in contact with our stakeholders, resume operations normally and achieving our tasks in an efficient manner. Although challenges sometimes seem difficult, they can help us in understanding our true capabilities."

Mariam Guindy,
Investment Banking Relationship Manager



DOMESTIC LARGE CORPORATE

“After 23 years of experience sometimes you think you have seen it all, but life constantly proves that we are wrong. The pandemic was a completely new experience for all of us on both personal and professional sides and our key priority was to ensure the safety of our teams followed by coming up with solutions supporting our clients in such unprecedented circumstances while improving our business. We learned a lot of this experience, building our resilience, flexibility and determination to achieve our targets and improve in the future.”

**Ahmed Essam,
Head of Corporate Banking Products Department**



MULTINATIONAL CLIENTS

“Considered a key gear of the Egyptian economy, we have been intensifying our efforts lately to support the multinational clients operating in the Egyptian market to provide them with a service of quality, and the introduction of COVID-19 had been a unique opportunity for us to deepen the relationship with the customers while supporting them to navigate unprecedented challenges to the viability of their business.”

**Ghada ElGawish,
Head of Multinational Clients Department**



MID-CORPORATE

The Bank's increasing focus on Mid-Corporates with turnover up to EGP 1 Billion has allowed enhancing volumes and profitability, capitalizing on the presence of a dedicated team managing this segment and the ability to secure credit commitment within a short period.

ALEXBANK leverages the established relationship with three of the major private equity funds in Egypt to invest in Mid Corporate companies by acting as their debt funding partner. It has focused on creating customized treasury products demanded by multinational corporations and some domestic corporate clients to enhance business relationships, improve customer experience and boost profitability.

In pursuit of greater synergy, structured transactions have been implemented, including project finance, syndication, acquisition finance, advisory, capitalizing on ALEXBANK investment banking team and in alignment with other functions.

Despite the hard circumstances witnessed in 2020 and the precautionary measures applied due to COVID-19, the Corporate and Investment Banking managed to maintain a healthy relationship and smooth operations management using virtual solutions to keep open communication channels with ALEXBANK corporate clients.

CORPORATE INVESTMENT FOR IMPACT

GREEN ECONOMY FINANCING FACILITY

ALEXBANK promotes the penetration of energy-efficient and renewable energy technologies, appliances, and equipment in Egypt by stimulating demand and raising awareness of the benefits of investments in such technologies.

Green Economy Financing Facility (GEFF) results from cooperation amongst the European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), and Agence Française de Développement (AFD). The EBRD partnered with ALEXBANK to support Egypt's energy efficiency and renewable energy projects with a USD 30 million financing package.

The loan proceeds are to be used for lending to sub-borrowers seeking financing for energy efficiency and renewable energy projects with a cash-back grant to the sub-borrowers that range between 10 to 15% of the on-lent amount (subject to the eligibility criteria and the consultant verification).

It is essential to highlight that through this agreement, ALEXBANK and its clients received comprehensive technical assistance for the evaluation of development's design and implementation tools related to energy-efficient investments and small-scale renewable energy facilities.

GREEN ECONOMY FINANCING SOLUTIONS WEBINAR

Within the scope of the Green Economy Financing Facility (GEFF) program, an informative and first of its kind webinar has been organized to learn from the participants their main financing challenges related to green projects and also to inform customers of the available and applicable financing opportunities.

Partner: European Bank for Reconstruction and Development (EBRD)



ALEXBANK | بنك الإسكندرية

ALEXBANK invites you to explore financing opportunities for investments with special focus on Green Economy solutions

بنك الإسكندرية يدعوكم للتعرف علي فرص تمويل الاستثمارات مع الاستفادة من مبادرات الاقتصاد الأخضر

انضم إلينا لتتعرف على الحلول التمويلية لاستثماراتك من خلال القروض المتاحة في إطار مبادرات البنك المركزي المصري مصحوبة بإمكانية استرداد جزء من الاستثمار والحصول على الدعم الفني من خلال برنامج تمويل الاقتصاد الأخضر

Join us to hear about financing solutions for your investments with subsidized loans under CBE initiatives accompanied with cash rebates, technical assistance through **GEFF Egypt Programme**

8th November 2020 11 AM 8 نوفمبر 2020 11 ص

سجل الآن Register Now

Developed by **GEFF** Green Economy Financing Facility | **European Bank for Reconstruction and Development**

Supported by **European Union** | In cooperation with **European Investment Bank**

THE WEBINAR HAS BEEN ATTENDED BY **141 Participants**



7.0

ELEVATING HUMAN POTENTIAL

Wellbeing, Health and Safety	65
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Children of Ana El Masry foundation learning together in class

ELEVATING HUMAN POTENTIAL

WELLBEING, HEALTH AND SAFETY

During 2020 ALEXBANK has introduced smart working, adjusted branch operations, and provided tailored relief and services, striving for an emphatic dialogue and mutual understanding.

Wellbeing, Health and Safety have been major priorities leveraging positive effects for the Bank as a whole.

HEALTH SAFETY AND ENVIRONMENT (HSE) FRAMEWORK (403-1, 2, 3, 7)

Led by the Security and BCM Department, the Health Safety and Environment (HSE) Office consists of an integrated array of different offices that ensure the correct deployment and implementation of Operational Health and Safety management system in line with ISO 45001 and in line with the Group's Rules for Occupational Health and Safety Management Systems in the International subsidiary Bank.

Maintaining a culture of well-being for employees is critical to the Bank's success. ALEXBANK continually evaluates the tools and policies available to preserve the well-being of the workforce. ALEXBANK strives to maintain an environment where developing opportunities are widely available.

People are hired and advanced on their merits, and employees treat each other with respect. The Banks is fully committed to equal employment opportunity and complies with the letter and spirit of local laws regarding fair employment practices and equal opportunities.

The HSE Office primary mission and tasks include:

1

Providing a safe and secure working environment for the whole personnel.

2

Implementing consistent, integrated security policies, processes, and procedures to meet the threats and risks to which ALEXBANK may be exposed.

3

Providing logistic services to all departments of the Head Office and Bank branches.

Security and Business Continuity Management (BCM) Department Structure

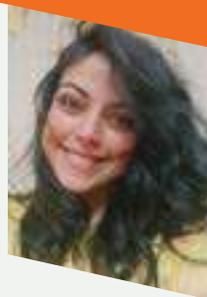


ALEXBANK ENSURED THAT OCCUPATIONAL HEALTH AND SAFETY IS SAFEGUARDED IN THE WORKPLACE. HSE TRAINING PLAN WAS POSTPONED BECAUSE OF THE COVID-19 MEASURES. PANDEMIC HAZARD HAS BEEN INCLUDED WITHIN THE BANK'S RISK ASSESSMENT, AND MITIGATION MEASURES HAVE BEEN ADOPTED IN COLLABORATION WITH THE HR DEPARTMENT.

THE BANK'S HEALTH AND SAFETY AT WORK OFFICER WAS INVOLVED IN DEVELOPING OCCUPATIONAL HEALTH AND SAFETY MEASURES TO MANAGE THE DIFFERENT MODES OF INTERVENTION CONCERNING THE SPREAD OF THE COVID-19, IN ALIGNMENT WITH INTESA SANPAOLO GROUP GUIDELINES AND APPROPRIATELY CUSTOMIZED ACCORDING TO EGYPTIAN LAW.

"The efforts exerted by the management during the crisis and the care to preserve our health and safety during working hours reflected in the relocation of some team members to the Smart Village and installation of glass barriers to ensure a safe distance between employees in addition to the psychological support from the managers is a unique experience for me that I have never seen before."

**Christina Bassem Ayad,
Contact Center Agent**



WELLBEING,
HEALTH AND SAFETY

"All our critical functions that require presence in the office had to be divided into separate teams and redistributed in different premises and distancing was taken into consideration to ensure business continuity and recovery. We managed to plan and execute the task with minimal disturbances, and all our mitigation plans still apply to this day"

Alaa Gaafar,
Head of Real-Estate Department



KEEPING SAFE WHEN STAYING INDOORS (403-7)

In 2020 ALEXBANK adapted the Space Planning Policy to provide social distancing in the workplace. Distancing allowed to reduce infections and was respected by adopting all suitable measures in the use of space. Activities requiring direct contact with people could be carried out with appropriate measures and protection devices. The adopted minimum physical distance was set in 2 meters, according to WHO and local legitimations.

FOR OPERATIONAL OFFICE AREAS, OPEN SPACE, AND COWORKING AREAS:

- Desks or benches with two workstations occupied exclusively by one operator.
- Desks or benches with two workstations occupied by two operators in an offset and alternating position.
- In the case of offices with more than 6 workstations and benches, the indications already cited applied, considering that the total workstations had to be occupied in a percentage not higher than 50%.

FACILITIES MANAGEMENT PLANNING IN TERMS OF THE PREVENTIVE MAINTENANCE FREQUENCY FOR HVAC SYSTEMS WAS INCREASED TO ENSURE A CLEAN AIR ENVIRONMENT, REDUCING THE RISK OF COVID-19 SPREAD.

- The Preventive Maintenance (PM) frequency was increased, and the facilities management companies cleaned air filters to ensure air cleanliness and good ventilation inside the Bank's branch.
- New air fans were installed in some branches to allow good air circulation indoors.

THE HOUSEKEEPING POLICY WAS ALSO UPDATED, AND NEW CLEANING AND SANITIZING MATERIALS WERE INTRODUCED TO ENSURE THE CLEANLINESS OF THE PREMISES (BEST PRACTICE HYGIENE).

- Gel dispenser at premises entrances.
- Standard equipment use (door handles, printers, internal ATMs, vending machines, push-button panels) was mandatory to wash/sanitize carefully before and after use.
- The Bank distributed masks and gloves. They were mandatory to be used, stored, and disposed of according to the specific instructions, reordering them at least one week before the assigned delivered batch ends.
- Introduction of new sanitizing and cleaning materials such as NaDCC/Hypochlorous acid as a disinfectant to all premises through the deep cleaning process.

"Immense focus on enhancing the safety of the work environment across the branch network evidenced by the regular monitoring of employees health and the availability of medical equipment and supplies such as thermometers, face masks, face shields, and sanitizers have contributed to reassuring the branch colleagues as they experience both care and concern towards amidst the rising uncertainty due to the pandemic which has ultimately paved the way to collectively witnessing performance growth."

Mostafa Ghoneim,
Head of Branch Network Development Office

MEASURES TAKEN IN BRANCHES AND COMMON AREAS INCLUDE:

- Gates free at the entrances by prioritizing people entering, and moving aside when they passed.
- Reduced gatherings in waiting areas, respecting the planned entry, shift changes, and keeping a distance of at least 2 meters in waiting areas.
- Elevators, capacity, and load were automated to be reduced to 180 KGs to allow no more than two people to use the elevators. Colleagues were advised to use the stairs unless they had special needs.
- Limiting the movement within the building to the bare minimum adherence to the guidelines.
- Sanitizing seating for waiting areas every 2 hours and after every use.
- The Housekeeping schedule of the W/C was reduced to complete deep cleaning every 30 minutes and after use.

REDUNDANCY AND RECOVERY SITES:

- Redundancy Sites were prepared, and teams were separated into different locations to ensure Business Continuity,
- Call Centre Premises were separated into two locations with different entrances. Facilities to work in parallel with distancing and seating criteria.
- Real Estate, ICT, BCM, and Business collaborated on a new call center area in Smart Village (SV), covering almost 50% of the capacity of the call center and moved 50% of the contact center colleagues to the new location to be operating in parallel with the old call center
- Business Functions such as (Centralized operations, Credit Administration) were distributed on three buildings (Kasr EL-Nile, Gomhoreya, and SV); the new locations were entirely constructed to accommodate the business operations and ensure business continuity with respect to the COVID precautions guideline set by the local authorities and Intesa Sanpaolo group.

COVID-19 has accelerated the implementation of indoor air quality measures, aiming to improve well-being and protect employees' and customers' health. To increase natural ventilation, existing filters were inspected and upgraded, and facility management vendors were asked to double the maintenance frequency. New air fans were installed in some branches to further improve natural air ventilation.



100+ New security guards were hired during 2020 to organize customers outside and inside bank branches to keep and maintain social distance.



Further **COVID-19** risk and mitigation measures have been applied to keep the customers and employees safe.



The Transportation Unit managed and supervised the operation of the cars owned by the bank and performing their periodic maintenance. As well as, renewing licenses and following the operation of the cars rented from other companies. Buses, on the other hand, are being rented to transport the call center and smart village employees, also **ALEXBANK** rents vehicles as a public service for HO employees.




**WELLBEING,
HEALTH AND SAFETY**
SAFETY TIPS (403-6, 8)

The HSE Office created a Safety Tips newsletter to announce initiatives to all employees via their desktop screensaver. These programs included operation of machinery, work processes, the use of PPE, fire and material handling safety, and emergency response procedures.

0

Total injuries
in a year*

0

Number of Injuries
in the year during
working hours*

MEDICAL CARE UNIT (403-3, 8)

The Medical Care Unit aims to provide all logistical support when it comes to medical claims, expenses, dealing with medical providers. We have arranged a mobile air-conditioned bus whereby suspicious cases would take an appointment to conduct the PCR to minimize the risk of infection in case of negative point and to facilitate the process

HR SERVICE DESK (403-2, 3, 4, 8)

The team ensures the excellence of logistical services provided to the staff through monitoring and providing quality assurance to guarantee efficient and systematic logistical service delivery to staff within the bank standards and rules.

- Travel and Hospitality
- Staff Internal Physical Relocation
- Staff Facilities
- Staff and Hiring Operational Requirements
- PR and Embassy Relations

Employees with grievances are encouraged to discuss them first with their direct manager unless it is a Whistleblowing situation. If the employee wants to raise the grievance formally, the grievances form will be filled and sent to ask-hr@ALEXBANK.com for HR feedback.

INTERNATIONAL HEALTHCARE PROGRAMME INITIATIVE (403-3, 6, 7, 8)

In 2020 the International Subsidiary Banks Division once again renewed the International Healthcare Programme initiative, which offers a total of 19,000 international employees with permanent contracts (the cover was also extended to Pravex during the year) second medical opinions (also extended to spouses and school-age children) and medical treatment in top-level health facilities (for employees only) located in foreign countries to those where employees live and work. The total number of employees benefitted from the programme and have traveled abroad for treatment for since the launch of the programme were 3 employees.

The program assists in the event of serious illnesses (cancer, transplants, highly complex surgical procedure), covers treatment and complementary service costs (visa assistance, hospitalization, accommodation for an accompanying person, travel etc.), all transport and accommodation expenses in the foreign country, and reimburses all medical costs borne once back home. Given the travel restrictions imposed by the pandemic, alternative solutions were adopted, which in some cases involved treatment in the country of residence.

*(403-9)





ALEXBANK Branch Security officer helping customers to sanitize within the premises.

RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE BANK'S PEOPLE

"During 2020, all our staff engagement activities and campaigns have been turned into a virtual setting. This marked a paradigm shift of the internal employer branding philosophy"

Mariam El Gammal,
Head of HR and Organization Department



1 : 2.84 14.8%

female to male ratio in workforce of managerial positions occupied by women

In 2020, there has been a decrease in the number of employees who took parental leave, an outcome of the year's peculiar events, and respective changes in work patterns. Along with positive dynamics regarding the current diversity ratios, compared to the previous years, there has been a decrease in hiring under 30 years and female employees. ALEXBANK aims to continue enhancing diversity and inclusion of the workforce and identifying and eliminating underlying barriers and drivers that slow down the progress in this direction.

A critical part of guiding employees' career progressions is working to understand better what works and what doesn't so the Bank can retain and promote its talent. While external hiring brings new and fresh mindsets to the bank, ALEXBANK must also ensure career advancement for internal employees. ALEXBANK wants to encourage employees to stay with the Bank and provide a range of professional opportunities to grow.

DIVERSITY AND INCLUSION (102-8, 401-1,2,3, 405-1,2)

Diversity and inclusion are addressed at all levels within the bank with zero tolerance towards all forms of discrimination, including gender, age, ethnic origin, religion, political persuasion and union association, language or disability or another status, according to the Code of Ethics, Code of Conduct and Principles of Human Rights Policy.

The Bank ensures equal opportunities in hiring, management appointments, professional development and career advancement of employees. Fair remuneration is provided to all employees.

During 2020 there has been a decrease in employee outflow compared to the previous year, reflecting both the greater need for security and commitment to supporting the Bank's workforce. In 2020, 378 employees (31.2% female and 68.8% male) were hired, which improved the male-to-female ratio compared to the previous year.



A group picture of employees after concluding LEAP, ALEXBANK's virtual summer student internship programme

RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE BANK'S PEOPLE

TRAINING AND DEVELOPMENT UNIT (404-1,2)

ALEXBANK recognizes that in a dynamic and competitive work environment like the banking sector, its employees' caliber and quality distinguish it from other banks. The Bank provides employees with continuous opportunities for learning and development and supports them in reaching their full potential and achieving their career goals.

TRAINING AND DEVELOPMENT SERVICES (404-2, 412-2)

TECHNICAL SKILLS PROGRAMS	LEADERSHIP AND INTERPERSONAL SKILLS PROGRAMS	COMPUTER SKILLS	PROFESSIONAL CERTIFICATIONS AND DIPLOMAS	WEBINARS AND CONFERENCES
COMPLIANCE AND CONTROL PROGRAMS	ON-JOB TRAINING	NEW HIRES INDUCTION PROGRAM	STUDENT SUMMER INTERNSHIP PROGRAM	SPONSORED EDUCATIONAL ASSISTANCE TO PURSUE GRADUATE EDUCATION

TRAINING AND DEVELOPMENT SERVICES ARE PROVIDED THROUGH DIFFERENT CHANNELS, INCLUDING

- Classroom Training in Smart Village
- Virtual Training through Digital Platforms
- Online Training via internal and external platforms, such as the ALEXBANK e-Learning Platform that offers free online training sessions for the employees and other e-solutions.



CLASSROOM TRAINING LOCATED IN SMART VILLAGE

TRAININGS CONDUCTED IN 2020

82%

PERCENTAGE OF STAFF TRAINED OF TOTAL STAFF POPULATION

106,109

HOURS NUMBER OF TRAINING HOURS

30.6

HOURS AVERAGE TRAINING HOUR/ EMPLOYEE (404-1)

3,468

TOTAL NUMBER OF TRAINEES

COMPLIANCE AND AML TRAINING PROGRAMS (205-1,2)	
TRAINED PERSONNEL	
1612	Training at the end of off-site visits
368	Specialized sessions for Computer Science (CS) and Resource Management (RS)
1059	Whistleblowing Policy
704	Rules related to CDD, Customer protection and FATCA
107	The Risk of AML
1146	Customer Rights Protection
658	Advanced AML and CFT carried out by EMLCU experts through



MANAGERIAL AND INTERPERSONAL

ADVANCED MANAGEMENT PROGRAM

This course focuses on a number of high-impact topics directly related to the effective management of uncertainty in an integrated manner. These include: Leadership, Strategic Planning, Marketing Strategy, Business Simulation.

MEDITERRANEAN LEADERSHIP JOURNEY PROGRAM

This course covers the basic elements of business unit and corporate level strategy, including industry analysis, positioning, and competitive interaction. Central strategic challenges facing senior managers and CEOs are addressed by introducing a framework for making decisions in a multi-business context in various arenas - from corporate change to business diversification

INTERPERSONAL SKILLS ACADEMY

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

DATA ANALYSIS AND REPORTING TECHNIQUES

The main purpose of this program is to introduce Business Intelligence, hands-on, to allow you to clean, normalize, and interpret large volumes of data. The participants also will be able to establish historical relationships, analyze the current situation and predict future strategies.

GENERAL INDUCTIONS

SUMMER INTERNSHIP INDUCTION "LEAP"

200 university students got one-month Virtual internship program in cooperation with Egyptian Banking Institute and Impact, aiming at raising their knowledge about the banking sector, promoting a financial inclusion culture and introducing ALEXBANK core values, how it operates, its products and services, and enhancing their communication and business skills. The program was consisting of 6 main pillars; Interpersonal skills, Functional Skills, Technical Skills, ALEXBANK Talks, engagement activities and graduation project.

As part of the virtual internship program, ALEXBANK has provided students from all over the Egyptian Governorates with sessions on different topics including financial inclusion, digital inclusion and introduction on financial services products and services.

GENERAL INDUCTION

Virtual Induction, aiming at providing 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 functions.



RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE BANK'S PEOPLE

TECHNICAL COURSES FOR HEAD OFFICE FUNCTIONS AND COMMERCIAL ROLES

CREDIT ACADEMY IN COOPERATION WITH FRANKFURT SCHOOL

In the framework of EBRD Technical assistance ALEXBANK Credit and SME officers got Certificates in the fields of Risk Management, Agricultural Finance, Digital Finance and Microfinance.

CREDIT CERTIFICATE

This Certificate provides participants with fundamentals of Credit as well as other techniques involving risk of trade operations from a credit perspective. Moreover, it gives the candidates perspective on the legal issues that govern the scope of credit activities. And allows participants to successfully complete final desk based on real case studies.

SME PROBLEM LOAN WORKOUT AND DEBT RESTRUCTURING IN EGYPT

The objective of this program is providing delegates with a developed understanding of the as methods used in early problem loan workouts for SME companies in distress as well as the Early Warning Signals that indicate problems confronting corporate SMEs clients operating in Egypt.

BRANCH MANAGERS ACADEMY

The objective of this training program is to enhance the participants leadership and technical skills to enable them lead their teams at Branches in the most effective way and achieve more than their target.

FUTURE ACADEMY

This program is designed for Heads of Customer Service and Heads of Operations at Branches to strengthen Supervisor skills in order to create 2nd lines for Branch Managers

SMALL BUSINESS ACADEMY

The objective of this training program is to improve interpersonal and technical skills for Small Business RM's to help them achieve their target.

SALES TECHNIQUES

Those programs is designed for Branches Network Roles (CS, Magnifica, SB) to strengthen their selling skills capabilities in order to enable them go beyond achieving their target, by using the following techniques: (SPIN, Assertive Selling, Relationship selling, Consultative Selling, Negotiation selling).



COMMUNICATION AND EMPLOYEE BRANDING

ALEXBANK is committed to ensuring that staff members have the necessary skills to identify and recognize fraudulent and corrupt operations. The training topics included AML/CFT Rules, Know Your Customer (KYC) Rules, Customer Due Diligence (CDD), Whistleblowing, Reporting and Red flags, customer protection rules, compliance ethics, and FATCA, and this training is provided to new hires and branch compliance officers, and through mentoring visits.

Understanding the underlying concepts of anti-corruption strengthens the bank's compliance efforts across all business units. In 2020, ALEXBANK provided 6,687 trainings to employees on topics relevant to compliance. Of those, 6020 Total training opportunities were carried out by the Compliance team through classroom, virtual sessions, e-learning, and 658 total training opportunities carried out by EMLCU experts through EBI related to Advanced AML and Combating the Financing of Terrorism (CFT). The Bank's Internal Communication and Employer Branding Unit's role in the bank involves and engages the bank staff through different communication channels and initiatives. It is the gateway for employees to be informed about all bank-related activities that include strategic goals, vision, new initiatives, staff-related activities.

The Internal Communication team actively contributes to transforming staff into ALEXBANK brand ambassadors by informing, engaging, and educating staff members with all the required information. The team's goal is to support ALEXBANK as the Employer of Choice in the Egyptian banking market.

ALEXBANK Communication Strategy aims to:

- Ensure that the Bank's staff understands the vision, milestones, key activities, challenges, opportunities, who is affected, and what it means for them ("making the unknown known")
- Elevate and increase awareness of the importance of communication
- Ensure that all internal audiences/stakeholders are fully informed and engaged
- Improve the management of stakeholders' expectations, including ensuring consistent dialogue with them
- Exploit innovative and existing communication channels and techniques to maximize awareness
- Focus on continuous information sharing and reinforcement to reduce resistance, fears and uncertainty.

PERFORMANCE ASSESSMENT (102-35, 404-1,2)

Performance Appraisal Tool (PAT) is a newly introduced evaluation system in ALEXBANK applied on non-venue generating roles across the Head Office and Network. The year 2020 was the preliminary stage in adapting and familiarizing the managers with the new tool features. The primary goal was to get ALEXBANK employees adapted to the system, through the HR People Management together with managers who set KPIs and evaluate their employees.

The Bank applies a standard evaluation framework and review each employee against standard metrics and clear KPIs those outline expectations and job performance standards. ALEXBANK applies the same KPIs to each employee at the same position. All performance standards are made to be achievable and reflexive of the person's job description.

ALEXBANK also sets goals specific to certain employees, unlike performance standards, which can apply to multiple employees. Goals are particular to the strengths and weaknesses of the individual employee and can help them improve their skills or learn new ones. Work with each employee to set goals that are reasonable and relevant to their position.

Furthermore, performance is tracked throughout the year via a performance note for each employee and records of notable accomplishments or incidents, whether positive or negative. Employees also can receive immediate feedback when something stands out as well, without waiting until the year-end review process for praise or constructive criticism.

ALEXBANK aims to provide employees with honest and straightforward feedback, even when critical and without downplaying the situation to avoid confusion. The HR team provides employees with clear examples and specific advice on how they can grow and improve in the future.

The Bank continues to fully support a motivational incentive system for revenue-generating roles to support the ambitious targets aimed for the current and upcoming years. According to KPIs and set targets required to meet the business year assigned bank budget, the annual incentive pay-outs and competitor analyses are subject to a yearly review.

CONNECTING EMPLOYEES AND COMMUNITIES

The CSR and Sustainable Development Office is consistently introducing initiatives that engage ALEXBANK employees. During 2020, the Bank executed multiple projects to establish a connection between employees and the supported causes to reinforce its approach for creating shared value.

MONTHLY FORSA BAZAAR

Forsa is a monthly bazaar that takes place in the Kasr El Nil branch to showcase the works of Egyptian artisans and social enterprises. The bazaar provides employees with a unique opportunity to shop for various products to support emerging local industries, highlighting their efforts to introduce sustainable products in the Egyptian market and preserve Egypt's heritage. Each edition of the bazaar aims to shed light on the causes the Bank is working towards alleviating, providing visitors with a convenient opportunity to donate and support local organizations in 2020 Forsa Bazaar took place in the first three months of the year under the themes New Year, Valentine's Day and Women International Day. The event was put on hold due to the COVID-19 pandemic, which decreased the employees' presence at the HQ. In 2020 ALEXBANK took the event to the Central Bank of Egypt to celebrate International Women's Day in March benefitting over 19 female exhibitors. The CSR and Sustainable Development Office launched a digital version of the monthly event in Ramadan 2020. The online bazaar for ALEXBANK staff took place via a catalogue which featured all the products on sale.



During the Forsa Bazaar at CBE, EMM artisans had the opportunity to connect with a wider network of Egyptian bankers

30
EXHIBITORS BENEFITED

"MAKE THEIR WISHES COME TRUE"

The "Make Their Wishes Come True" initiative took place over the month of Ramadan, providing employees with an opportunity to grant a child their wish. For the second year in a row, throughout the Holy Month of Ramadan, employees had a chance to fulfill the wishes of one boy and one girl. This year in partnership with Gannat El Kholoud, an NGO working towards developing marginalized communities in Mansheyet Nasser. ALEXBANK sent daily email announcements to employees who granted the wishes of 42 children, gifting them with toys, clothes, mobile phones, and bicycles.

42
CHILDREN



Children of Tawasol NGO are excited to share their wishes with ALEXBANK employees



THE DOING GOOD CHALLENGE

ALEXBANK encouraged its employees to match the Bank's donation to the Egyptian Food Bank supporting daily workers. Employees' donations provided 6,912 families with food boxes covering family needs for a month.

70%
OF THE EMPLOYEE PARTICIPATION RATE

CONNECTING EMPLOYEES AND COMMUNITIES

EGYPTIAN FOOD BANK DONATIONS

Nestlé challenged ALEXBANK to partake in a viral online campaign by the Egyptian Food Bank to provide affected Egyptian families by the outbreak of COVID-19 with food needs for an entire month. ALEXBANK announced its donation to cover 10,000 families' food needs for one month, announced via a video of ALEXBANK CEO and shared on the Bank's Facebook page. Through this donation, ALEXBANK contributed to more than 10,000 families for an entire month, while ALEXBANK staff donated an amount that covered the basic food needs of another 3,912.

For "Eid El Adha", and in Partnership with Egyptian Food Bank (2020), ALEXBANK encouraged all employees to donate in the sacrifice voucher. Customers were provided with an opportunity to contribute the sacrifice voucher to EFB through the Bank's wallet (Ma7fazty).



10,000 FAMILIES



ASHRY: ANNUAL RAMADAN PACK FOR EMPLOYEES

"Ashry," a crochet bag that reflects the unique nature of Upper Egypt mixed with a very distinct Nubian character, with a name inspired by the Nubian language, is a bag that symbolizes beauty as well as an expression of ALEXBANK's appreciation towards our culture and heritage.

500+ WOMEN

PINKTOBER ACTIVATION (403-7)

In light of October being the global Breast Cancer Awareness Month, several activities have taken place that benefits both the Bank's employees and affected community members:

Baheya Employee Visit

The Bank has brought back Employee Visits in October to Baheya breast cancer hospital. ALEXBANK employees distributed Ghalya kits to Baheya's Female fighters.

Breast Cancer Awareness Sessions

ALEXBANK conducted online awareness sessions on breast cancer and self-checks for all female employees. Baheya doctors conducted two awareness sessions to provide insightful medical information on breast cancer and early detection.

Mammograms and Sonars for Employees

In Partnership with the Medical Department, the Bank provided breast cancer check-ups through Baheya's mammograms and sonars services, where the medical department will cover the costs starting from October 2020 to March 2021 to all female employees above 40 years old, under the slogan "There Is Life in Early Detection".



200 GIRLS AND WOMEN



8.0

ENVIRONMENTAL STEWARDSHIP

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Sustainable Building and Renovation	78
Sustainable Events	78
Greenhouse Gas Emissions	79

An Egyptian farmer portrayed among Qena's majestic trees. Photo by Mohamed El Gendy for ALEXBANK's 2019 Sustainability Report.

ENVIRONMENTAL STEWARDSHIP

ALEXBANK aims to lead by example in managing its environmental performance and disclosing the impact of its operations. It recognizes the need to work towards the protection of our environment while meeting the needs and securing sustainable development of current and future generations.

The Bank sees Environmental Stewardship as an immense opportunity to strengthen the Bank's competitive edge and contribute to multiple SDGs and avoid contributing to the scarcity of natural resources. This is achieved via initiatives that achieve climate resilience, achieve material circularity, adopt low-carbon transport means, use lower carbon emission sources of energy, achieve building resource efficiency and reduce the Bank's Greenhouse Gas (GHG) emissions.

The Real Estate Department is heavily involved with the implementation of resource efficiency and decarbonisation measures. It is the arm of operations responsible for all related premises aspects in Properties Management, Projects Management, Facilities Management, and Soft Services. The department operates as a chain that starts from acquiring the property until the normal operations have reached accepted service level.

The department's core goal is business continuity and providing the business in a timely manner with the highest quality services, achieving the business targets by developing the premises to improve space planning and services optimization efficiency.

"We made a shift to something we never expected to do. Recycling e-waste has become our success story across all functions"

**Khaled ElSaeed,
Head of Security and BCM Department**



Nile River shot from Samanoud City



ENERGY AND WATER MANAGEMENT

(302-1, 3, 4, 303-1, 2, 3, 5)

Intesa Sanpaolo Group has always been attentive to sustainability and circularity, with a comprehensive [Rules for the Environmental and Energy Policy](#) in place.

Following their footsteps, ALEXBANK managed to reduce energy consumption across all ALEXBANK operating branches and offices in 2020 by 7% as compared with 17,761 MWh in 2019, achieving a total consumption of 16,577 MWh (3.88 MWh/employee). The Bank managed to reduce energy consumption in 2020 from lighting by around 32% in all operating branches and offices by further upgrading the lighting system to be entirely LED.

This is a pilot project which paves the way to implementing and adopting an energy management system (EnMs) covering all the Bank's building operations. In 2019, ALEXBANK replaced 231 of old printers with new and more energy-efficient multi-functional printers (MFP). Following on that, the Bank in 2020 has continued imposing restrictions on eligible printer suppliers and plans to allocate more weight during the procurement process to vendors' accountability of their environmental impact.

Total water consumption in 2020 was 217,053 m3 (50.78 m3/employee), 13% lower as compared with the 2019 consumption of 249,186 m3. Reduction of water consumption of more than 40% has been achieved at a number of buildings by installing faucet aerators, not factoring in the Infra-Red sensor activated faucets that further eliminate any unnecessary consumption. The reduction in both water and energy consumption in 2020 was partially due to lower occupancy resulting from the COVID-19 situation and the increase in the number of employees working from home.

The reasons for this reduction will be further analysed to determine other possible reasons which can be adopted in future energy efficiency action plans.



Greenery captured in Qena governorate. Photo by Mohamed El Gendy for ALEXBANK's 2019 Sustainability Report



MATERIAL RESSOURCES AND WASTE MANAGEMENT

(301-1, 2, 306-1, 2, 3, 4, 5)

Waste Minimization (306-3)

Another key focus area of environmental stewardship throughout 2020 has remained waste minimization and finding viable alternatives. ALEXBANK is currently screening vendors and engaging internal stakeholders to identify practices that can help the Bank close the loops and lower its impacts.

Ongoing expansion of the outsourced archiving process and the development of the electronic archiving system will facilitate dealing with and easily retrieve any documents. It also promotes efficiency and will result in a significant reduction in the Bank's paper consumption.

Building on this digital shift, most of the documents, invitations, and handouts were produced in electronic format. Double face printing has been used where printing had been necessary which resulted in 343.45 tons of paper consumption in 2020, a 12% drop from last year's consumption. The Bank is planning to print receipts on A5 paper instead of A4, leading to reduced toner usage and paper consumption. All potential projects will culminate in a paper and material resources management system that aim to assist the Bank in transitioning towards a more consumption-conscious and paper-less entity.

Purchased Paper



343.50 tons VS. 400.78 tons
2020 2019

Waste Disposal (306-5)

Today, all of the Bank's hazardous waste encompasses of spent office supplies (Batteries, Light bulbs etc.). These are returned to the vendors and exchanged for new items. Organic waste is collected and sent to landfills by the municipal collection system and all cardboard and clean packaging material are collected by recycling contractors. ALEXBANK aims to quantify the amount of solid waste generated as the waste is not weighed at the moment and also aims to improve segregation of organic waste in order to reduce cross-contamination and increase the recycling rate.

Material reuse and recycling (306-4)

ALEXBANK conducted a comprehensive inventory for the used and consumed devices, furniture, old cars' spare parts, and other items located in the bank's warehouse in Alexandria. In coordination with HSE, this inventory was conducted in collaboration with the involved offices (Real Estate and IT), forming a committee to address the permanent and safe disposal of the consumed items. Throughout this year the Bank has been able to reuse 81 PCs and monitors effectively upgrading some branches' equipment. In further efforts to prevent unnecessary waste from going to landfills, 102.161 ton of shredded paper was sent off to recycling facilities.

Shredded Paper Waste



102.16 tons VS. 102.08 tons
2020 2019



81 reused PCs and monitors

SUSTAINABLE BUILDING AND RENOVATION

(302-4, 303-5, 305-5)

In 2020 the Bank invested EGP 150M in the upgrade of El Gomhoreya Building. To reduce the building life cycle impact and embodied energy, the Bank gave priority to locally manufactured raw materials.

Also, a new Variable Refrigerant Flow (VRF) system has been installed, with a lower energy consumption, resulting in a reduction of associated CO₂ emissions by approximately 50%. Triple glazed windows are used that greatly reduce heat transfer to facilitate temperature control and reduce dependence cooling or heating. Further measures include maximizing daylight dependence and reducing LUX levels within the building. All environmental measures have been implemented whilst considering maximizing associated social impacts. The overall target is to achieve 20% reduction in energy and water consumption as compared to ALEXBANK's baseline consumption.

SUSTAINABLE EVENTS

(301-2, 306-4)

ALEXBANK has put particular focus on sustainable events preparation including the use of recyclable and recycled products with an 80% application rate this year.

Only 5% of the Bank's events were conducted in green and energy efficient buildings. As for the rest of the events, they were conducted online for people's safety.



ALEXBANK's strives to consider the comfort of customers when renovating its interiors, to provide an exceptional customer experience - Beverly Hills Branch



GREENHOUSE GAS (GHG) EMISSIONS (305-1,2,3,4)

As one of the greatest threats to our plant and a potential risk to the success of the Bank's business, effective climate action is an urgent necessity and ALEXBANK is uniquely positioned to drive change towards a climate-resilient future. Lined up with ALEXBANK's Sustainability Strategy, the Bank measured its GHG baseline emissions in 2019. Findings were used to set ambitious yet realistic climate change mitigation and resource efficiency targets.

Following the footsteps of Intesa Sanpaolo, that has been committed for several years to report to the Carbon Disclosure Project (CDP) with an A- score in 2020, ALEXBANK's quantification of GHG baseline emissions marks a starting point in its quest for regularly measuring its carbon footprint, reporting climate data to CDP and aligning its strategy and decarbonization plan with the Paris

Agreement target of limiting global temperature increase well below 2.0 °C (and possibly 1.5 °C) above pre-industrial level by the end of century and also in alignment with Egypt's Sustainable Development Strategy: Egypt Vision 2030. Those steps combined with the ongoing efforts to reduce carbon footprint, will serve the Bank to become a fully climate-positive business.

ALEXBANK's carbon footprint analysis and calculations were based on a number of standards and guidelines, including but not limited to the following:

- The Greenhouse Gas Protocol which is recognized as the most widely used international accounting tool to quantify and manage GHG emissions.
- ISO 14064-1:2018 Specification with guidance at the organisation level for quantification and reporting of GHG emissions and removals

ALEXBANK has considered Scope 1, Scope 2 and Scope 3 emissions associated with its operations, categorizing them as either direct or indirect emissions.

SCOPE 1

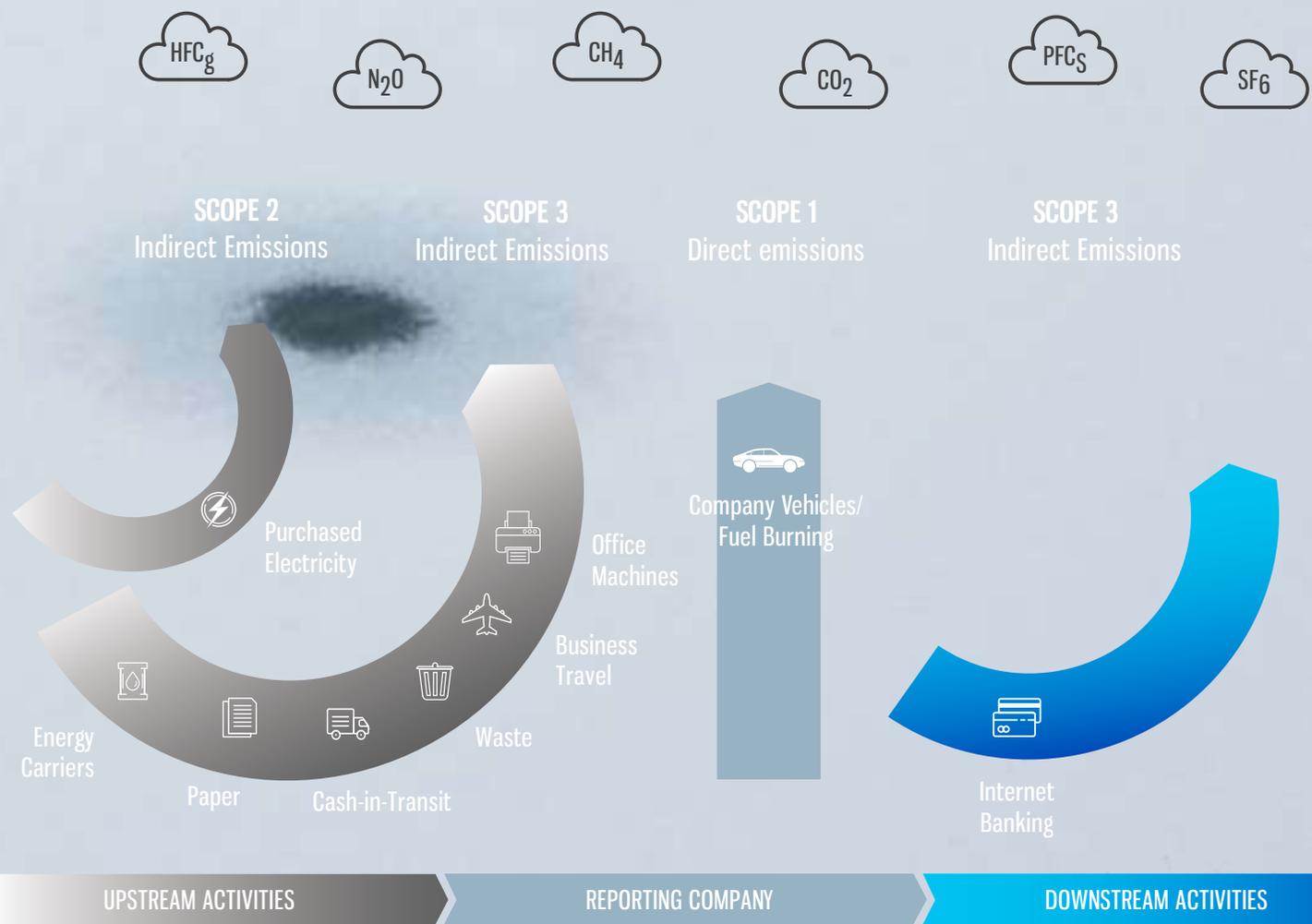
Direct Emissions: Emissions from sources that are owned or controlled by the Bank. This includes transport fuel used to run vehicles owned by the bank.

SCOPE 2

Indirect Emissions: Emissions associated with the consumption of purchased electricity, heat or steam from a source that is not owned or controlled by the Bank. This includes purchased grid electricity.

SCOPE 3

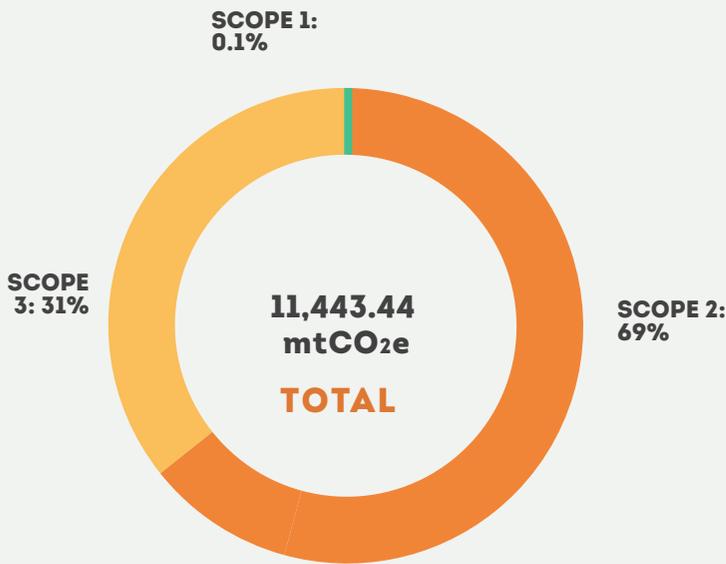
Indirect Emissions: Emissions resulting from other activities. This includes fuel used for air business travel; fuel used in the transportation of money disposal; emissions from energy used by clients in internet banking; and emissions generated in the production of paper and office machinery purchased by ALEXBANK. Energy Carrier emissions (associated with the production, processing and delivery of fuel) were included in the organization's emissions.



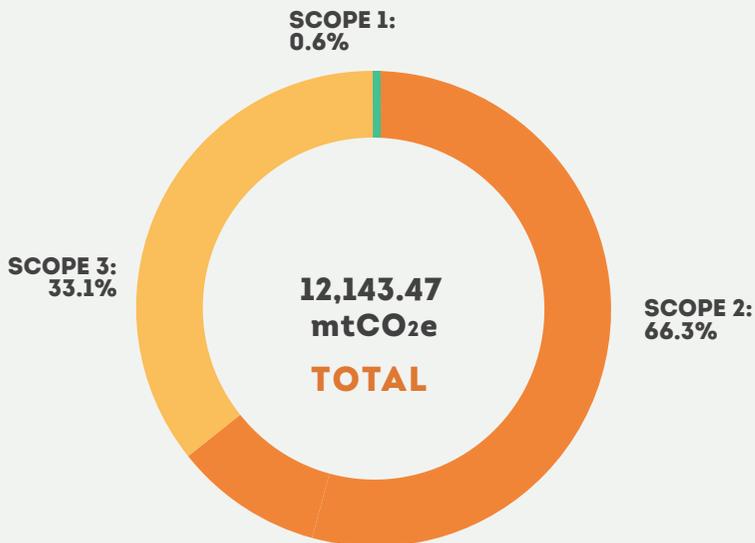
GREENHOUSE GAS EMISSIONS (305-1,2,3,4)

The results of the 2020 carbon footprint calculations show that the Bank's largest emissions come from its Scope 2 operational activities (purchased electricity) at 8,056.50 mtCO_{2e} with a share of 66.3% of the total Carbon footprint, as compared with 2019 scope 2 emissions of 7,867.97 mtCO_{2e}. The total GHG emissions for ALEXBANK in 2020 was 12,143.47 mtCO_{2e}, which is 6% higher than the total emissions in 2019 of 11,443.44 mtCO_{2e}.

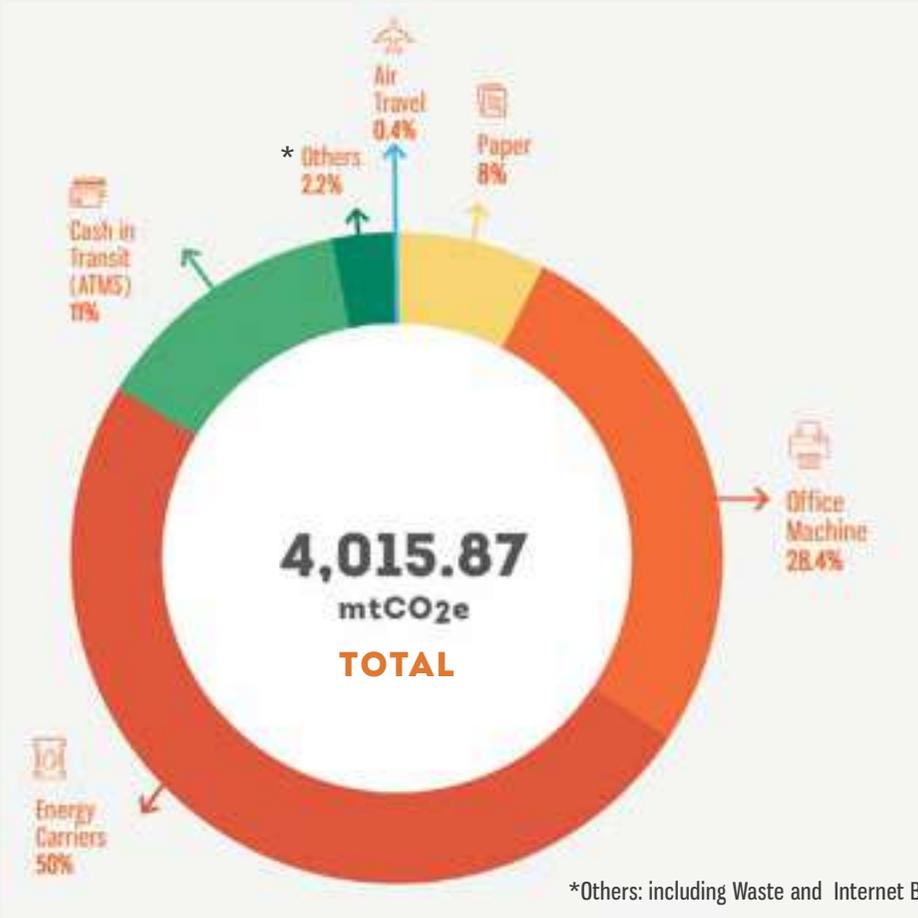
2019 Carbon Emissions by Scope



2020 Carbon Emissions by Scope



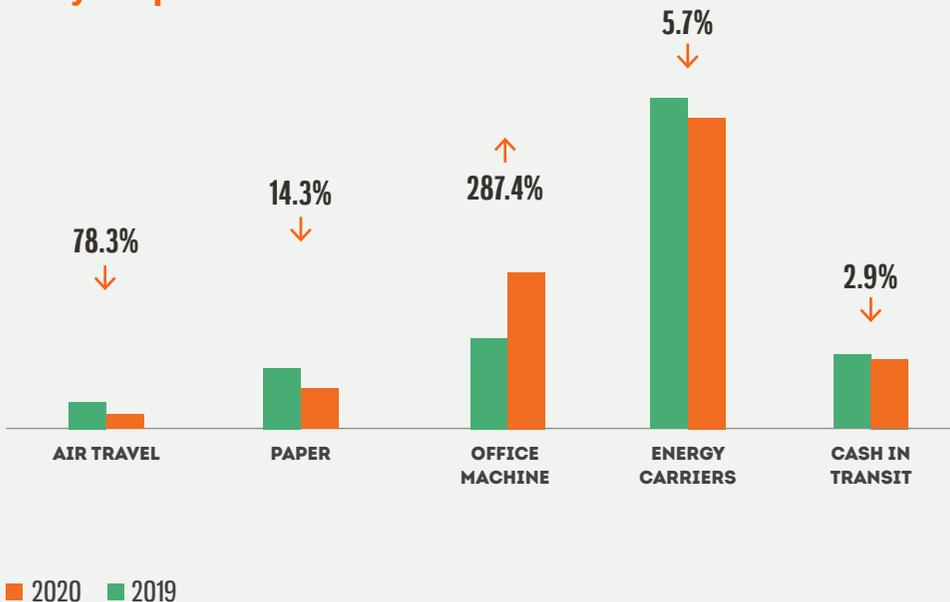
2020 Scope 3 Breakdown



Upon analysis of the Bank's Scope 3 emissions, the energy carriers (well-to-tank emissions) were predominantly the main source of emissions with a 50% share, highlighting the need to seek out alternative energy sources. This trend is consistent with that of 2019 where energy carriers constituted 64% of the total Scope 3 emissions.

The office machine emissions have reached approximately 29% of Scope 3 versus 9% in 2019, which is expected to decrease in the future upon adopting new procurement clauses giving more weight to the machine's energy and environmental performance. That increase in machine emissions was mainly due to the COVID-19 situation. Air travel has decreased by 78.3% and almost all other Scope 3 emissions have stayed constant.

Comparison between 2019 and 2020 Key Scope 3 Emissions





9.0

SOCIAL AND COMMUNITY IMPACT

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Bridging the Gender Gap	91
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Children participating in ALEXBANK's activities during Tunis Village Festival

SOCIAL AND COMMUNITY IMPACT (102-12, 203-2)

ALEXBANK aims to help build more inclusive, resilient, and sustainable communities. The Banks have the scale and capabilities to finance and support institutions, authorities, non-profits, and aid organizations to contribute to a flourishing society. The Bank maintains strict compliance with internal policies, the Code of Ethics, the Rules for Donations in the International Subsidiary Banks and Egypt's regulatory framework.

The Rules for donations came into force in 2020 and outline specific principles and procedures applied by ALEXBANK, including a clear set of criteria, decision-making process and a list of eligible entities and specify that "ALEXBANK can only sustain specific initiatives and projects aimed at promoting solidarity, social welfare and values of people". The rules allow focusing on donations that can leverage positive and lasting impact, reduce corruption risks and improve transparency and accountability.

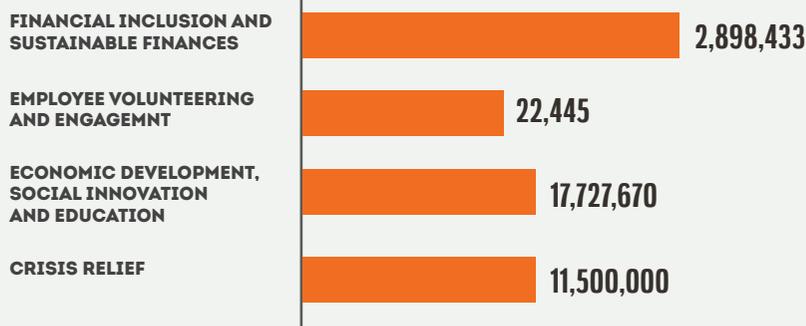
As the Bank treads a new path for contributing to the community, it recognizes that the sustainability of businesses is inextricably linked to the long-term prosperity of clients and communities, organizations depend on healthy and well-functioning societies to grow and flourish.

Consequently, ALEXBANK seeks to create "shared value" (CSV), incorporating social issues into its core business strategies to benefit society and ALEXBANK's long-term competitiveness while ensuring effective utilization of the Bank's donations budget.

The ALEXBANK Board of Directors approved a CSR and Sustainable Development Office budget of EGP 32,120,280 for the year 2020. When the COVID-19 pandemic came about, the Bank renewed its commitment, quickly adapting its strategy and leveraging its network of partners, providing help to the marginalized group and allocating EGP 11,500,000 of the CSR budget to a comprehensive COVID-19 relief package.

Today, ALEXBANK provides a diverse set of relief programs, a solid integrated sustainable development portfolio, and flagship platforms such as "Ebda3 Men Masr" (EMM) and "Ghalya". Additionally, the Bank supports integrating Environmental, Social, and Governance ("ESG") criteria into its activities, focusing on financial literacy and inclusion.

Budget Allocation (in EGP)



EGP 32 MILLION*
TOTAL CSR BUDGET

* In the form of donations to NGOs and support to community development activities. EGP 23,492,624 from total amount were devoted to donations for CSR activities conducted by NGOs. The rest of the amount is for activities impemented by non-NGOs. (by non-NGOs we refer to entities such as social enterprises or individuals whose role is vital to sustain the implementation of the projects core activities and components)



Students from Educate Me Foundation during the "Tahady El Remal" Game

**MAPPING SUSTAINABLE DEVELOPMENT GOALS
IMPACT OF ALEXBANK'S INITIATIVES (102-12, 203-2)**

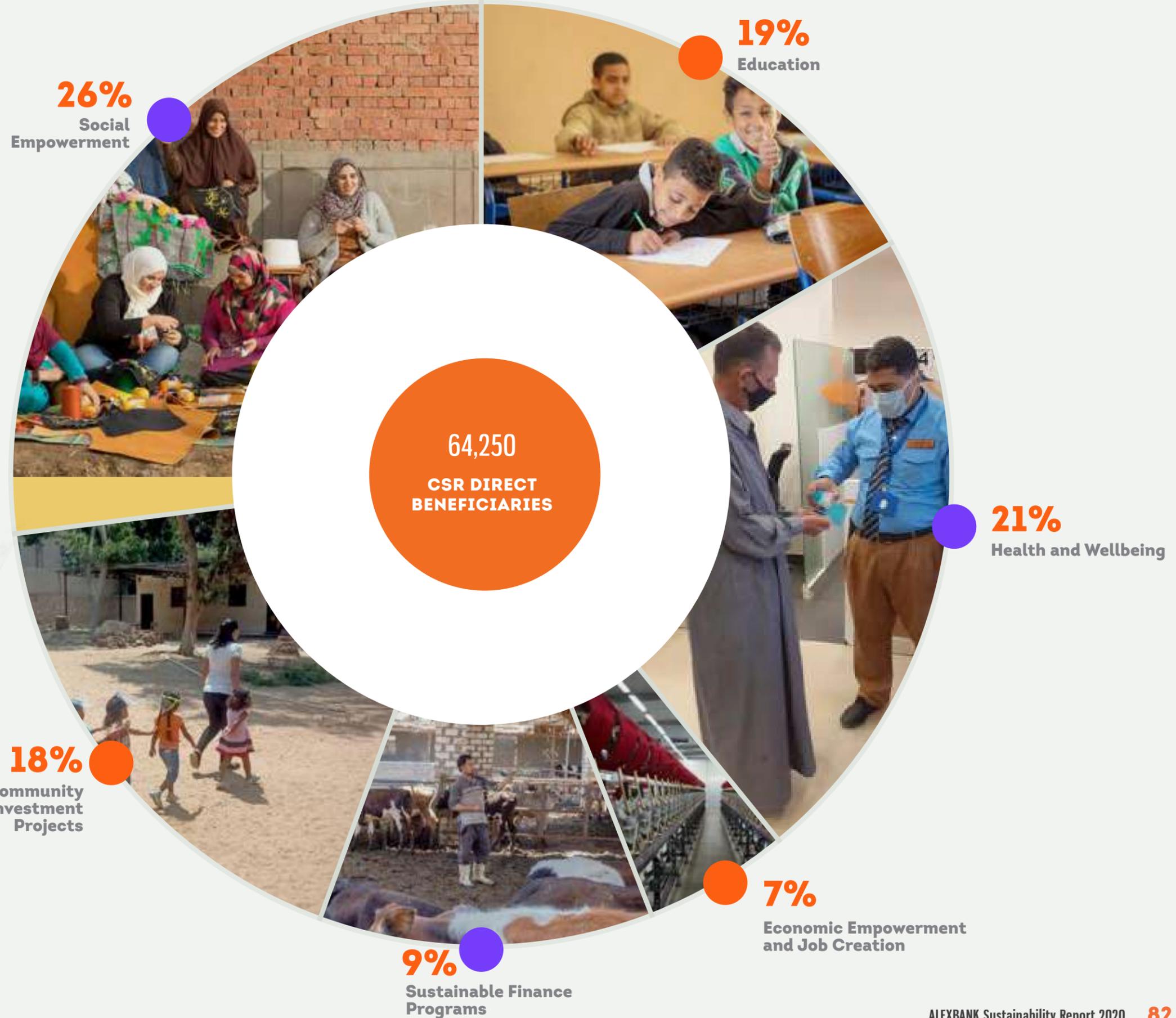
TOPIC	INITIATIVE/PROJECT	SDGs ADDRESSED
EDUCATION	Champion Teachers and Empowering Pioneers	
	Crafts and Connection (Tawasol new school construction)	
	Diakonia Development Center	
	The Calligrapher	
	The Environmental Literacy Card Game for children	
	Supporting Awladna Online Trainings and (Love Unites All) Festival	
HEALTH AND WELLBEING	Magdy Yacoub Heart Foundation's Global Heart Center	
	One Dream	
	El Tareek	
	Equipping the "Umberto" Italian Hospital Intensive Care Unit	
ECONOMIC EMPOWERMENT AND JOB CREATION	Cotton for Life	
	Creating Ambassadors	
	Bagaweet	

TOPIC	INITIATIVE/PROJECT	SDGs ADDRESSED
COMMUNITY INVESTMENT PROJECTS	Launch of "Ghalya" Initiative during International Women Day at the Women Economic Forum	 
	YES Yoga Day: Say Yes to No Violence	 
	Ebda3 men Masr	  
	Khotoot the annual corporate gift	 
	MY Craft, My Chance	    
	Diarna	  
	Abu Teeg Closing Ceremony	
SOCIAL EMPOWERMENT	Development of Orphanages for the Rehabilitation of Youth and Aftercare Services	
	Improving the Living Conditions of Children in Street Situations (Ana El Masry)	   
	Improving the Living Conditions of Girls in Street Situation (Banati)	   
	Combatting Early Marriage in Manial Shiha	   

SOCIAL AND COMMUNITY IMPACT AT A GLANCE

(102-12, 203-2)

(DISTRIBUTION BY BUDGET ALLOCATED)



EDUCATION FOR DEVELOPMENT (102-12)

Champion Teachers and Empowering Pioneers

For the 5th year in a row, ALEXBANK supported Educate Me's programs towards better education in Egypt, a partnership that includes 173 teachers and 300 students in Cairo, Fayoum, Luxor, Suhag, and Beni Suef. Due to COVID-19, the second and current phase of the Champion Teachers program took place online through Zoom meetings, and the student camp was turned into an edutainment game distributed among students.

965 students and teachers



Teachers attending Educate Me's "Champion Teachers and Empowering Pioneers" Program in Suhag. Photo by Nouredin Sherif



Crafts and Connection - Tawasol new school construction

In partnership with Star Care Egypt, ALEXBANK contributed to Tawasol NGO's new community school that opened in Istabl Antar Neighborhood on December 1st, 2020, to provide students with access to holistic education and health services. The school is set to welcome 500 community members. Moreover, the Bank funded one floor to create a space where students will be offered handicrafts workshops under the CSR and Sustainable Development office flagship initiative Ebda3 men Masr.

500 community members and 40 female Breadwinners



The talented children of Tawasol Community School come together in a performance that highlights Ancient Egyptian heritage, during the opening of Tawasol's new community school



Diakonia Development Centre

In partnership with the Italian Embassy in Cairo, the project tackles development in education and social assistance to 300 less fortunate children with disabilities. It targets the uplifting of 3 development centers, including a preschool in Ezbet El Nakhl, an educational center for People with Disabilities (PwDs), and a space for workshops for children with disabilities.

302 Children



People with special abilities in Diakonia Development Centre learning together new artistic skills

Supporting Awladna Online Trainings and (Love Unites All) Festival

In Partnership with Awladna Foundation (2020), ALEXBANK contributes to building and developing the talents of children with disabilities in arts, including music, performance, cinema, through various training, workshops. The workshops were provided via Zoom meetings, observing responsible safety measures in light of the COVID-19 pandemic. As part of these workshops, four visits to Baron Palace, in celebration of its recent renovation and public opening, were organized and carefully implemented with precautionary measures.

These trainings end with an Annual Arts Festival where the children showcase their talents. This year's festival is named "Wahshtouna" (or "we have missed you"), symbolizing the extended time of physical distancing due to the COVID-19 outbreak. The forum's inauguration had taken place at the Egyptian Opera House's main hall and was attended by a collective body of Egyptian government ministers, including Tourism and Antiquities; Youth and Sports; Social Solidarity; Culture; and Manpower and Immigration.

400 Children with disabilities



Awladna Forum1 - Impressive performances from the children of Awladna Foundation for the Awladna Forum



BETTER HEALTHCARE AND QUALITY OF LIFE (102-12)

Magdy Yacoub Heart Foundation's Global Heart Center

The Bank supports the Magdy Yacoub Heart Foundation (MYF) through the three-year partnership (2019 – 2021). ALEXBANK has agreed to support establishing an echocardiography room in the Global Heart Centre in Cairo. The Global Heart Centre is a project of great significance to heart patients from low-income families, and ALEXBANK's echocardiography room is planned to benefit 15,000 patients.

15,000 Patients' Capacity



ALEXBANK is happy to have partnered up with Esteemed Dr. Magdy Yacoub to help in the creation of an echocardiography room in the Global Heart Centre



Improving the Living Conditions of Children in Street Situation (Ana El Masry):

ALEXBANK's 3rd year to be supporting Ana El Masry Foundation with Sawiris Foundation for Social Development, focusing on long-term accommodation for the complete rehabilitation of children at risk. The programs entail medical care, educational and vocational training, sports, arts, and entertainment activities and facilities for children. The project aims at providing them a decent life in a healthy environment ensuring their proper psychological, and physical growth. It also aims to improve the skills of children in the age group of 13-18 years to be able to graduate with a trade for future work.

330 Children



Children coming together to attend a training at Ana El Masry Foundation



مؤسسة ساويرس للتنمية الاجتماعية



Improving the Living Conditions of Girls in Street Situations (Banati)

ALEXBANK, for the fifth year and the third year with Sawiris Foundation for Social Development, continues its support to Banati Foundation. The foundation responds to the needs and challenges of "girls in street situations", helping them reintegrate into society. The program offers multiple interventions that provide safe and supporting psycho-social environments, access to education opportunities, enhanced children's skillset counseling and case management, and health services according to their needs.

2,000+ Girls

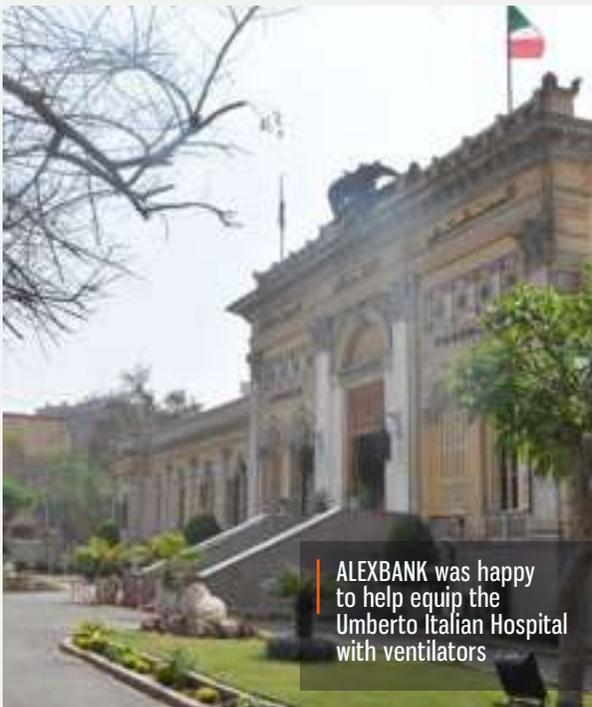




Development of Orphanages for the Rehabilitation of Youth

In Partnership with Sawiris Foundation for Social Development and Wataneya Society for the Development of Orphanages, (December 2019- January 2021), the project is designed to upgrade 20 orphanages across the governorates of Cairo, Giza and Dakahlia catering to 200 youth from these multiple orphanages and 40 children without parental care. Wataneya aims to swiftly integrate the beneficiaries into society and connect them to better socio-economic opportunities. The project also aims to enhance the capacity social workers, volunteer and staff from MoSS on the acclaimed standards and practices related to childcare.

240 Children | 140 Social workers and volunteers



ALEXBANK was happy to help equip the Umberto Italian Hospital with ventilators

Alleviating Pressure on National Hospitals: Equipping the “Umberto I” Italian Hospital Intensive Care Unit

In March 2020, to address the medical needs of Egyptians, the CSR and Sustainable Development Office collaborated with Umberto I Italian Hospital to further equip the institution with six Intensive Care Unit ventilators. Since its founding in 1903, the Umberto I Italian Hospital has been providing world class medical treatment to both Egyptians and foreigners living in Egypt. Moreover, the hospital’s history as an institution that was built by Italian immigrants represents Egypt’s strong ties to Italy and their mutual contribution to promoting access to safe healthcare services. ALEXBANK’s donation is set to alleviate pressure off national hospitals by providing relief to Egyptians seeking health support particularly during a time when medical resources are scarce, with the purpose of working towards the containment of the disease on a national scale. To further meet the needs of the increasingly critical health crisis, the project may be complemented with an additional phase which will be designed to equip multi-function emergency rooms, alongside providing crisis management and technical training to all medical staff.
200 Individual/Month

PROMOTING FUTURE-FIT JOBS (102-12)

Creating Ambassadors for tourism in Egypt

ALEXBANK works under the auspices of the Ministry of Tourism and Antiquities and in partnership with Rhythm - Hospitality Training Agency to promote tourism. This program includes 500 workers who directly interact with tourists at the top historical spots in Egypt. Program participants go through capacity building and hospitality training that equips them with the soft skills they need to make them feel welcomed. Creating Ambassadors aims to help people represent Egypt in popular touristic attractions in 5 governorates (Aswan, Luxor, Cairo, Giza, and Alexandria).

500 Community Members



Worker in touristic sites attend the "Creating Ambassadors Program"



Cotton for Life

Since 2015, ALEXBANK has collaborated with Filmar Nile Textile to support Egypt's White Gold, Egyptian Cotton. The first phase of the partnership between ALEXBANK and Filmar Nile Textile, a textile company in Alexandria's Borg Al Arab area, has ended in 2020. The program impacted over 150,000 students from 134 technical schools situated across Kafr El Sheikh, Damietta, and Alexandria governorates, to promote sustainable cotton production in Egypt and enhance the students' employment opportunities.



Filmar Nile Textile



ALEXBANK fosters organic agriculture and circular industry processes related to cotton production

IMPROVING THE LIVING STANDARD FOR ALL (102-12)



مؤسسة ساويرس
للتنمية الاجتماعية



El Tareek

ALEXBANK is proud to continue its partnership with Sawiris Foundation for Social Development, Al Ahram Beverages, Shorouk Misr, Siwa Community Development and Environment Protection Association in the El Tareek project. This project preserves the environment, improves living standards, promotes poverty reduction, and diversifies employment opportunities in Siwa. To date, eight women were trained to enhance their skills as nurses, 12 public awareness sessions were held for 296 individuals to shed light on anemia, and 891 families were covered, assisting 1979 adults and 2296 children. Beyond physical health, the project also addressed environmental health by training 19 men in the water management sector and 15 men installing and maintaining solar units.

380 young people, 300 children in health, 200 girls

One Dream - Phase I

Carrying on the prosperous partnership with Sawiris Foundation for Social Development, Shorouk Misr, and Star Care Egypt on One Dream project strived to improve the living conditions of garbage collectors in Mansheyet, Nasser, and communities involved in garbage recycling in the Tora area. Through phase 1, carried out over 2020, the project built six classrooms for pre-nursery, provided 10 literacy classes, offered medical screening for 3,000 individuals, and provided 1,000 patients with medication. They could also dedicate some of their resources to COVID-19 relief projects, including rooms for medical treatments and food.

35,000 Users

One Dream - Phase II

Phase two of the partnership with the Sawiris Foundation for Social Development, Shorouk Misr, Star Care, and the Association of the Protection of the Environment (APE) (2020 – 2021) will last for one year. The program focuses on the three main pillars of CSR and SD Office Strategy, education, health, and capacity building projects, serving two geographical areas: Mansheyet Nasser and Tora. These efforts are in addition to the continuing focus on the detection and treatment of COVID-19.

4,250 Users



Photo of Siwa Oasis by Mohamed El Gendy for ALEXBANK's 2019 Sustainability Report



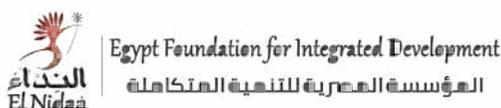
Children of One Dream Project wearing masks and practicing social distancing

CHERISHING EGYPTIAN HERITAGE AND NURTURING CULTURE (102-12)

Ebda3 men Masr (EMM) is ALEXBANK's sustainability flagship initiative. Its literal translation is "creativity from Egypt". It refers to the innovation in presenting the Egyptian traditional heritage and crafts inherent in its projects. EMM creates a shared value platform that empowers traditional handicrafts producers and young product designers, and entrepreneurs. It offers them support in developing their businesses as well as better market access. The project has impacted more than 4000 artisans, 90% of whom are women and 60% youth, across 15 governorates in Egypt.



Over the past years, the beneficiaries of EMM have developed and have become banked in numerous ways, most prominently through POS acquiring services. In 2020 two specific initiatives were implemented aimed at EMM digitalization.



drosos (...)

"Ebda3 men Masr" at El Gouna Film Festival

ALEXBANK was proud to be a strategic partner in the 4th annual Gouna Film Festival 2020 (GFF20), which took place in the Red Sea resort town of El Gouna. The Bank showcased the success of its flagship CSR initiative, "Ebda3 men Masr" which has provided direct sales opportunities to its network of 10,000 artisans to date.

The Ebda3 men Masr Cabana was in partnership with ALEXBANK'S strategic partner in impact Sawiris Foundation for Social Development (SFSD). The event highlighted artisans under the Ebda3 Men Masr online store on Jumia, helping them sell their products. The event included a wide range of EMM products, co-branded environmentally-friendly bags, print and digital media depicting artisans' stories, and online shopping for visitors. Additionally, the cabana hosted daily live crafts performances where the artisans, representing different crafts, told the story of their work with their hands. During the event, over 60,000 EGP of products were sold, supporting artisans in distress.

Moreover, ALEXBANK and SFSD partnered in "Gifts with Impact" to build the capacity of 250 Red Sea craftswomen, source the cabana giveaways from the workshops, and provide all festival visitors a memorable gift crafted by local artisans. Inspired by the theme "Culture of Dreams", "Ebda3 men Masr", by ALEXBANK brings you "Stars in The Sky" brooches to wear with pride and celebrate the never forgotten late TV and cinema icons in partnership with El Gouna Film Festival. This came as part of a unique collaboration of impact between "Ebda3 men Masr", Thaata Social Enterprise, and the UNHCR, empowering 58 Egyptian, Sudanese, Eritrean, Syrian, and Yemeni women who crafted those brooches especially for GFF20 attendees.

5,300 Craftsmen

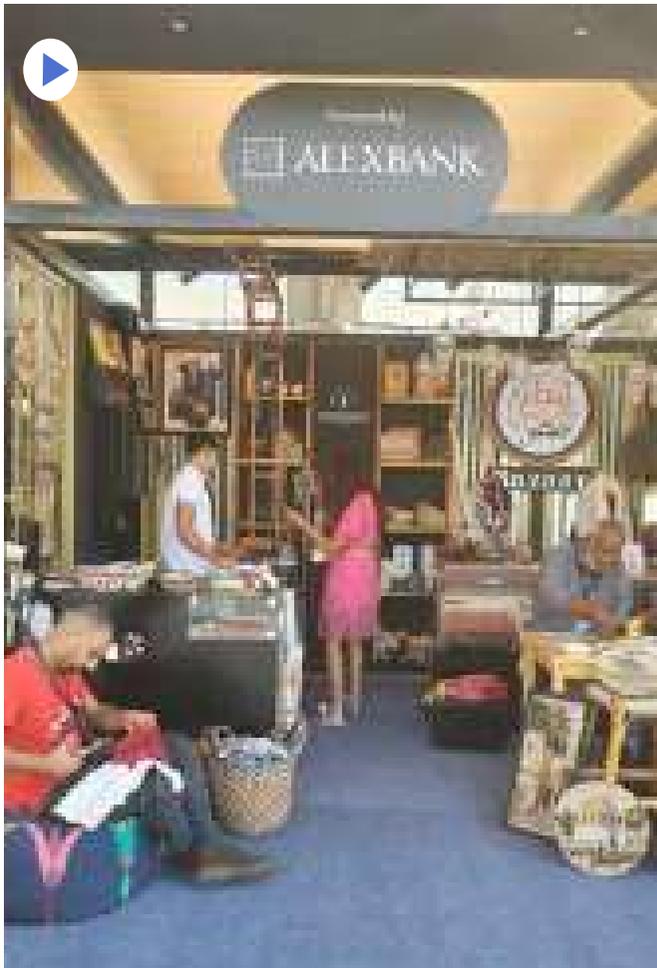
EMM Goes Social; Ebda3 men Masr Launches Its Social Media Channel

ALEXBANK launched its flagship initiative's Facebook and Instagram accounts to compensate for the decreasing capacity to organize physical exhibitions and increase reliance on digital platforms to maintain the artisans' sales and marketing opportunities, reacing 1,390 followers on Instagram and 400 on Facebook by the end of 2020.



“Ebda3 men Masr” Online Store on Jumia

ALEXBANK launched an Ebda3 men Masr online store on Jumia in response to COVID-19’s unexpected obstacles, helping to bridge the gap between talented local artisans and the market. This project is under the auspices of the Ministry of Social Solidarity. It collaborates with many partners, including the Bank’s strategic partner Sawiris Foundation for Social Development, recently joined by the Drosos Foundation and El Nidaa.



Ministry of International Cooperation and United Nations Development Partners Annual Meeting

In Announcing a New Global Partnerships Narrative, showcasing Egypt’s cooperation with its partnerships and promoting the Sustainable Development Goals, ALEXBANK has contributed by sourcing the conference kit by the hands of 30 local female craftswomen.

CHERISHING EGYPTIAN HERITAGE AND NURTURING CULTURE (102-12)

Khotoot: The Annual Corporate Gift

Reviving Arabic calligraphy through the art piece titled “Khotoot” (which translates to “lines” or “calligraphy”) through the message “Hope for the best, and you shall find it.” Each piece included calligraphy by Egyptian calligrapher Khaled Mujahed, placed in wooden frames by The Reader’s Corner Bookshop and colored with sheets of gold. The artwork attracted 285 customers and partners who received the gift made by 15 different craftsmen.

15 Craftsmen

285 Customers and partners





The Calligrapher

“The Calligrapher” is a project designed to revive calligraphy and restore public appeal towards it in Egypt. Its implementation involves two phases: professional workshops and training for 24 participants covering aspects relevant to management skills. Due to COVID-19, the second phase of the project, "Post-Graduation Support Program", was conducted online. It provided an opportunity for practicing artists who graduated from the First Phase to share their professional and technical expertise on a broader scale. The project includes educational courses, teaches Arabic to support the continuity of learning, selling their products that reflect the power of Islamic art, and introduces artists to the professional arena and on a broader scale.

40 Users



A glimpse of Al Qalam Foundation's calligraphic art

BRIDGING THE GENDER GAP (102-12)



WEF - HE Nevine El Qabbaj, Minister of Social Solidarity, posing with Dr Maya Moursy, President of the National Council for Women

LAUNCH OF "GHALYA" INITIATIVE DURING INTERNATIONAL WOMEN DAY AT THE WOMEN ECONOMIC FORUM

The Bank's Corporate Social Responsibility and Sustainable Development Office launched the Ghalya initiative with its strategic partner, the National Council of Women (NCW). The initiative aligns with their national campaign "Ta' Marboota", providing a space for female-led projects. Ghalya's platform focuses on addressing common problems facing women in Egypt, including early marriage, homeless girls, and gender equality. It aims to boost women's empowerment and entrepreneurship. Ghalya's launch announcement was made at the Women Economic Forum for the first time in Egypt, where all conference giveaways were "By Women for Women".

ALEXBANK chose to celebrate the day in partnership with Egypt's female-led social enterprise, The Doodle Factory, where 2,400 female staff, 200 female leaders, and influencers received a "Ghalya" gift box. Proceeds from the gift box have supported over 10,000 children with liver diseases through purchasing intensive care monitors for the Yassin Abdel Gaafar Charity Centre for Liver Diseases.

500 Female Artisans

Bagaweet (previously known as Red Sea Crafts):

The Red Sea Crafts project is an initiative created by the International Labour Organization Egypt (ILO) in 2013 to create job opportunities for youth and marginalized communities in the Red Sea governorate. ALEXBANK participated in supporting this successful project in 2020, under the auspices of the Ministry of Social Solidarity and Red Sea Governorate, launched and named the new phase "Bagaweet" in collaboration with "Thaat", a women-led social enterprise, as the implementing arm for the initiative. By the 4th quarter of 2020, ALEXBANK onboarded Drosos Foundations as its partner, expanding the scope to include Aswan and Luxor. The two-year project will target 300 women from four cities in the Red Sea governorate (Safaga, Al Qusair, Shalateen, and Hurghada) and Luxor and Aswan governorates. The project's second year will be dedicated to training, RandD and production, branding, and marketing. Furthermore, products yielded from the project will be featured on the Ebda3 men Masr online store.

300 Women



ALEXBANK's CEO Dante Campioni, H.E. Minister of Social Solidarity Nevine Kabbaj and the Director of the International Labour Organization Eric Oechslin signing





Combatting Early Marriage in Manial Shiha

ALEXBANK has been working with Appropriate Communication Techniques for Development (ACT) to combat violence against girls and women of Manial Shiha to provide women with microloans and project management-related training. In 2020, ALEXBANK helped uplift the social and economic status of young women in Manial Shiha by educating them, providing them with psychological support, and economically empowering them through micro-projects in handicrafts.

25 young girls



Combatting early marriage; Caption: Women beneficiaries of Combatting Early Marriage in Manial Shiha program

My Craft, My Chance

ALEXBANK launched a partnership with Helwan for Community Development Foundation [Bashayer Helwan] where the NGO is executing an empowerment project to direct beneficiaries of the local community members of Helwan, with the majority of their target audience being women. The project aims to provide training in basic literacy, spreading health awareness, handicrafts training and provides family planning services. The project also contributes to improving indirect beneficiaries and families by supporting breadwinners, spreading awareness of their legal and social rights among themselves and the members of their community. This project is consistent with the Country's national strategy for women's empowerment by increasing their contribution to economic development by combatting the root causes hindering their active participation.

450 Beneficiaries (83% Females)



مؤسسة حلوان لتنمية المجتمع
Helwan Association for Community Development
مشفرة برقم ٥٨٥٩ لسنة ٢٠٠٤



Attendees of Bashayer Helwan NGO's "My Craft, My Chance" workshops



EVENTS AND CAMPAIGNS (102-12)

YES YOGA DAY

On November 7th, ALEXBANK hosted a day-long festival called "Yes Yoga Day" under the slogan "Say Yes to No Violence" to mark the International Day for the Elimination of Violence Against Women, commemorating women and raising awareness on women-centric issues underlined in Egypt. The event was held in Nine Pyramids Lounge and consisted of an entire day of yoga sessions and a panel of community leaders that reflected on the cause and shed light on Egyptian women's struggles.

The panel included female leaders: CSR and Sustainable Development Head Laila Hosny, Azza Kamel, Chairman of the Board of Trustees of Appropriate Communication Techniques (ACT) for Development Center, and Fayza Abdel Wahed, a fellow project beneficiary. Male community leaders were also invited to the panel, like Essam El Adawy, an expert in development, and Ahmed Mahmoud, Advisor to the Chairman of Al-Ahram Press Foundation for Electronic Development and Digital Content Al-Ahram Economic magazine.

The proceeds, nearly 70,000 EGP, has been directed to the ongoing project between ACT and ALEXBANK named "Combating Early Marriage in Manial Shiha" to combat early marriage for women and girls in the Manial Shiha area, Giza Governorate. This project impacts 600 women and girls by improving their medical, educational, psychological, and social conditions.

600 Women and Girls

THE FACTORY

act



Kite Competition - Qaitbey area of the 'City of the Dead':

On the 6th of July, Sultan Foundation hosted a kite competition, where the kids in the Qaitbey area, in specific the Desert of the Mamluks part of the 'City of the Dead', designed kites inspired by Sultan Qaitbey, after whom the neighborhood is named and by the outstanding works of architecture that he created there. ALEXBANK provided the participating children with awards as well as three grand prize winners. Making and flying the kites signified a message of hope and supported the children's overall morale during these difficult times.

Children in the neighborhood of Old Cairo



A kite designed by a participant of the Kite Competition

Diarna

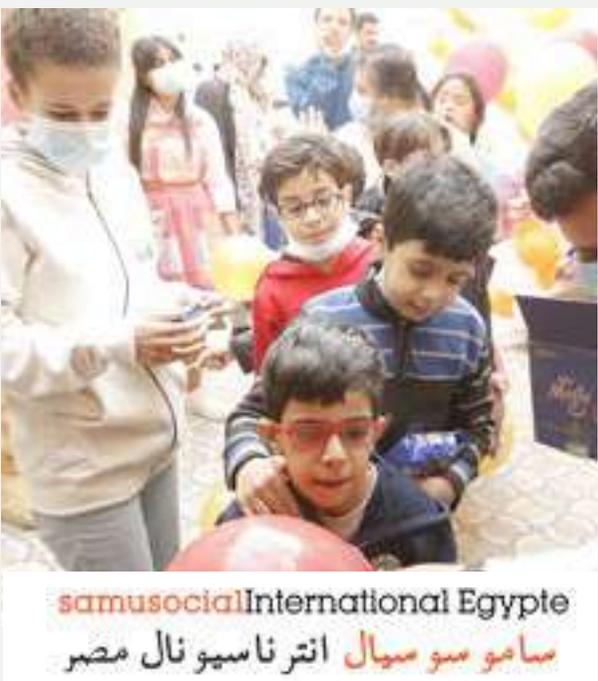
Diarna handicrafts exhibition, under the auspices of the Ministry of Social Solidarity, took place at MSMEDA Hall, Nasr City Fairgrounds, from December 27th. ALEXBANK participates as a strategic partner through its flagship CSR initiative "Ebda3 Men Masr". The exhibition aims to promote Egyptian artisanship through a 21-days display and direct sales as the event hosts about 400 exhibitors from all over Egypt. Every year Diarna proposes different themes, and this year the exhibition celebrates both the Fayoum Governorate as Guest of Honor and also the skills of artisans with disabilities, providing to 31 exhibitors (NGOs, social enterprises and individuals) free exhibition spaces to showcase their persistence and success stories in the creative economy field. Ebda3 Men Masr's participation in the Diarna handicrafts exhibition confirms once again ALEXBANK commitment to support Egyptian artisans and projects owners to preserve the Egyptian craftsmanship identity while creating job opportunities empowering technically and economically various local communities.



Mini activities at shelters (Annual Heroes Iftar Adjustment):

For the past three years, the Annual Heroes Iftar, co-hosted by ALEXBANK, SFSD, and Samusocial International Egypt, has taken place to celebrate the partnership's achievements, giving more than 600 children an unforgettable experience. Due to the COVID-19 outbreak and the suspension of large-scale activities, the Bank organized mini-activities for each shelter on its premises. They consisted of performances, games, and fun activities as well as giveaways distribution while considering protective measures against COVID-19 are in place

1,366 children | 9 shelters



The Abu Teeg Closing Ceremony

In 2018, ALEXBANK launched the Abu Teeg project in Asyut to promote the growth of its carpet-making industry under its CSR and Sustainability Development office flagship initiative "Ebda3 men Masr." Following two successful years of capacity training workshops, ALEXBANK celebrated closing on February 17th in the governorate of Asyut.

The ceremony welcomed representatives from all partners involved, including the Sawiris Foundation for Social Development, the Egyptian Chamber of Handicrafts, the Egyptian Export Council of Handicrafts and the Ministry of Trade and Industry through Micro, Small and Medium and Small Enterprises Development Agency to reflect on the project's milestones and the role of capacity training in sustaining communities and revitalizing cities across Egypt.

The ceremony celebrated the graduation of 150 female carpet makers who took part in tailored carpet-making training for six months and are now equipped with the technical skills to directly contribute to improving the local carpet industry, with the prospect of employment in the facility.

15 Female Carpet Makers



One of the graduates of the Abu Teeg project during the closing ceremony



مؤسسة ساويرس للتنمية الاجتماعية

Visit the ALEXBANK website for [a complete list of its projects](#) implemented over the years.

PARTNER TESTIMONIALS



Dr. Adel Becksawy,
Consultant to the Minister of Social Solidarity (MoSS)



“ALEXBANK is the Ministry’s Number One strategic partner. And this is only because of their interest, investment, and care in the handicrafts sector, projects, and the targeted communities they are trying to support. They do not have a mere financial vision, they are seriously involved. During Diarna exhibition, they knew every single exhibitor on a personal level - This is why they are so successful. They are friends before they are strategic partners. I want to thank all of the people in ALEXBANK for their exemplary work.”



“ALEXBANK always abides with CBE requests and the team tailor-make what the CBE needs. They know how to do it, ALEXBANK never failed to exceed our expectations we always had the best partnership. I find it to be a very healthy one, as we move together. ALEXBANK works on sustaining and developing the handicrafts industry.”

Lamise A. Negm, CSR Advisor to the Governor, Central Bank of Egypt



SHERY SIDHOM,
SENIOR LIVELIHOODS ASSISTANT, UNHCR

NERMINE ABDEL AZIZ,
SENIOR LIVELIHOODS ASSOCIATE, UNHCR

CHRISTINE BESHAY,
ASSOCIATE EXTERNAL RELATIONS OFFICER, UNHCR

NORA IBRAHIM,
ASSISTANT PRIVATE SECTOR PARTNERSHIP OFFICER, UNHCR

“At the Gouna Film Festival in October 2020, we visited the ALEXBANK booth. This marked the start of our conversation and consequent discussion on potential collaboration modalities. ALEXBANK then invited UNHCR to attend the Diarna Exhibition as the Guest of Honor. We highly appreciate working with the ALEXBANK team given how flexible and creative they are! And we look forward to more joint collaborations in the future”



Dr. Soheir Abdel Kader
Founder and Chairperson of Awladna Foundation



“ALEXBANK is not just a donor. I feel like they’re emotionally invested in my case as well. It was never just about monetary benefits or privileges; it became an ongoing partnership in success. They contact us whenever hosting an exhibition or event and tell us that they booked us a special place, provide media coverage and opportunities for the children to talk on TV. During the pandemic, they helped us sustain the development, and to complete the process, it was an exceptional response of “we are here, we are with you”. We share a common humanitarian and social interest, both Awladna Foundation and ALEXBANK. They provide financial support and moral support, acting like partners and true supporters, which is what encouraged us to pursue further collaboration. During the period we have dealt with ALEXBANK, we have come to trust every single one of their highly professional team.”



Bishop Bakhom,
Patriarchal Vicar for the Patriarchal Diocese, Diakonia Development Center



“There are a few things about ALEXBANK that I loved and make me feel like we can collaborate in the future. ALEXBANK is not just about work. They attended the opening ceremony of our project, and I felt that they’re actually invested in the moment and affected by it. I thought that after our project that our collaboration was done, and that’s the end, but I found out that they sought us out and that they invited us to join their Diarina exhibition. ALEXBANK provided us an amazing welcome, know-hows, assistance, and availability. Their funding and sponsorship helped to bring one of our goals to life. Our partnership together started from last May, we see that they take serious steps and if it weren’t for COVID-19 there would have been thousands more collaborations with them.”



Zeinab Abdellatif,
President of Helwan Foundation for Community Development (Bashayer Helwan)



“ALEXBANK is not just a donor, they are truly a partner; therefore, they proactively take responsibility for evaluation, and organization and planning of the project. They were extremely understanding during the changes of strategies and planning. Corona was an important factor to re-evaluate the activations we had, especially in group activations that included many people in one place at one time – this required a change in the way we invested in things but there was huge understanding from ALEXBANK. This partnership was a great addition to us.”

PARTNER TESTIMONIALS

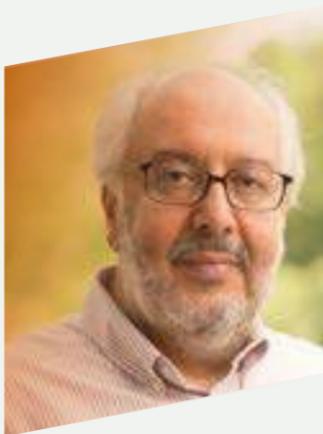


**Fatma Serry,
President and CEO of
Enactus Egypt**

“I want to thank ALEXBANK for joining and helping our yearly training session in ENACTUS out of their strong belief in Education. I am proud to be teaming up with their hardworking team, led by the Head of CSR and Sustainable Development Office, who attended the Enactus panel of consultants, to set the strategic directions for Egypt. Despite COVID-19, we worked hard, were able to have the competition, and gave out prizes. We would not have won the world cup if the projects hadn't covered the triple bottom line; environmental, economic, and social. I am proud to say that ENACTUS students always look to solve the “needs” of society. During the World Cup, it was difficult for the National team to transition to a global arena, but thanks to the team's passion and drive to maintain Egypt's first place and ENACTUS' guidance, we won.”



**Hazem Fahmy,
Founder and Board
Chair of CARE
Egypt Foundation**



“ALEXBANK is very patient, and they work on stuff that may not be that flashy or that visible, but they keep at it until something good comes out of it in the end. I believe that ALEXBANK is very structured and is effectively using its capabilities to advance both their business and good causes.”

**Ayman Hakky,
Founder and Managing
Director of The Trifactory**

“I find ALEXBANK's CSR's initiatives creative, out-of-the-box and shining compared to other banks.”



**Fathia Samir,
Gender Coordinator,
Appropriate Communication
Techniques (ACT)**

“We managed to assist 25 women in building her handicraft business over five months. These women now can trade and do business vs. in the past; they were the trade itself. This transition empowers them a lot.”



**Dr. Azza Kamel,
Chairman of the Board of
Trustees of Appropriate
Communication
Techniques (ACT)**



“This is the best thing about ALEXBANK. They are donors; they are interested and invest time in physically seeing and assessing the project's proposal before answering. I want to thank them for their trust in us and their openness.”



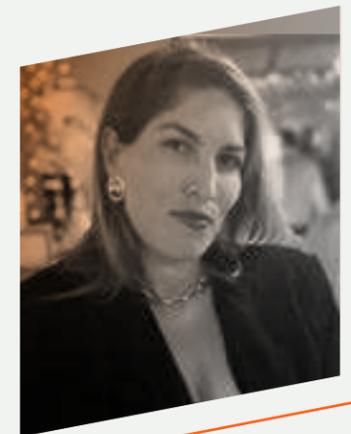
**Yasmina Abou Youssef,
Founder of Tawasol Foundation**



“ALEXBANK is always trying to help us make things better. I'm extremely happy with our partnership; we are on the same wave-length and have an alignment of vision. Whenever we reach out when we need help, they always offer support, we can now cater to more people – I know how Tawasol is special in their hearts, and they're special in our hearts.”



**Ines Ayari,
Chief Technical Advisor, Gender
Focal Point, ILO Gender Portfolio**



“The smoothness of ALEXBANK's processes had helped a lot to put this partnership to work promptly. ALEXBANK was the driving force beyond bringing this partnership to life and inspire future interventions. Now along with our main partner, the National Council for Women (NCW), we are delivering to 200 women in Egypt online e-marketing and e-commerce training, based on the results of the survey and success of this partnership with ALEXBANK.”

PARTNER TESTIMONIALS



Eng. Noura Selim,
Executive Director of
Sawiris Foundation for
Social Development

"The distinctive characteristic that ALEXBANK brings to the table isn't only its strategic interest in sustainable economic development, but also its incredible innovation, where they adopt an idea and deeply reflect on how it can be creatively implemented. ALEXBANK is a great team player; they're transparent in all situations. We have common KPIs and common objectives. They show remarkable responsiveness, serious commitment, and passion in their partnership, allowing us to see eye to eye truly. And that - in addition to our common drive for having the greatest impact possible - is why we are long-term, strategic partners on a number of key developmental topics."

Rosa Abdel Malek,
Sawiris Foundation
Partnerships Director



Peri Abou Zeid,
Founder of Thaath
Social Enterprise



"ALEXBANK is passionate about handicrafts in Egypt; They are powerful, they have a vision, they're heading the right way and they can put Egypt on the map for handicraft. ALEXBANK gives you the space to create and be a decision-maker. And I think that this is very important. They always listen and make you play a role of a consultant. It's like making a tapestry; they leave you to wave however you like and choose the colors you want, and they give you the freedom to create this beautiful tapestry".



Karim Adib,
Managing Director of
Rhythm Hospitality
Training Agency



"Over the past year, I have noticed that quantitative results and exposure hasn't been a huge thing for ALEXBANK; they care about quality more than quantity. I appreciate how ALEXBANK is always there with us and support whenever we ask for anything; we touched 500 homes, and ALEXBANK trusted us from the beginning - this level of care is really important for us."

Yasmine El Hagry,
Executive Director of
Wataneya Society

"Whenever we see Alexbank's logo, event or report, we always find that there is an idea and a thought process behind it. It's not about propaganda and PR. They have a holistic vision and care about benefiting the people regardless of who they are."



Usama Ghazali,
ALEXBANK's CSR and Creative
Industries Consultant



"Craftsmen never feel like they're just here to present their products or that ALEXBANK is just a funding entity. They feel included; they feel like they are part of the Diarna exhibition, and the success of the exhibition is for them."

Dr. Wessam El Beih,
Country Director of
DROSOS FOUNDATION

"ALEXBANK's communication strategy and ability to market social ideas and products are very impressive. It is particularly inspiring to see a private entity keen on influencing social impact and using the business language to communicate. It's a good role model to other corporates."

drosos (...)





10.0

WAY FORWARD

Vision for the Future	97
Activities Planned for 2021	98



ALEXBANK recognizes the role of preserving Egypt's natural resources, and will continue to shed light on the important of remaining environmentally conscious

VISION FOR THE FUTURE

ALEXBANK's corporate governance and culture, strong partnerships, and management approach have allowed The Bank to stay resilient and keep promises in 2020.

It delivered responsible business growth and proactively responded to the global crisis, learning to serve employees, customers, stakeholders, and communities in new ways. The past transforms the Bank, but it will carry newly-found knowledge into the future.

The move beyond corporate social responsibility has been visible at ALEXBANK for years through the approach of creating shared value and constant improvement on integrating ESG criteria and metrics. ALEXBANK also aims to keep genuinely grasping stakeholders' voices and proactively addressing the complex challenges of our time.

Serving as a community shield, driving impactful growth, and spreading the wealth are essential to the future of the Egyptian people and ALEXBANK within the Bank's commitment to creating a world of real possibilities.

ALEXBANK's focus on good governance, financial inclusion, digital transformation, supporting agribusiness, and empowering communities will allow the Bank to stand firm in a rapidly changing world. ALEXBANK remains committed to keeping promises and building resilience to create a prosperous future for all.

Arming Egypt's younger generations with the adequate knowledge and skills to lead the future sustainably



ACTIVITIES PLANNED FOR 2021

DUE TO THE COVID-19 SLOW-DOWN, SOME OF THE 2020 PROJECTS HAVE BEEN PAUSED OR POSTPONED TO 2021. THE TWO FOLLOWING PROJECTS ARE EXPECTED TO RESUME IN 2021

The environmental literacy card game for children

In 2020, the design of the game components had been finalized, considering the game objective be inclusive for visually impaired and completely blinded children, conducted in partnership with social enterprise DiD (Dialogue in the Dark), a project funded by Drosos Foundation. Several focus groups for both parents and their children took place to test many options of cards sample and decide on the most suitable choice.



“Hady Bady” Financial Literacy Board Game

The Hady Bady board game educates children about financing principles such as mindful spending, smart saving, and donating – ultimately sustaining tangible impact through education. After two years of successful rollouts in schools reaching over 17,000 children across Egypt, the game, which teaches children how to spend, save and donate, will be offered through Zoom sessions to entertain and educate children aged 8-12. Hady Bady has been planned for a virtual rollout so that children across different governorates in Egypt can still play the game with no health or safety risks.

ALEXBANK plans to develop a digital Application for Hady Bady (on iOS, Android and Huawei) to enable children to play the game from the comfort of their homes.

The App will be the first digital game of its kind powered and initiated by an Egyptian Bank and developed by homegrown talent. Fully aligned with Intesa Sanpaolo Group and the CSR and Sustainable Development Office 2018-2021 Strategy, the digital App will not only raise financial literacy but will further solidify the Bank’s commitment to digitally promoting financial concepts, ideas, and practices.

The Hady Bady App is planned to be launched in the summer of 2021.



A glimpse of our Hady Bady roll out campaign back in 2019 that took place over many Egyptian governorates

ABBREVIATIONS

AD VALUE EQUIVALENCY	(AVE)	INTERNATIONAL FINANCE COOPERATION	(IFC)
AGENCE FRANÇAISE DE DÉVELOPPEMENT	(AFD)	INTERNATIONAL LABOUR ORGANIZATION	(ILO)
ANTI-MONEY LAUNDERING	(AML)	INTESA SANPAOLO GROUP	(ISP GROUP)
APPROPRIATE COMMUNICATION TECHNIQUES	(ACT)	KNOW YOUR CUSTOMER	(KYC)
ASSET LIABILITY COMMITTEE	(ALCO)	LETTER OF CREDITS	(LC)
AUTOMATED TELLER MACHINE	(ATM)	LETTER OF GUARANTEES	(LG)
BUSINESS CONTINUITY MANAGEMENT	(BCM)	MAGDY YACOUB HEART FOUNDATION	(MYF)
BUSINESS LINE OPERATIONAL RISK MANAGERS	(BLORMS)	MICRO, SMALL AND MEDIUM SIZED ENTERPRISES	(MSME)
CAPITAL EXPENDITURES	(CAPEX)	MINISTRY OF AGRICULTURE	(MOA)
CENTRAL BANK OF EGYPT	(CBE)	NEW TO BANK	(NTB)
CHANGE MANAGEMENT PROCESS	(CMP)	NON-GOVERNMENTAL ORGANIZATION	(NGO)
CHIEF EXECUTIVE OFFICER	(CEO)	PERSONAL COMPUTERS	(PC)
COMBATING THE FINANCING OF TERRORISM	(CFT)	PERSONAL IDENTIFICATION NUMBER	(PIN)
COMPUTER SCIENCE	(CS)	PERSONAL PROTECTIVE EQUIPMENT	(PPE)
CORPORATE SOCIAL RESPONSIBILITY	(CSR)	POLYMERASE CHAIN REACTION	(PCR)
CREATING SHARED VALUE	(CSV)	PREVENTIVE MAINTENANCE	(PM)
CRISIS GOVERNANCE COMMITTEE	(CGC)	PURCHASE ORDER	(PO)
CUSTOMER DUE DILIGENCE	(CDD)	RESOURCE MANAGEMENT	(RM)
DIGITAL SAVINGS GROUP	(DSG)	RESPONSIBLE BANKING PRINCIPLES	(RBP)
EARNED MEDIA VALUE	(EMV)	RISK APPETITE FRAMEWORK	(RAF)
EBDA3 MEN MASR	(EMM)	SAWIRIS FOUNDATION FOR SOCIAL DEVELOPMENT	(SFSD)
EGYPTIAN BANKING INSTITUTE	(EBI)	SMALL AND MEDIUM ENTERPRISES	(SMES)
EGYPTIAN MONEY LAUNDERING AND TERRORIST FINANCING COMBATING UNIT	(EMLCU)	SMART VILLAGE	(SV)
ELECTRONIC CREDIT APPLICATION	(ECA)	SUSTAINABLE DEVELOPMENT	(SD)
ENVIRONMENTAL, SOCIAL, AND GOVERNANCE	(ESG)	SUSTAINABLE DEVELOPMENT GOALS	(SDGS)
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	(EBRD)	TREATING CUSTOMERS FAIRLY	(TCF)
EUROPEAN INVESTMENT BANK	(EIB)	UNITED NATIONS ENVIRONMENT PROGRAMME FINANCE INITIATIVE	(UNEP FI)
FEDERATION OF EGYPTIAN BANKS	(FEB)	UNITED NATIONS GLOBAL COMPACT	(UNGC)
FINANCIAL INVESTMENTS	(FI)	VILLAGE SAVINGS AND LOAN ASSOCIATION	(VSLA)
GLOBAL ALLIANCE TO MONITOR LEARNING	(GAML)	VIRTUAL FINANCE EXCHANGE	(VFE)
GLOBAL REPORTING INITIATIVE	(GRI)	VIRTUAL PRIVATE NETWORK	(VPN)
GO TO MARKET	(GTM)	WORKING FROM HOME	(WFH)
GREEN ECONOMY FINANCING FACILITY	(GEFF)	WORLD FOOD PROGRAM	(WFP)
INTERNAL AUDIT	(IA)		

LIMITED ASSURANCE STATEMENT

Independent auditors' report on the ALEXBANK 2020 SUSTAINABILITY REPORT

To the ALEXBANK Board of Directors',

We have been appointed to perform a limited assurance engagement on the ALEXBANK 2020 SUSTAINABILITY REPORT, with the reporting period being 01.01.2020 to 31.01.2020.

The Board of Directors responsibility

ALEXBANK Board of directors is responsible for preparing this report according to the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option. The Directors are responsible for ensuring sufficient internal control to prepare a report that is free from material misstatements caused by fraud or error. Their responsibility includes the definition of methodology, reporting scope, assumptions and estimations, stakeholder engagement, materiality assessment, and the contents of the final report.

Auditors' Independence and Quality Control

We adhere to integrity, objectivity, competence, due diligence, confidentiality, and professional behaviour. We maintain a quality control system that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable laws and regulations.

Auditors' Responsibility

It is our responsibility to conclude the compliance of this report with the requirements of the GRI Standards: Core option. We conducted a limited assurance engagement based on our professional judgment, inquiries, document analysis, recalculations, and other relevant procedures, to obtain evidence sufficient to the assurance scope.

We have performed the following procedures based on documentation provided by ALEXBANK:

- Review and analysis of ALEXBANK and Intesa Sanpaolo group strategies, guidelines, policies, procedures, reports, and statements.
- Analysis and comparison of results featured in previous reports with the 2020 results.
- Auditing stakeholder engagement process and outcomes, including channels, frequencies and topics.
- Analysis of the coherence and consistency of the materiality assessment and its alignment with the Intesa Sanpaolo Group materiality assessment.
- Review of the final report and the featured indexes in regards to compliance with the GRI Standards: Core option as listed in the report.

Conclusion

Based on the aforementioned procedures, nothing has come to our attention that would cause us to believe that the ALEXBANK 2020 SUSTAINABILITY REPORT has not been prepared in all material topics, in accordance with the requirements of the GRI Standards: Core option.

We do not assume and will not accept responsibility to anyone other than ALEXBANK for the provided assurance and conclusion.

Dr. Abdelhamid Beshara,



Founder and Chief Executive Officer

Masader, Environmental and Energy Services S.A.E Cairo,

July 28th, 2021



MEMBERSHIPS AND ENDORSEMENTS

(102-13)

ALEXBANK's memberships and endorsements define our commitment to promoting sustainability through multiple international frameworks and incorporating diversity in our approach.

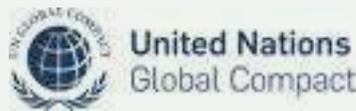
EQUATOR PRINCIPLES

We have been adoptees of the Equator Principles since 2012 and implement the framework for managing the impacts on the environment and on local communities that may arise from financing large projects.



THE UNITED NATIONS GLOBAL COMPACT (UNGC)

ALEXBANK has been a signatory of the United Nations Global Compact initiative since 2014. The UNGC 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.



FEDERATION OF EGYPTIAN BANKS (FEB)

Since 2013, ALEXBANK has been an active member of the FEB and its Social Development Steering Committee of the Social Development Committee, which has successfully encouraged Egyptian banks to contribute 2% of their net profit to informal areas in Egypt. This initiative embraces several sub-projects within an integrated development approach that targets education, sustainable agriculture, youth employability, and women's economic empowerment.



UNITED NATIONS ENVIRONMENT PROGRAMME - FINANCE INITIATIVE (UNEP FI)

UNEP FI is a partnership between the United Nations Environment Programme and the global financial sector created in the wake of the 1992 Earth Summit. Following in the footsteps of our parent company Intesa Sanpaolo, who 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.



PRINCIPLES FOR RESPONSIBLE BANKING (PRB)

In the same year, ALEXBANK has also become a Founding Signatory of the Principles for Responsible Banking (Alignment, Impact, and Target Setting, Clients and Customers, Stakeholders, Governance and Culture, Transparency and Accountability). The six Principles aim to align the UN SDGs' financial sector activities and align with ALEXBANK's 4-year CSR and Sustainable Development Strategy (2018-2021) and Intesa Sanpaolo Group's Business Plan for the same period. We look forward to building a company we are all proud to be a part of as we responsibly confront urgent environmental and social issues. ALEXBANK first self-assessment report after 18 months of joining the PRB on implementing the PRB will be present on our website to the public during the first half of 2021. In line with our continuous collaboration with UNEP-FI and our responsibility to remain transparent to the public, for the 1st time our sustainability report reflects on the results achieved with respect to the six principles stated in the below self-assessment reporting template.





ALEXBANK | بنك الإسكندرية



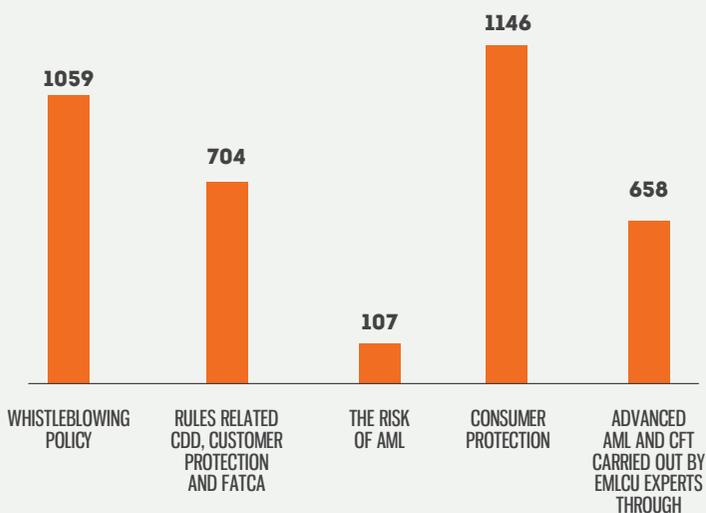
Some ALEXBANK branches display our cards to visiting customers and passerby's

GOVERNANCE

Governance and Risk Management (205-2)

The total personnel trained on risk management and customer protection is 3674 with the below breakdown.

Risk Management Trained Personnel (404-1,2)



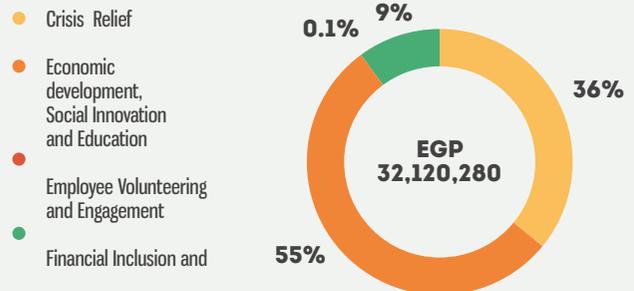
Customer Satisfaction and Protection (418-1)

Net Promoter Score (NPS)	+41.5
Number of blocked cards for suspicious and fraudulent transactions with no actual fraud loss	440
Number of blocked cards for suspicious and fraudulent transactions with an actual fraud loss	1

PEOPLE

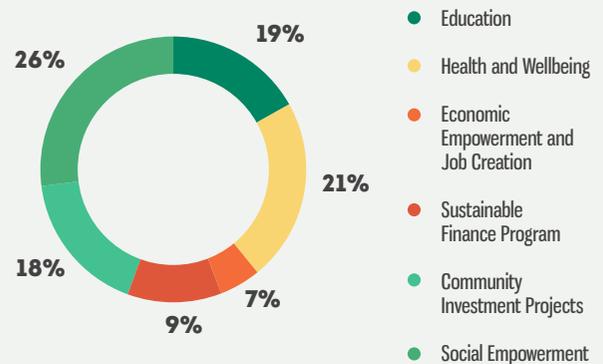
Sustainable Investments

The Bank has allocated EGP 32,120,280 to sustainable advancement and assistance to the community and country.



Community Support

ALEXBANK's community support spreads across numerous areas. The below represents the backing by the percentage of the total support provided.



Investing in the Employees (102-8, 403-5, 404-1,2)

TOTAL TRAINING HOURS	106,109
TOTAL NUMBER OF TRAINED PERSONNEL	3,468
PERCENTAGE OF STAFF TRAINED	81.1%
EMPLOYEES TRAINED ON HEALTH AND WORK SAFETY	15



PLANET

Environmental Impacts

(302-1,4, 303-5, 305-1,2,3,4,5, 306-4)

A4 Paper Purchased (t)	343.45
Shredded Paper Recycles (t)	102.16
Energy Consumption (MJ)	138,242,107
Energy Consumption (KWh)	16,577,159
Energy Consumption (MJ/employee)	32,345
Energy Consumption (KWh/employee)	3,879
Gasoline consumption in Bank's owned cars (L)	25,873
Reduction in Energy Consumption as compared with 2019 (%)	7
Water Consumption (m ³)	217,053
Direct (Scope 1) GHG emissions (mtCO ₂ e)	71.10
Energy Indirect (Scope 2) GHG emissions (mtCO ₂ e)	8,056.50
Other Indirect (Scope 3) GHG emissions (mtCO ₂ e)	4,015.87
Scope 1 and 2 GHG emissions (mtCO ₂ e)	8,128
Scope 1 and 2 GHG emission intensity (mtCO ₂ e/employee)	1.902
Scope 1 and 2 GHG emission intensity (mtCO ₂ e/m ²)	0.055

EMPLOYEE BREAKDOWN (102-8, 401-1,2,3)

All Employees by Gender and Age

2019			
GENDER		AGE GROUP	TOTAL
Male	3,333	30 and under	632
		31-50	1,201
		Over 50	1,500
Female	1,161	31-50	419
		30-50	476
		Over 50	266

New Employee hires by Gender and Age

2019			
GENDER		AGE GROUP	TOTAL
Male	379	30 and under	294
		31-50	85
		Over 50	0
Female	297	30 and under	271
		31-50	26
		Over 50	0

Employee Outflow by Gender and Age

2019			
GENDER		AGE GROUP	TOTAL
Male	550	30 and under	50
		31-50	102
		Over 50	398
Female	140	30 and under	44
		31-50	36
		Over 50	60

2020			
GENDER		AGE GROUP	TOTAL
Male	3,161	30 and under	759
		31-50	1191
		Over 50	1211
Female	1,113	30 and under	480
		31-50	437
		Over 50	196

2020			
GENDER		AGE GROUP	TOTAL
Male	260	30 and under	185
		31-50	75
		Over 50	0
Female	118	30 and under	108
		31-50	10
		Over 50	0

2020			
GENDER		AGE GROUP	TOTAL
Male	430	30 and under	52
		31-50	83
		Over 50	295
Female	167	30 and under	46
		31-50	44
		Over 50	77

EMPLOYEE BREAKDOWN (102-8, 401-1,2,3)

Total Number of Employees

YEAR	2019	2020
TOTAL	4,494	4,274
MALES	3,333	3,161
FEMALES	1,161	1,113
30 YEARS AND UNDER	1,051	1,239
31 - 50 YEARS	1,677	1,628
OVER 50 YEARS	1,766	1,407

New Employee Hires

YEAR	2019	2020
TOTAL	676	378
MALES	379	260
FEMALES	297	118
30 YEARS AND UNDER	566	293
31 - 50 YEARS	110	85
OVER 50 YEARS	0	0
ENTRY LEVEL WAGE COMPARED TO MINIMUM WAGE RATIO	3 : 1	2.26 : 1
DISABILITY (DIFFERENTLY-ABLED)	72	77

Employee Outflow

YEAR	2019	2020
TOTAL	690	597
MALES	550	430
FEMALES	140	167
30 YEARS AND UNDER	94	98
31 - 50 YEARS	138	127
OVER 50 YEARS	458	372

Parental Leave

YEAR	2019	2020
NUMBER EMPLOYEES WHO ARE ENTITLED/ TOOK PATERNITY LEAVE	1165	1113
NUMBER OF EMPLOYEES WHO TOOK MATERNITY LEAVE	54	18
RATE OF RETURN FROM MATERNITY LEAVE WITHIN 4 MONTHS	8	11
RATE OF RETURN FROM MATERNITY LEAVE WITHIN 1 YEAR	31	7
RATE OF RETURN FROM MATERNITY LEAVE WITHIN 2 YEARS	8	0

Lost Days and Absenteeism

YEAR	2019	2020
NUMBER OF CASES	370	519
NUMBER OF DAYS	607	5434

Employees in Management Positions

YEAR	2019	2020
TOTAL	105	135
MALES	85	115
FEMALES	20	20
FEMALE TO MALE RATIO	1 : 4.2	1 : 5.75

GRI CONTENT INDEX

For the SDG Mapping Service, GRI Services reviewed that the disclosures included in the content index are appropriately mapped against the SDGs.

Note: Requirements are not mentioned if the omission applies to all requirements of a particular disclosure. Requirements are mentioned if omission applies to specific requirements of a particular disclosure.



INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 101: FOUNDATION 2016				
101			GRI Reporting Principles have been used for defining report content and quality in accordance with the GRI Standards.	About this report (p. 4)
GRI 102: GENERAL DISCLOSURES 2016				
ORGANIZATIONAL PROFILE				
102-1	PRB 1.1	Name of the organization	ALEXBANK	Overview (p.8)
102-2	PRB 1.1	Activities, brands, products, and services		Lines of Business (p. 10)
102-3	PRB 1.1	Location of headquarters	ALEXBANK's headquarters are located at 49 Kasr El Nile, Cairo, Egypt.	Disclaimer (p.4)
102-4	PRB 1.1	Location of operations	Alexbank operates exclusively in Egypt	
102-5	PRB 1.1	Ownership and legal form	<ul style="list-style-type: none"> Joint Stock Company with Intesa Sanpaolo's ownership in ALEXBANK being 80% (minus 1 share) - ISP 79,99999975% - Egyptian Government 20% - IFC 0,00000025% 	Overview (p.8)
102-6	PRB 1.1	Markets served	<p>All Egyptian governorates: North Cairo, South Cairo, Alexandria and Matrouh, East Delta, West Delta, North Upper Egypt, South Upper Egypt, Canal and Red Sea Regions</p> <p>Financial and business sectors, governments, employees, and civil society</p> <p>1.6 Mln Customers, Retail, Small Business, Medium and Corporate Enterprises.</p>	Strategic Goals (p.10)
102-7	PRB 1.1	Scale of Organization	Board of Directors' Report on Bank Activities and Financial Statements for the Year Ended 31st December 2020 (p. 22 – 30).	Financial Results and Comments on Operations (p.53)
102-8	SDG 8.5, 10.3	Information on employees and other workers		Diversity and Inclusion (p.68), Investing in Employees (p.99), Employee Breakdown (p.100-101)
102-9		Supply chain		
102-10		Significant changes to the organization and its supply chain	The report describes changes in relationships with suppliers due to Covid-19.	Selecting Suppliers (p.43)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
ORGANIZATIONAL PROFILE				
102-11	UNGC 7	Precautionary Principle or approach	ALEXBANK applies precautionary principles following Intesa Sanpaolo approach to identifying, assessing and managing ESG risks and risks related to climate change ISP Management of environmental, social and governance risks ISP Management of risks and impacts related to climate change	Crisis and Governance Framework (p.34 to p.36)
102-12		External initiatives	Creating Shared Value Initiatives	Social and Community Impact (p.80 to p.90)
102-13		Membership of Associations	UGC, PRB, SDGs, Equator Principles, FEB, UNEP-FI	Memberships and Endorsements (p.98)
STRATEGY				
102-14	PRB 1.2	Statement from senior decision maker		CEO and Chairperson Letter (p.5)
102-15	PRB 2	Key impacts, risks, and opportunities		Business Continuity Plan (p.34), Credit Risk (p.35), Market and Financial Risks (p.35), Operational Risks (p.35), ESG Risks (p. 36), Business Performance and Market Presence (p.53 to p.55)
ETHICS AND INTEGRITY				
102-16	PRB 5.2, SDG 16.3 UNGC 10	Values, principles, standards, and norms of behavior	Code of Ethics Code of Conduct CBE Consumer protection rules Intesa Sanpaolo Consumer Protection rules Intesa Sanpaolo Group Regulations and Policies	Values (p.9), Ethical Conduct and Human Rights (p.29)
102-17	SDG 16.3	Mechanisms for advice and concerns about ethics	Code of Ethics Code of Conduct Legal Department: The Department works to mitigate legal risks that may damage on the Bank or decrease profitability. Internal Audit Department provides constant and independent monitoring on conducting activities and on the Bank's processes to prevent and highlight anomalous or risky behaviors or situations while evaluating the Bank's Internal Control System and its adequacy. It also provides an independent opinion on the efficiency and effectiveness of ALEXBANK's processes, safeguarding the Bank's assets and preventing losses, the reliability and integrity of accounting information, the compliance of the performed transactions with the policies established by the governance bodies as well as with the internal and external regulations. General: Reports of cases of non-compliance with ALEXBANK's Code of Ethics should be sent by email to CodeofEthics@ALEXBANK.com ALEXBANK guarantees that whoever reports a case of non-compliance in good faith will be protected from any form of retaliation, discrimination, or penalization and ensures maximum confidentiality, except in cases otherwise indicated by law.	Ensuring Compliance (p.30)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GOVERNANCE				
102-18	PRB 5.1	Governance structure		ALEXBANK Organizational Structure (P.22)
102-19	PRB 5.1	Delegating authority		Board Committees (p.23)
102-20		Executive-level responsibility for economic, environmental,		Board Committees (p.23), Roles and Responsibilities (p.27)
102-21	SDG 16.7	Consulting stakeholders on economic, environmental, and social topics		Stakeholder Engagement (p.19)
102-22	SDG 5.5, 16.7 PRB 5.1	Composition of the highest governance body and its committees		Board and Committees (p.23)
102-23	SDG 16.6	Chair of the highest governance body		Board Composition (p.23)
102-24	SDG 5.5, 16.7	Nominating and selecting the highest governance body		The General Secretariat Office is Responsible (p.22)
102-25	SDG 16.6	Conflicts of interest	Management of Groups of Connected Clients/ Groups of related parties policy, ALEXBANK Policy for Conflict of Interests Management. ISP Group's Internal Code of Conduct ISP's Group Conflict of Interest	
102-26		Role of highest governance body in setting purpose, values, and strategy		Board Members (p.23), Roles and Responsibilities (p.27)
102-27		Collective knowledge of highest governance body		Governance and Nomination Committee (p.23)
102-28		Evaluating the highest governance body's performance		Board Members (p.23)
102-29	SDG 16.7	Identifying and managing economic, environmental, and social impacts		The Credit Risk Governance Committee (p.24)
102-32		Highest governance body's role in sustainability reporting		Board Composition (p.23)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
STRATEGY				
102-33		Communicating critical concerns	Identified incidents are reported to the Operational Risk Committee.	Roles and Responsibilities (p.27)
102-34		Nature and total number of critical concerns	3 reputation risk concerns were identified	
102-35		Remuneration policies		Performance Assessment (p.70)
STAKEHOLDER ENGAGEMENT				
102-40	PRB 4.1	List of stakeholder groups		Outreach (p. 16), Stakeholder Engagement (p. 19)
102-41	PRB 4.1, SDG 8.8	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.	
102-42	PRB 4.1	Identifying and selecting stakeholders		Defining What Matters (P.16)
102-43	PRB 4.1	Approach to stakeholder engagement		Stakeholder Engagement (P.19)
102-44	PRB 4.1	Key topics and concerns raised		Stakeholder Engagement (p. 19), Materiality Matrix (P.18)
REPORTING PRACTICE				
102-45		Entities included in the consolidated financial statements		Board of Directors' Report on Bank Activities and Financial Statements for the Year Ended 31st December 2020 (p. 22-30)
102-46		Defining report content and topic boundaries		Report Content and Process (p.4), Defining what Matters (p.16)
102-47		List of material topics		ALEXBANK's Material Topics for The Year 2020 (P.18)
102-48		Restatements of information		Evolving Topics (p.17)
102-49		Changes in reporting		Evolving Topics (p.17)
102-50		Reporting period	01.01.2020-31.01.2020	Reporting Period and Scope (p.4)
102-51		Date of most recent report	The most recent report was published in 2019	
102-52		Reporting cycle	Annual	

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
REPORTING PRACTICE				
102-53		Contact point for questions regarding the report	Laila Hosny, Head of CSR and Sustainable Development Office Email: laila.hosny@alexbank.com Address: 49 Kasr El-Nile, Downtown – Cairo, Egypt	Contact Us (p.4)
102-54		Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	Alignment and Reporting Principles (p.4)
102-55		GRI content index	GRI content index	GRI Content Index (p.102)
102-56		External assurance	ALEXBANK has appointed Masader, Environmental and Energy Services S.A.E to conduct a Limited Assurance Engagement on the content of this report.	Limited Assurance Statement (p.97)

GRI 201: ECONOMIC PERFORMANCE 2016

103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under the “Business performance and Market Presence” material topic. The boundary is limited to ALEXBANK own operations.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components		Building Inclusive Prosperity (p.52)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32) Business Performance and Market Presence (p. 53, 54)
201-1	SDG 8.1, 8.2, 9.1, 9.4, 9.5	Direct economic value generated and distributed		Financial Results and Comments on Operations (p.53)
201-3		Defined benefit plan obligations and other retirement plans	<u>Omissions:</u> “d. Percentage of salary contributed by employee or employer” and “e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.” Information unavailable. The Bank did not have aggregated information on the above requirements for the reporting period and will integrate it into its data management system for the next reporting cycle.	Economic Value Distribution (p.55)

GRI 202: MARKET PRESENCE 2016

103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Market presence refers to the Bank's market presence in relation to economic development in the local areas in which it operates, for example, local hiring. Considered under the “Business performance and Market Presence” material topic.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	ALEXBANK has two governance committees that make strategic decisions on the topic. These are Governance and Nomination Committee. The boundary is limited to ALEXBANK own operations.	Alexbank Organizational Structure (p.22)

INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 202: MARKET PRESENCE 2016				
103-3	GRI 103: Management Approach 2016	Evaluation of the management approach	Each department filters and prioritizes its issues then they are directly communicated to top management. ALEXBANK also practices an open-door policy and a transparent hiring system.	Performance Assessment (p.70)
202-1	SDG 1.2, 5.1, 8.5 UNGC 7	Ratios of standard entry level wage by gender compared to local minimum wage	Both male and female entry-level wages are the same. The entry-level wage ratio compared to Egypt's minimum wage (of 2,000 EGP) is 2.26:1.	2020 ESG Performance Data: New Employee Hires (p.101)
202-2	SDG 8.5	Proportion of senior management hired from the local community	100% of The Bank's Senior managers (excluding the Board) are from Egypt.	
GRI 203: INDIRECT ECONOMIC IMPACTS 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Indirect positive economic impact is a significant driver of ALEXBANK's CSR and Sustainable Development Office Strategy, aimed to promote sustainable prosperity, spread the wealth and create shared value. The disclosure is considered under "Financial Inclusion and Literacy", "Community Development and Empowerment", "Sustainable Investment", "Agribusiness", and "Responsible and Purposeful Lending" material topics. The boundary encompassed indirect economic impacts of ALEXBANK operations and initiatives.	ALEXBANK's Material Topics For The Year 2020 (p.18)
103-2		The management approach and its components		Tailored Finance for Agribusiness, Industrial Sector (p.58), Financing Healthcare (p.58), Financial Inclusion and Literacy (p.59), Corporate Investment for Impact (p.62), Distribution of ALEXBANK's MSMEs Clients Across Sectors (p.56)
103-3		Evaluation of the management approach		
203-1	SDG 9.1, 9.4	Infrastructure investments and services supported		Economic Value Distribution (p. 55), Social and Community Impact (p. 80), Mapping Sustainable Development Goals Impact of ALEXBANK's Initiatives (p. 81), Social and Community Impact at Glance (p. 82), Distribution of MSME Clients Across Sectors (p.56), Financial Inclusion and Literacy (p.59)
203-2	SDG 1.2, 1.4, 3.8, 8.2, 8.5	Significant indirect economic impacts		
GRI 205: ANTI-CORRUPTION 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Disclosure is considered under the "Integrity in Corporate Conduct" material topic. The boundary is limited to ALEXBANK operations, employees. We also don't tolerate and aim to mitigate corruption across our value chain.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	ALEXBANK's whistleblowing policy enables employees to raise serious concerns, suspected fraud cases or corruption in line with Intesa Sanpaolo Group's guidelines. ALEXBANK also applies an anti-corruption policy.	Governance and Risk Management (p.198)
103-3		Evaluation of the management approach		Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 205: ANTI-CORRUPTION 2016				
205-1	SDG 16.5 UNGC 10	Operations assessed for risks related to corruption	Omission: “a. Total number and percentage of operations assessed for risks related to corruption”. Information unavailable. While the Bank conducts a comprehensive risk assessment regarding corruption, it has not yet collected data on the percentage of operations accessed for risks related to corruption. This requirement will be integrated into the Bank’s data management system and considered in the future reporting cycle.	
205-2	SDG 16.5 UNGC 10	Communication and training about anti-corruption policies and procedures	<p>Anti-corruption policies and procedures are communicated to all employees upon hiring, paired with relevant training. All business partners are also informed about the Bank’s anti-corruption policies and procedures. During the reporting period, 1059 Employees were trained on the Whistleblowing Policy.</p> <p>Omissions: “e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region”. Information unavailable. The bank does not yet collect information on the requirement in regards to breakdown by employee category. This requirement will be integrated into the Bank’s data management system and considered in the future reporting cycle.</p>	Governance and Risk Management (p.99)
205-3	SDG 16.5 UNGC 10	Confirmed incidents of corruption and actions taken	There have been no confirmed incidents of corruption during the reporting period.	
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	As a bank, any anti-competitive or anti-trust behavior could cause a significant impact on the current economy. It is of utmost importance to the Bank to prevent this behavior. Disclosure is considered under the “Integrity in Corporate Conduct” material topic. The boundary is limited to ALEXBANK operations and employees.	ALEXBANK’s Material Topics for the Year 2020 (p.18)
103-2		The management approach and its components	ISP Integrity in Corporate Conduct	Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32),
103-3		Evaluation of the management approach		Training and Development Unit (p. 69): Compliance and AML Training Program (p. 69)
206-1	SDG 16.4	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2020 no litigations were filed.	

INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 301: MATERIALS 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Consumed materials vary across operations. For ALEXBANK, paper is the most significant source of consumption, and therefore it is essential to monitor and minimize its use. Disclosure is considered under the “Environmental Stewardship” material topic. The boundary is limited to ALEXBANK operations and their impact on the environment. We also aim to understand the broader impact of our material consumption on the economy and society in line with the Intesa Sanpaolo Group's commitment to the circular economy.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components		Material Resources and Waste Management (p.75)
103-3		Evaluation of the management approach		
301-1	SDG 8.4, 12.2	Materials used by weight	343.45 tons of A4 paper purchased	
301-2	SDG 8.4, 12.2, 12.5	Recycled input materials used		Material Resources and Waste Management (p.75), Sustainable Events (p.76)
GRI 302: ENERGY 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under “Environmental Stewardship” material topic. The boundary is set to energy consumption within the organization's facilities and vehicles.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	Code of Ethics ISP Rules for the environmental and energy policy.	Energy and Water Management (p.75), Greenhouse Gas (GHG) Emissions (p.77)
103-3		Evaluation of the management approach		
302-1	SDG 12.2	Energy consumption within the organization	16,577,159.00 kWh calculated from the Bank's electricity bills. This is equivalent to 138,242,107 MJ 25,873 liters of gasoline calculated from the Bank's owned cars kilometers run through the year. Omission: “a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used” and “b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used”. Information unavailable. The Bank did not calculate disaggregated data on breakdown by renewable and non-renewable energy sources at the time of the report. This shall be addressed via incorporating the disclosure requirements into the Bank's data management system, to be disclosed during the future reporting cycle.	Energy and Water Management (p. 75), 2020 ESG Performance Data: Environmental Impacts (p.99)
302-3	SDG 12.2	Energy intensity ratio for the organization	Electricity consumption (MJ/employee) = 32,345 Electricity consumption (KWh/employee) = 3,879	Sustainable Building and Renovation (p.76) 2020 ESG Performance Data: Environmental Impacts (p.99)
302-4	SDG 7.3, 8.4, 12.2	Reduction of energy consumption	Reduction in electricity consumption by 1,183,497 KWh as compared with 2019 consumption (7% reduction). Reduced electricity consumption from lighting by around 32% as compared with 2019.	

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 303: WATER AND EFFLUENTS 2018				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under “Environmental Stewardship” material topic. The topic boundary is limited to direct water consumption and effluents discharge.	ALEXBANK’s Material Topics for the Year 2020 (p.18)
103-2		The management approach and its components	In line with Intesa Sanpaolo Group, ALEXBANK aims to minimize its environmental impact, including via measures to monitor and manage its water consumption and effluents discharge. ISP Rules for the environmental and energy policy.	Energy and Water Management (p. 75)
103-3		Evaluation of the management approach		
303-1	SDG 6.4	Interactions with water as a shared resource	Recognizing the high level of water stress in Egypt, ALEXBANK consistently reduced its water-related impacts. Due to the nature of its operations, ALEXBANK does not have significant impacts on the water as a shared resource.	Energy and Water Management (p.75)
303-2	SDG 6.3	Management of water discharge-related impacts	Due to the nature of its operations, ALEXBANK does not have significant water-discharge-related impacts.	Energy and Water Management (p.75)
303-3	SDG 6.4	Water withdrawal and consumption	<u>Omission:</u> Information unavailable. While ALEXBANK monitors its total water consumption, it does not monitor breakdown by sources, including areas under water stress. This shall be addressed via incorporating the disclosure requirements into the Bank’s data management system, to be disclosed in the next sustainability report.	Energy and Water Management (p.75), Sustainable Building and Renovation (p.76)
303-5	SDG 6.4	Water Consumption	217.053 Megaliter calculated from the water bill.	Energy and Water Management (p.75), Sustainable Building and Renovation (p.76), 2020 ESG Performance Data: Environmental Impacts (p.99)
GRI 305: EMISSIONS 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under “Environmental Stewardship” material topic. The boundary is defined as per GHG Protocol Scope 1, 2 and 3 emissions.	ALEXBANK’s Material Topics For The Year 2020 (p.18)
103-2		The management approach and its components	The Intesa Sanpaolo Climate Change Action Plan is in accordance with the international climate change agreements. The goals for 2022 include a reduction in absolute emissions connected with energy consumption (direct and indirect) of 37 percent compared with 2012 (a 31 percent reduction was recorded in the period 2012-2016).	Greenhouse Gas (GHG) Emissions (p.77)
103-3		Evaluation of the management approach		
305-1		Direct (Scope 1) GHG emissions	71.1 mtCO ₂ e	Greenhouse Gas Emissions (p.77-78), 2020 ESG Performance Data: Environmental Impacts (p.99)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 305: EMISSIONS 2016				
305-2		Energy indirect (Scope 2) GHG emissions	8,056.50 mtCO ₂ e	Greenhouse Gas Emissions (p.77-78), 2020 ESG Performance Data: Environmental Impacts (p.99)
305-3		Other indirect (Scope 3) GHG emissions	4,015.87 mtCO ₂ e	Greenhouse Gas Emissions (p.77-78), 2020 ESG Performance Data: Environmental Impacts (p.99)
305-4		GHG emissions intensity	1,901.64 kgCO ₂ e/employee 0.055 mtCO ₂ e/m ²	
305-5		Reduction of GHG emissions	<u>Omission:</u> Information unavailable. While ALEXBANK collects information on GHG emission reductions of specific measures, aggregated data is not yet collected. This shall be addressed via incorporating the disclosure requirements into the Bank's data management system, to be disclosed in the next sustainability report.	Sustainable Building and Renovation (p.76), 2020 ESG Performance Data: Environmental Impacts (p.99)
GRI 306: WASTE 2020				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under "Environmental Stewardship" material topic. The boundary of waste generated is limited to ALEXBANK direct operations.	ALEXBANK's Material Topics for the Year 2020 (p.18)
103-2		The management approach and its components	Facilities Management is responsible for managing all the hazardous and non-hazardous waste generated by ALEXBANK. The bank is committed to implementing the principles and approaches of the circular economy..	Material Resources and Waste Management (p.75)
103-3		Evaluation of the management approach		
306-1	SDG 12.4	Waste generation and significant waste-related impacts		Material Resources and Waste Management (p.75)
306-2	SDG 12.4, 12.5, 8.4	Management of significant waste-related impact		Material Resources and Waste Management (p.75)
306-3		Waste Generated	<u>Omission:</u> Information unavailable. While currently, aggregated data is not analyzed. ALEXBANK aims to quantify the amount of solid waste generated and disclose it in the next report.	Material Resources and Waste Management (p.75)
306-4	SDG 12.4, 12.5	Waste diverted from disposal	102.16 tons of shredded paper recycled	Sustainable Events (p.76), 2020 ESG Performance Data: Environmental Impacts (p.99)
306-5	SDG 12.4	Waste directed to disposal	<u>Omission:</u> Information unavailable. The data on waste by weight and its composition is not collected at the moment. ALEXBANK aims to improve monitoring waste and disclose applicable information in the next report.	Material Resources and Waste Management (p.75)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 307: ENVIRONMENTAL COMPLIANCE 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The key values of the Bank depict that conforming to environmental laws, regulations, standards, and other requirements is a must. Any misconduct affects the Bank and its reputation. The disclosure is considered under the “Environmental Stewardship” and “Corporate Governance and Risk Management” material topics.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	ALEXBANK ensures meticulous screening and evaluation of the organizations who work with The Bank through a commitment to the Equator Principles.	Ensuring Compliance (p.30), Approach (p.43) Selecting Suppliers (p.43), ESG Risks (p.46)
103-3		Evaluation of the management approach		
307-1		Non-compliance with environmental laws and regulations	There have been no cases of non-compliance with environmental laws and regulations during the reporting period. Meticulous screening and evaluation of the organizations who work with the Bank are guided by Equator Principles and in compliance with applicable environmental laws and regulations.	Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under the “Environmental Stewardship” material topic. The boundary is set to encompass ALEXBANK direct suppliers.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	There is a strict screening and evaluation of all suppliers to ensure they comply with our environmental standards.	Streamlining procurement (p. 43): Selecting Suppliers (p. 43), Approach (p.43)
103-3		Evaluation of the management approach		
308-1		New suppliers that were screened using environmental criteria	Currently, ALEXBANK doesn't screen suppliers using environmental criteria. Our contracts for vendors include a close requiring proof of the supplier abiding by all relevant local laws and regulations.	Streamlining Procurement: Approach (p.86), Selecting Suppliers (p.43)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 401: EMPLOYMENT 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under the “Retention, Enhancement, Diversity, and Inclusion of the Bank’s People” material topic.	ALEXBANK’s Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	Mechanisms are put in place for hiring and evaluating employees to ensure fairness. Several programs are provided to ensure the employees’ satisfaction and allow them to communicate any grievances.	Ensuring Compliance (p.30) Diversity and Inclusion (p.68)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32), 2020 ESG Performance Tables: Employee Breakdown (p.100-101)
401-1	SDG 5.1, 8.5, 8.6, 10.3 UNGC 1	New employee hires and employee turnover		Diversity and Inclusion (p.68), 2020 ESG Performance Tables: Employee Breakdown (p.100-101)
401-2	SDG 3.2, 4.5, 8.5 UNGC 1	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ALEXBANK does not employ part-time employees. All employees are employed on a full-time basis.	
401-3	SDG 5.1, 5.4, 8.5 UNGC 1	Parental leave	Male and female employees are entitled to parental leave.	
GRI 402: LABOR MANAGEMENT RELATIONS 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK ensures timely discussions of significant operational changes and engages with employees and representatives to negotiate and implement any changes. The disclosure is considered under “Retention, Enhancement, Diversity, and Inclusion of the Bank’s People” and “Integrity in Corporate Conduct” material topics.	ALEXBANK’s Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	Mechanisms are in place to allow transparent communication channels between management and employees and the submission of anonymous and confidential complaints/requests of information.	Ensuring Compliance (p.30) HR Service Desk (p.67)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
402-1	SDG 8.8	Minimum notice periods regarding operational changes	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.	

INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under the “Wellbeing, Health and Safety” material topic and its boundary regards ALEXBANK’s direct operations.	ALEXBANK’s Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	30.6 hours/employee	Health Safety and Environment (HSE) Framework (p.65), Safety Tips (p.67), Medical Care Unit (p.67)
103-3		Evaluation of the management approach	100% of employees, both male and female get performance and career development reviews every year. Feedback and comments are given from both sides, the employee and the employer.	Health Safety and Environment (HSE) Framework (p.65)
403-1	SDG 3.3, 3.4, 8.8	Occupational health and safety management system		Health Safety and Environment (HSE) Framework (p.65)
403-2	SDG 8.8	Hazard identification, risk assessment, and incident investigation		Health Safety and Environment (HSE) Framework (p.65), HR Service Desk (p.67)
403-3	SDG 8.8	Occupational health services		Medical Care Unit, (p.67), HR Service Desk (p.67), International Healthcare Programme Initiative (p.66)
403-4	SDG 8.8, 16.7	Worker participation, consultation, and communication on occupational health and safety		HR Service Desk (p. 67)
403-5	SDG 8.8	Worker training on occupational health and safety		Investing in the Employees (p. 99)
403-6	SDG 3.8	Promotion of worker health		International Healthcare Programme Initiative (p.67), Safety Tips (p.67)
403-7	SDG 8.8	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Health Safety and Environment (HSE) Framework (p.65), International Healthcare Programme Initiative (p.67), Pinktober Activation (p.72), Keeping Safe when Staying Indoors (p.66)
403-8	SDG 8.8	Workers covered by an occupational health and safety management system		Safety Tips (p.67), Medical Care Unit (p.67), HR Service Desk (p.67), International Healthcare Programme Initiative (p.67)
403-9	SDG 16.1	Work-related injuries	Zero work related injuries in 2020. <u>Omission:</u> “c. The work-related hazards that pose a risk of high-consequence injury.” Not applicable. Due to the nature of the Bank’s operations, there are no such hazards.	Wellbeing, Health and Safety (p.67)

INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018				
403-10	SDG 16.1	Work-related ill health	<u>Omission:</u> Information unavailable. While the Bank collects data on lost days and absenteeism (including the number of cases and number of days) current collection of data relevant to the disclosure does not fully align with the requirements of this disclosure (fatalities, types, hazards). The Bank aims to align its monitoring and data management with the requirements and disclose applicable data in the next sustainability report.	
GRI 404: TRAINING AND EDUCATION 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary		ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components		Training and Development Unit (p.69)
103-3		Evaluation of the management approach		Performance Assessment (p.70), 2020 ESG Performance Data: Investing in The Employees (p.99)
404-1	SDG 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3	Average hours of training per year per employee	30.6 hours/employee. <u>Omission:</u> Information unavailable. Currently, the Bank does not collect disaggregated information by gender and employee category. The Bank aims to align its monitoring and data management with the requirements and disclose applicable data in the next sustainability report.	Performance Assessment (p.70), Training and Development Services (p.69), 2020 ESG Performance Data: Investing In The Employees (p.99), Risk Management Trained Personnel (p.99)
404-2	SDG 8.2, 8.5	Programs for upgrading employee skills and transition assistance programs	100% of employees, both male and female, get performance and career development reviews every year. Feedback and comments are given from both sides, the employee and the employer.	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under the "Retention, Enhancement, Diversity, and Inclusion of the Bank's People" material topics.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	ALEXBANK avoids bias by having a system in place that removes the names of applicants.	Diversity and Inclusion (p.68)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016				
103-3	GRI 103: Management Approach 2016	Evaluation of the management approach		Diversity and Inclusion (p.68)
405-1	SDG 5.1, 5.5, 8.5	Diversity of governance bodies and employees	Omission: "a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories". Information unavailable. Currently, the Bank doesn't analyze the diversity of its governance bodies by age. The Bank aims to align its monitoring and data management with the requirements and disclose applicable data in the next sustainability report.	Diversity and Inclusion (p.68)
405-2	SDG 5.1, 8.5, 10.3 UNGC 6	Ratio of basic salary and remuneration of women to men	Female to male salary ratio: 0.77:1	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	All our employees have the freedom to participate in trade unions and other forms of workers' representation. The disclosure is considered under "Integrity in Corporate Conduct" and "Retention, Enhancement, Diversity, and Inclusion of the Bank's People" material topics. The boundary is set to encompass ALEXBANK's operations and suppliers.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	According to Egyptian law, a staff union is in place in ALEXBANK and it is a member of the Egyptian Trade Union Federation. The staff union is in charge of channeling employee grievances, and demands are voiced to protect human and labor rights.. Code of Ethics	Ensuring Compliance (p.30)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
407-1	SDG 8.8	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	All employees have the right to join the union and vote in the election of the union's board. All employees are free to participate in any form of workers/ professional organizations. Code of Ethics	Selecting Suppliers (p.43)
GRI 408: CHILD LABOUR 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK operates in Egypt and adheres to the Egyptian labor law safeguarding its employees of all segments. The disclosure is considered under "Integrity in Corporate Conduct".	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	The Procurement department has strict regulations that prevent it from dealing with suppliers with inconsistent or incomplete records on its workers or suppliers who fall at risk for incidents of child labor or hazardous exposure to its employees.	Approach (p.43), Selecting Suppliers (p.43), Ensuring Compliance (p.30)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 408: CHILD LABOUR 2016				
103-3	GRI 103: Management Approach 2016	Evaluation of the management approach	The Procurement department updates its vendor register every two years, and all new suppliers need to prove they are certified and adhere to Egyptian laws and sector-specific regulations. The department then investigates them before adding them to the vendor registry.	Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
408-1	SDG 8.7, 16.2	Operations and suppliers at significant risk for incidents of child labor	There are no commercial relationships with suppliers considered to have a significant risk for incidents of child labor.	Selecting Suppliers (p.43)
GRI 409: FORCED OR COMPULSORY LABOR 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK operates in Egypt and adheres to the Egyptian labor law safeguarding its employees of all segments.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	Suppliers are screened and questioned on and if they have previous violation charges.	Ensuring Compliance (p.30), Selecting suppliers (p.43)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
409-1	SDG 8.7	Operations and suppliers at significant risk for incidents of forced or compulsory labor	We avoid commercial relationships with suppliers considered to have a significant risk of incidents of forced or compulsory labor.	Selecting Suppliers (p.43)
GRI 412: HUMAN RIGHTS ASSESSMENT 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK applies Principles on Human Rights Policy to mitigate and prevent potential human rights violations indirectly or directly associated with the Bank's activities. The disclosure is considered under "Corporate Governance and Risk Management" and "Integrity in Corporate Conduct." The boundary is set to encompass ALEXBANK direct suppliers.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	There are Principles on Human Rights policies to mitigate and prevent potential human rights violations indirectly or directly associated with the Bank's activities.	Ethical Conduct and Human Rights (p.29), Training and Development Services (p.69), Ensuring Compliance (p.30)
103-3		Evaluation of the management approach		Internal Audit (p.31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)

INDEX NUMBER	OTHER FRAMEWORKS	TITLE	RESPONSE	LOCATION IN REPORT
GRI 412: HUMAN RIGHTS ASSESSMENT 2016				
412-1		Operations that have been subject to human rights reviews or impact assessments	No operations are subject to human rights reviews or human rights impact Assessments, given the low materiality to the Bank's operations.	Ethical Conduct and Human Rights (p.58)
412-2		Employee training on human rights policies or procedures	All new hires are trained in our Code of Ethics . Omission: Information unavailable". Currently, the Bank doesn't analyze the "a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations". The Bank aims to align its monitoring and data management with the requirements and disclose applicable data in the next sustainability report.	Training And Development Services (p.69)
GRI 413: LOCAL COMMUNITIES 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK strives to impact communities positively and inclusively. The disclosure is considered under the "Community Development and Empowerment" material topic.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	ALEXBANK works extensively on financial inclusion, focusing on women, craftsmen, youth and vulnerable groups.	Social and Community Impact (p.80-81).
103-3		Evaluation of the management approach		
413-2	SDG 1.4, 2.3	Operations with significant actual and potential negative impacts on local communities	There are no operations that have significant actual and potential negative impacts on local communities.	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under "Corporate Governance and Risk Management" and "Integrity in Corporate Conduct." The boundary is set to encompass ALEXBANK direct suppliers.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	Supplier human rights clauses are included in all contractual agreements.	Ensuring Compliance (p.30), Selecting Suppliers (p.43)
103-3		Evaluation of the management approach		Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32), Selecting Suppliers (p.43)
414-1	SDG 5.2, 8.8, 16.1 UNGC 1, 2, 3, 4, 5, 6	New suppliers that were screened using social criteria	All our suppliers are screened using our Code of Ethics. Supplier human rights clauses are included in all contractual agreements.	Selecting Suppliers (p.43)
GRI 415: PUBLIC POLICY 2016				
103-3	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	The disclosure is considered under "Corporate Governance and Risk Management" and "Integrity in Corporate Conduct."	ALEXBANK's Material Topics for The Year 2020 (p.18)

INDEX NUMBER	OTHER	TITLE	RESPONSE	LOCATION IN REPORT
GRI 415: PUBLIC POLICY 2016				
103-2	GRI 103: Management Approach 2016	The management approach and its components	Intesa San Paolo Group's Internal Code of Conduct ALEXBANK does not deal with political figures.	Ensuring Compliance (p.30), Internal Audit (p. 31), Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32)
103-3		Evaluation of the management approach		
415-1	SDG 16.5	Political contributions	<u>Omission:</u> Not applicable. No political contributions have been made directly or indirectly by the Bank.	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	ALEXBANK's health and safety function is responsible for safeguarding all individuals present in its premises (staff and customers) and adheres to the Egyptian health and safety regulations. Considered under "Quality of Service and Customer Experience" and "Wellbeing, Health and Safety" material topics.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components	The health and safety of ALEXBANK customers are taken seriously, whether physically in our premises and branches or in protecting their information and all related processes. Physical safety is ensured through the constant security monitoring of all branches, trained security personnel and national police force representatives.	Quality of Service and Customer Experience (p.47-48), Keeping Safe when Staying Indoors (p.66)
103-3		Evaluation of the management approach	ALEXBANK is also fully committed to cyber security threats through governance practices to ensure the customer services, products and customers related data stored, processed through ALEXBANK.	Responsibilities of the Internal Audit Quality Assurance and Monitoring Unit (p.32), Quality of Service and Customer Experience (p. 47-48)
416-2	SDG 16.3	Incidents of non-compliance concerning the health and safety impacts of products and services	There have been no recorded incidents of non-compliance concerning the health and safety impacts of products and services within the reporting period.	
GRI 418: CUSTOMER PRIVACY 2016				
103-1	GRI 103: Management Approach 2016	Explanation of the material topic and its Boundary	Considered under "Data Management and Cybersecurity," "Quality of Service and Customer Experience" material topics.	ALEXBANK's Material Topics for The Year 2020 (p.18)
103-2		The management approach and its components		Handling Complaints (p.32), Data Management and Cybersecurity (p.42), Quality of Service and Customer Experience (p.46), Governance and Risk Management (p.99)
103-3		Evaluation of the management approach	ALEXBANK has implemented a system to monitor the quality of the complaint management process and gradually improving performance.	Handling Complaints (p.32)
418-1	SDG 16.3,10 UNGC 2	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ALEXBANK monitors and analyses all customer complaints. It has not identified any substantiated complaints concerning breaches of customer privacy, leaks, thefts, or losses of customer data.	Quality of Service and Customer Experience (p.46), Governance and Risk Management (p.99)



An integral and essential principle behind our initiatives is having a sustainable impact; one generation teaching the next generation, to build on what they have learned and created.



UNGC INDEX

DISCLOSURE	DESCRIPTION	SECTION
PRINCIPLE 1: HUMAN RIGHTS	Businesses should support and respect the protection of internationally proclaimed human rights.	Ethical Conduct and Human Rights (p.29), ESG Risks (p.36)
PRINCIPLE 2: HUMAN RIGHTS	Business should make sure they are not complicit in human rights abuses.	Ethical Conduct and Human Rights (p.29)
PRINCIPLE 3: LABOR	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	GRI 102-41 (p. 103)
PRINCIPLE 4: LABOR	Businesses should uphold the elimination of all forms of forced and compulsory labour.	Selecting Suppliers (p.43)
PRINCIPLE 5: LABOR	Businesses should uphold the effective abolition of child labour	Selecting Suppliers (p.43)
PRINCIPLE 6: LABOR	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Diversity and Inclusion (p.68)
PRINCIPLE 7: ENVIRONMENT	Businesses should support a precautionary approach to environmental challenges.	Environmental Stewardship (p.74)
PRINCIPLE 8: ENVIRONMENT	Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Stewardship (p.74)
PRINCIPLE 9: ENVIRONMENT	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Towards a Digital Bank (p.39)
PRINCIPLE 10: ANTI-CORRUPTION	Businesses should work against corruption in all its forms, including extortion and bribery.	Training and Development Unit (p.69)

PRB SELF-ASSESSMENT

The Principles for Responsible Banking provides a framework and guidelines for sustainable banking industry, as designed by the United Nations Environment Programme – Financial Initiative. These principles ensure that a Signatory Bank’s strategy and daily operations align with the societal and environmental well-being and strive towards implementing the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and national frameworks such as Egypt’s Vision 2030.

The six Principles for Responsible Banking focus on Alignment, Impact and Target Setting, Clients and Customers, Stakeholders, Governance and Culture, and Transparency and Accountability. ALEXBANK has published a separate 2020 self-basement report.

REQUIREMENTS	BANK’S RESPONSE AND SELF-ASSESSMENT	REFERENCES
PRINCIPLE 1: ALIGNMENT		
<p>Describe (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>In alignment with Intesa Sanpaolo Group’s directions, we have adopted strong ethical principles in conducting our business activities, which must come to the benefit of all our stakeholders, based on good governance and without compromising environmental sustainability. We also set social targets, cementing our arm in community development and social investment. In this light, and since 2018, ALEXBANK has been following a Sustainable Development Strategy (2018-2021) developed in line with Intesa Sanpaolo’s Business Plan corresponding to the same four years. The strategy lays out the bank’s commitment to advancing the Sustainable Development Goals (SDGs) and its full-fledged shared value platform based on integrated community development programs, financial inclusion initiatives, and broad-scale financial literacy projects while adhering to the Bank’s Code of Ethics as well as promoting best practices and Environmental, Social and Governance (ESG) criteria in the Bank’s operations and business activities (Check Good Governance and Our employees sections in the sustainability report)</p>	<p>Overview (p.8) Strategic Goals (p.10) Lines of Business (p.10) Financial results and comments on operations (p.106) Memberships and Endorsements (p.98)</p>
<p>Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society’s goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>As mandated in the Financial Inclusion and Sustainable Finance dimension of our CSR and Sustainable Development Strategy (2018-2021), ALEXBANK aims to provide innovative financial solutions to under-served populations, enabling individuals and families to manage their personal finances effectively. Financial inclusion is an enabler of the SDGs, where it is featured as a target in eight of the seventeen goals. Financial inclusion promotes Egypt’s Vision 2030 through different aspects, including supporting Micro, Small and Medium Enterprises (MSMEs), attracting the informal sector, increasing job creation, achieving sustainable growth, and realizing a higher level of financial stability. Despite the positive economic and social impact associated with financial inclusion, there are many supply and demand barriers that hamper the promotion of financial inclusion.</p> <p>Our environmental and social performance and contributions are mapped against the SDGs as part of our sustainability report preparation in accordance with the GRI Sustainability Reporting Standards annually, which help us assess any needs and gaps while aiding us in advancing the Egypt Vision 2030 through strong ties we maintain with strategic partners from both governmental and civil society realms.</p>	<p>CEO and Chairperson Letter (p.5)</p>



PRINCIPLE 2: IMPACT and TARGET SETTING

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services. Show that these 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 region- al frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analyzed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

To identify our biggest areas of impact (positive and negative) and in order to identify the scope of our sustainability report, we conducted a multi-stakeholder survey to gather key stakeholder insights on material areas. We based our stakeholder insights using reporting topics from the GRI standards that are of high materiality to the financial sector in Egypt, the Group's priority, as well as ALEXBANK. Our targets have also been highlighted throughout the report in the areas ALEXBANK intends to impact the most. This year also saw the outbreak of the global pandemic, the scale and uncertainty of which remain unprecedented. It has shaken the stability of seemingly established systems and frameworks around the world and reaffirmed what ALEXBANK had prioritized since implementing its first CSR activities – the communities we serve and those where we operate. Accordingly, and in line with the Egyptian governmental efforts and regulatory directions, we stepped in and joined the race to save as many lives as possible. Our focus has been the alleviation of direct and indirect socio-economic ramifications the communities we serve have had to endure. To safely maneuver the people ALEXBANK serves and the communities into the post-pandemic era, the CSR and Sustainable Development Office redirected a significant proportion of its budget towards a comprehensive relief package to the most vulnerable. Overall, we directly and indirectly supported 86,468* users through our COVID-19 emergency response initiatives.

In line with ALEXBANK's responsible approach to doing business and as mandated in its Code of Ethics, we remain committed, if not more so than before, in supporting the social progress and economic advancement of the country where we operate during the COVID-19 crisis.

Sustainability Report 2020

Defining What Matters (p.16)

Business Continuity Management (p.34)

Stakeholder Engagement (p.19)

Bi-annual Sustainability News and Topics

[Edition 1](#)

[Edition 2](#)

[Edition 3](#)

[Edition 4](#)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

We conducted a multi-stakeholder survey to gather key stakeholder insights on material areas. We based our stakeholder insights using reporting topics from the GRI standards that are of high materiality to the financial sector in Egypt, the Group's priority, as well as ALEXBANK. Our focus this year has also been the alleviation of direct and indirect socio-economic ramifications the communities we serve have had to endure.

REQUIREMENTS	BANK'S RESPONSE AND SELF-ASSESSMENT	REFERENCES
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PRINCIPLE 2: IMPACT and TARGET SETTING

<p>Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>In 2018, ALEXBANK embarked on its 4-year Corporate Social Responsibility (CSR) and Sustainable Development Strategy, which forms the foundation for our initiatives advancing shared value creation, social responsibility, environmental sustainability, and good governance. This is to edify ALEXBANK's transformation into a full-fledged partner of citizens and communities it operates in, blending the creation of social value with a growing economy through addressing societal needs with a 360-degree approach. The Strategy is centered around leveraging long-term partnerships and multi-stakeholder engagements to impactfully serve the Egyptian people. All our activities and engagements have been increasingly focusing on areas consistent with the four strategic pillars of our Strategy: 1. Economic Development, Social Innovation and Education; 2. Environmental Sustainability; 3. Financial inclusion and Sustainable Finance; and 4. Employee Engagement. In 2020, ALEXBANK positively affected the lives of 257,952 users. As a financial institution leading the transition to a more responsible approach to banking, we recognize that the activities of our customers as well as our direct lending activities constitute a recognizable portion of our potential impact on our surrounding ecosystem. Therefore, we are devoting a significant portion of our resources to develop policies and processes to identify, manage, and mitigate environmental and social risks tied to our operations in line with our mother company Intesa Sanpaolo Group and Egypt's 2030 Vision in which there is a great focus on a greener economy. We also aim to do so, by leveraging our partnerships with civil society organizations, private and public sector entities (SDG 17). These partnerships also include those we have with a number of supranational financial institutions.</p> <p>In a manner that is emblematic of Intesa Sanpaolo's approach to good governance, all our CSR and Sustainable Development Office activities, initiatives, projects, and partnerships clustered around our four strategic pillars have been assessed by a third party within the group-wide application of ISO 26000, which is defined as the international standard developed to help organizations effectively assess and address social responsibilities that are relevant and significant to their mission and vision, operations and processes, customers, employees, communities and other stakeholders and environmental impact. It specifically addresses how we implement our Code of Ethics. Since 2017, Intesa Sanpaolo International Banks Division has been scored against each other as well as against the Italian Subsidiary, with ALEXBANK consistently improving its scores across all clusters. By engaging in annual ISO 26000 assessments, we constantly assess the level of integration of social responsibility practices into our business operations on annual bases as well as identifying gaps and improving them for our diverse range of stakeholders. We also strive to create internal impact amongst our employees and internal activities by supporting the concept of volunteering leadership to connect employees with environmental and social volunteering opportunities within their local communities and with ALEXBANK partners, by conducting regular internal reports on Social and Environmental areas of impact and also to track ALEXBANK's progress towards our own sustainability commitments as well as our progress towards reaching the SDGs, and by assessing the implementation of good governance and sustainable finance principles through pre-set Key Performance Indicators (KPIs).</p>	<p>Sustainability Report 2020</p> <p>Defining What Matters (p.16)</p> <p>Business Continuity Management (p.34)</p> <p>Stakeholder Engagement (p.19)</p> <p>Bi-annual Sustainability News and Topics</p> <p>Edition 1</p> <p>Edition 2</p> <p>Edition 3</p> <p>Edition 4</p>
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring

We are devoting a significant portion of our resources to develop policies and processes in order to identify, manage, and mitigate environmental and social risks tied to our operations in line with our parent company Intesa Sanpaolo Group and Egypt's 2030 Vision. We are currently applying our CSR and Sustainable office's Four Years strategy started in 2018 which is based on four pillars which form the foundation for our initiatives advancing shared value creation, social responsibility, environmental sustainability, and good governance. we are still aligning with ISP regarding the most adequate tool to assess our portfolio's impact.

**PRINCIPLE 2: IMPACT and TARGET SETTING****Progress on Implementing Targets**

For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target. Or explain why actions could not be implemented/ needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

In order to answer to this question kindly refer to section 2.1 and 2.2 which will clarify our answer to this question.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

Kindly refer to statements of 2.1 and 2.2

PRINCIPLE 3: CLIENTS AND CUSTOMERS

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

Through our own policies regulating the management of our ESG risks/ impacts associated with our lending operations, we are working closely with our clients to learn more about the requirements of the market in order to increase our capacity to react to actual market conditions, increase their awareness of our sustainability framework, and to develop schemes to mitigate potential risks and impacts of our investments activities.

Impact (negative or positive) generated by our clients is a key area of focus and therefore, we constantly push our clients and suppliers towards virtuous actions regarding environmental impact and social impact. This is apparent through ALEXBANK's indirect commitment to the Equator Principles through Intesa Sanpaolo, in which we make sure that our clients and suppliers have a minimized negative impact on the environment and the society.

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About the Bank (p.8)

Building Inclusive Prosperity (p.52)

Social and Community Impact (p.80)

Crisis and Risk Governance Framework (p.34)

Corporate Banking Upgrade and Transformation (p.40)

Digitalization in Procurement and Supply (p.43)

Quality of Service and Customer Experience (p.46)

["Contact Us" section under the Sustainability Section on the ALEXBANK Website](#)

REQUIREMENTS	BANK'S RESPONSE AND SELF-ASSESSMENT	REFERENCES
<p>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. This should include information on actions planned/ implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>ALEXBANK's growth strategy aims at nurturing solid economic, financial, social, and environmental values. As such, we strive towards solid economic, financial, social, and environmental values.</p> <p>On another level, we advance financial inclusion by supporting financial literacy programs via partnerships with national regulatory bodies and organizations active in the realm of financial inclusion. With a specific focus on women and youth, the programs aim at creating awareness around the importance of basic principles of money management, as well as awareness on products and services that are promoted through a variety of entertaining, interactive and educational activities implemented by the CSR and Sustainable Development Office across rural Egypt. Creating awareness about financial inclusion topics and initiatives among our network is done primarily via our annual Sustainability Report (2017-ongoing) and the bi-annual Sustainability News and Topics (2019-ongoing). Aiming to gain more insight on the financing challenges related to green projects in Egypt, as well as to inform our customers of the available and applicable financing opportunities offered by ALEXBANK, we organized the Green Economy Webinar.</p> <p>ALEXBANK makes it easier for customers and clients to reach the bank for any concerns, propositions, and suggestions that might help in improving the value transmitted to them through our prompt response to their messages through our "contact us" segment present on the website.</p> <p>As part of our duty to protect our employees and customers while promoting business sustainable practices, we have intensified, in light of the spread of COVID-19, our digital services coupled with several awareness activities for customers for an efficient and safe banking experience. The efforts towards customer safety include but are not limited to:</p> <ul style="list-style-type: none"> Working groups have been formed jointly by Risk Division and Business Division functions to monitor the situation and provide solutions to the customers who have been facing financial difficulties. In parallel, we have been implementing numerous steps to proactively cover the Bank's portfolio and prepare for any unforeseen changes in the market that might affect the customers and in turn also shareholders investments within the Bank. ALEXBANK proactively implemented mandatory physical distancing guidelines and markers in its branches, in addition to also designating eligible seating areas and providing customers with a dedicated landing page on www.alexbank.com, documenting all safety measures produced for customers. ALEXBANK followed the CBE mandates by postponing installments of all types, promoting digital banking services, and facilitated the procedures of life insurance products. <p>Not forgetting the Micro segment, we responsibly designed a special loan installment postponement scheme based on a much lower rate applied during the postponement, however to be paid during said period, which allowed customers to maintain the original instalment amount after the postponement period.</p>	<p>Sustainability Report 2020</p> <p>About this Report (p.4)</p> <p>About the Bank (p.8)</p> <p>Building Inclusive Prosperity (p.52)</p> <p>Social and Community Impact (p. 80)</p> <p>Crisis and Risk Governance Framework (p.34)</p> <p>Corporate Banking Upgrade and Transformation (p.40)</p> <p>Digitalization in Procurement and Supply (p.43)</p> <p>Quality of Service and Customer Experience (p.46)</p> <p>"Contact Us" section under the Sustainability Section on the ALEXBANK Website</p>

PRINCIPLE 4: STAKEHOLDERS

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

Describe which stakeholders (or groups/ types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/ results achieved.

Key Initiative:

Through one of its biggest initiatives "Ebda3 Men Masr" ALEXBANK partnered with local artisans and artists in order to promote Egyptian products. This was achieved through our collaboration with Jumia (link) in order to digitalize the process and create a digital platform where these products can be sold, as well as promoting exhibitions, while dedicating microloans to Ebda3 Men Masr partners, which enjoyed also and training sessions.

External Stakeholders:

We as ALEXBANK tackle our interactions with stakeholders from 4 different angles:

- We conduct regular workshops in several related topics in order to gather insights from different stakeholders about our position regarding the bank's contributions to sustainable development.
- Surveys are conducted and circulated to external stakeholders to gather their feedback and insights around the bank's sustainability approach and their recommendations to enhance practices and communications, thus, improving transparency
- ALEXBANK organizes an annual CSR conference where we engaged with sustainability development practitioners and the CSR community
- The CSR and Sustainable Development Office directly engages in the work of civil society actors active in the cultural and creative industries in remote and rural areas in order to advance sustainable social and economic development of craftsmen and women across the nation

We are working with partners that share our principles and values, and we constantly try to encourage our partners to engage with local supplier and craftsmen to create and ensure a sustainable sourcing cycle. We also work with government institutions which support us in achieving SDGs and Egypt Vision 2030 targets. These targets are echoed in our work towards empowering women as well as our cooperation with the World Food Programme (WFP) with their smallholder farmers project in which we contribute to building the resilience of smallholder farmers in Upper Egypt by increasing their productive capacity and ensuring equitable access safe finance. In partnership with the National Council for Women ("NCW"), the Central Bank of Egypt ("CBE"), Vodafone Egypt and our on- ground implementing partner CARE Egypt, the ultimate goal of the Digital Savings Groups Project is to financially integrate unbanked women in the disadvantaged communities of Beni Suef and Asyut through tailored and customized financial products and services, namely groups with savings and peer-to-peer lending mechanisms. We tackle and reference the development indicators in the projects we participate in and motivate other entities in doing the same.

Internal Stakeholders:

We engage with our internal stakeholders on multiple levels, from featuring them in our Sustainability Report to conducting theme-based workshops and weekly working group meetings on specific projects. Moreover, they make recommendations, which we report on openly and transparently, which help grow and improve not only our sustainability initiatives but the Bank's operations overall. Our internal stakeholders are essential in enabling us to achieve sustainable growth and development without compromising the environment. We remain in touch with our colleagues via employee engagement campaigns on ground or virtual and invite them to volunteering opportunities

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About the Bank (p.8)

2020 snapshot (p.11)

Stakeholders and Materiality (p.16)

Defining what matters (p.16)

Stakeholder Engagement (p.19)

Sustainability and Corporate Social Responsibility (p.25)

Quality of Service and Customer Experience (p.31)

Elevating Human Potential (p.65)

Retention, enhancement, Diversity, and inclusion of the Bank's people (p.68)

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REQUIREMENTS	BANK'S RESPONSE AND SELF-ASSESSMENT	REFERENCES
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PRINCIPLE 5: GOVERNANCE AND CULTURE

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>Describe the relevant governance structures, policies and procedures your bank has in place/</p>	<p>ALEXBANK CSR and Sustainable Development Office's Head is articulated in three Units (CSR and Creating Shared Value Unit, Social Performance and Reporting Unit and Sustainable Finance for Development Unit) and reports directly to the CEO. This in turn facilitates integrating social responsibility and ESG criteria across all functions and lines of business. Furthermore, the Office works closely with all relevant functions in initiating policies, processes and procedures as well as localizing Intesa Sanpaolo group- level rules and regulations with regards to sustainability, Environmental and Social Risk, and ESG. All of our sustainability policies go through the BoD for approval. For continuous alignment and increased integration of Sustainability aspects into the overarching business strategy, the Head of Office is periodically (bi-annual) presenting to the BoD an update on the overall Office activities, results and plans for acknowledgment and approval.</p> <p>The "Governance and Nomination" Committee primarily evaluates ALEXBANK's governing system and supports the Board of Directors in the selection of proposed tasks regarding the members of the board and its committees. The Risk Committee supports the Board of Directors in the exercise of its strategic supervisory duties in relation to the risk management framework. The bank's focus on promoting sustainable growth has evolved to embed its governing principles into a dynamic risk management system. It is a cornerstone in our decision-making processes and is facilitated by the adoption of analytical models. The Risk Appetite Framework (RAF) is a core component of our approach to risk management, which drive our overall corporate strategy, capital allocation and risk monitoring. In addition, the CSR Office has successfully promoted the adoption of the PRBs, making the bank becoming a member of UNEP-FI for reinforced contribution to SDGs and promotion of responsible banking practices.</p>	<p>Sustainability Report 2020</p> <p>About this Report (p.4)</p> <p>About the Bank (p.8)</p> <p>Corporate Governance (p.22)</p>
<p>Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees.</p>	<p>ALEXBANK's whistleblowing policy enables employees to raise serious concerns on, suspected cases of fraud cases or corruption, in line with Intesa Sanpaolo Group's guidelines. The guidelines guarantee the protection of individuals from any form of retaliation, discrimination or penalization, while ensuring maximum confidentiality except in cases otherwise indicated by the law. Since 2019, we have been working on establishing a full-fledged sustainability training on wide range of topics to foster the culture and facilitate the mission of implementing the PRBs on the long term (current negotiation with training team)</p>	
<p>Show that your bank has a governance structure in place for the implementation of the PRB</p>	<p>Since 2017 ALEXBANK has been contributing to the ISO 26000 international social responsibility standard. The independent third-party assessment that is carried out at Group level, requires reporting on the processes being implemented to ensure our Code of Ethics is embedded in all our operations, whether core or non-core (link to code of ethics) parent bank Intesa Sanpaolo in that it supports the spread of a culture of sustainability among its employees through a range of training initiatives within all the Group's structures.</p>	

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

Our governance structure ensures the well development and implementation of a culture of responsible banking, engaging different lines of businesses, intertwining the several facets of the bank operations in order to guarantee a sustainable management of operation across all levels.

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

Reporting on positive and negative impacts, and progress made on targets and implementation of the Principles

ALEXBANK has been following a Sustainable Development Strategy (2018-2021) developed in line with Intesa Sanpaolo's Business Plan corresponding to the same four years. The strategy lays out the bank's commitment to advancing the Sustainable Development Goals (SDGs) and its full-fledged shared value platform based on integrated community development programs, financial inclusion initiatives, and broad-scale financial literacy projects

In order to promote a culture of transparency and be able to report accurately on our impact and progress made on targets, implementation of the principles, and the SDGs in general, we have developed multiple measures to establish an ongoing communication channel with our parent company Intesa Sanpaolo Group, as well as our partners and stakeholders. therefore, the bank maintains the following:

Annual Sustainability Report: We publish our annual Sustainability Report to further cement the incorporation of social development and environmental sustainability dimensions into our core business operations, creating shared value for all ALEXBANK stakeholders, including but not limited to its employees, customers, partners and the communities that host and support us. The 2019 Sustainability Report is a natural progression of our previous editions covering the years 2017 and 2018 and follows the "Core Option" of the GRI Sustainability Reporting Standards.

Sustainability News and Topics: Sustainability News and Topics is a true reflection of the diverse projects being introduced at ALEXBANK that range from introducing initiatives to empower Egypt's finest artisans or raising awareness on environmental issues through film and history. More importantly, it highlights the expansion of our efforts to works towards a better future for all Egyptians. This bi-annual publication is one of many resources set in place to establish transparency and accountability at ALEXBANK for all our stakeholders. It remains one of our main communication tools and is crucial to ensuring our partners are made aware of the initiatives and breakthroughs the Bank is instigating more frequently. In 2019, ALEXBANK published the first edition of Sustainability News and Topics. This bi-annual publication aims to timely shed light on those initiatives being undertaken by the CSR and Sustainable Development Office that promote social and environmental welfare. Press Releases: In order to communicate and promote significant developments, we regularly collaborate with media outlets to ensure the general public is informed of any changes that occur. Press releases can be found in the media section of our official website.

The Bank's Annual Report: A report submitted to the Central Bank of Egypt, outlining efforts to align with national mandates and regulations.

The COVID 19 response map: A publication that has been issued in late 2020 in order to assure our stakeholders on the measures the bank has taken to help them navigate COVID 19 challenges

In addition to these independent reports, ALEXBANK also contributes to mapping of the group's impact on society and wider community through the group's consolidated non-financial statement (annual) as we report data that is relevant to the employees, resources, as well as GHG emissions. This can be apparent in the Equator principles report.

Sustainability Report 2020

Sustainability and Corporate Social Responsibility (p.25)

[ALEXBANK's Media and News Section](#)

[ALEXBANK's Publications](#)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

The Bank has made good progress over the first 18 months of implementing the Principles. We are currently applying the principles for responsible banking through our diverse efforts to contribute to the SDGs and Egypt's Vision 2030 as stated in our 4 years strategy and as reported transparently in our various publications and reports.