

ANNUAL SUSTAINABILITY REPORT 2018/2019



بَنْكُ مِصْرَ
BANQUE MISR

WORKING TOGETHER FOR PROSPERITY

COMMEMORATIVE COINS
MARKING BM'S 100th
ANNIVERSARY



PROMOTING THE TREASURES OF ANCIENT EGYPT

EGYPTIAN PYRAMIDS

Since 1920, Banque Misr has steered the Egyptian economy ahead. Banque Misr exploits the full potential of liberating Egypt's economy and the rise of Egypt's economic power. Banque Misr opened the routes to use the Egyptians' savings to contribute to the national investments.



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BANQUE MISR

AT A GLANCE

Ownership

State-owned bank

Total Assets

EGP **967.3** billion (bn)

Branches

About **700** branches, making it the largest network owned by any bank in Egypt and the Middle East

Customer Base

More than **12** million (m) in Egypt

No. of Issued Cards

8.7_m

Point of Sale Terminals (POS)

About **18,700**

Net Profit After Taxes

EGP **8.6**_{bn}

No. of issued payroll cards

2.6_m

Net Fee and Commission Income

EGP **4.3**_{bn}

Net Interest Income

EGP **17.7** bn

ATMs

About **2,800**

Shareholders' Equity

EGP **65.6**_{bn}

Income Tax paid

EGP **8.7**_{bn}

Customer Deposits

EGP **745.8**_{bn}

Number of Employees

About **18,000** Employees

Direct Equity Participation

154 multi-sector companies

Through 8 Business Divisions

- Technology
- Corporate Banking
- Retail Banking
- SMEs and Microfinance
- Capital Markets and Investment
- Islamic Banking
- Treasury and Correspondent Banking
- Global Transaction Banking

Market Presence Across 9 Countries

- Egypt
- UAE
- Lebanon
- France
- Germany
- China
- Russia
- South Korea
- Italy

* Financial figures listed in this annual report are recorded as of June 2019, whereas listed non-financial figures are recorded as of December 2019.

BANQUE MISR
PROUDLY LOOKING BACK...FORGING AHEAD WITH PURPOSE

This report celebrates iconic visionaries throughout our history, who bravely took first steps down new roads armed with nothing but their vision. Their noble goals differed, but they all had this in common: their step was the first of its kind to be taken on a new road with a pioneering and transformative vision. As we open the door to a new decade, we celebrate the strong will and perseverance of Egyptians, starting from the great pharaohs who envisioned the pyramids to the renowned economist, Talaat Harb, who founded the first bank, which is entirely owned by the Egyptians, Banque Misr.

Banque Misr was an evolutionary concept commissioned by Talaat Harb, with the support of a group of patriots to achieve economic liberty for the State in order to eliminate the repercussions of foreign occupation on the Egyptian economy. Since then, Banque Misr has been delivering on Egypt’s sustainable development. We can proudly say that Banque Misr planted the historical roots for financial inclusion, as it was Egypt’s first bank to be established with Egyptian capital to invest citizens’ savings and integrate them into the formal economy. The year 2020 will coincide with the centennial of the founding of Banque Misr. Established to be the first national bank, this pioneering institution rose to the challenge of nationalizing Egypt’s economy. Since its inception, Banque Misr has become an icon of financial sustainability, taking the initiative of promoting inclusive development to safeguard future generations.

Similarly, ancient Egypt’s cultural heritage was conserved in the pyramids for future generations. In this respect, Imhotep immediately springs to mind. Imhotep was a universal genius who served under the pharaoh Djoser during the Third Dynasty in Egypt. He was a high priest and vizier. He was renowned the first identified architect in history. As an architect, he is primarily famous for having created the first pyramid, the Step Pyramid of Saqqara, whose extraordinary and wondrous architecture continued to evolve for more than a thousand years. These

pyramids have withstood the test of time through ages. They were built by our ancestors in this hallowed land long before the rise of various civilizations when most of cultures worldwide had not yet emerged from pre-history. These pyramids stood as monuments to the pharaohs who commenced their construction by the willing hands of Egyptians. In the shadow of the pyramids lie the tombs of workers, architects, military men, priests, and high-ranking state administrators who served their king and country. It is worth noting that more than 80 pyramids were built in ancient Egypt. This edition of the report will uncover Egypt’s treasures and mysteries with a special focus on the pyramids that were constructed during the Old Kingdom (c.2686–2181 BC) along the west bank of the Nile, from Cairo City to 80km south the frontier of Fayoum Oasis.

In the 20th century, our forefathers built a different pyramid, a monument of excellence crowning years of struggle. This pyramid has emerged as a base for the national economy, while standing the test of time. This pyramid is Banque Misr (BM), a modern wonder, which made strides throughout the times of war and peace, revolutions and stability, as well as times of scarcity and plenty. Our annual report will showcase the achievements we have made this year and highlight the competencies that have driven our success throughout decades and how our sustainable efforts will shine through the future, limited only by our boundless ambition. As a part of its leadership, Banque Misr is committed to enlarging its positive footprint on the community welfare.

Banque Misr’s growth is fundamentally correlated with the state’s economic growth and the well-being of all segments of society. Hence, Banque Misr is held responsible for establishing major industrial platforms to have a truly resilient impact on the state’s economic growth. Therefore, the bank adopts a uniquely-designed strategy to channel savings into the best high-yield investments in support of the national economy. Several companies, which were either capitalized or partially funded by Banque Misr, successfully



Ceiling of the hypostyle hall, Temple of Hathor in Dendera, Qena.

play a role in strengthening the national economy, including Misr Capital Investments, BM Lease, Misr Ameriya Spinning & Weaving Company, Misr Insurance, Misr Hotels Company, Misr Oil Refining, Studio Misr, and Misr Company for Cotton Ginning. Currently, BM has acquired shares in 154 companies across different fields, including finance, tourism, housing, agriculture, food, communications, and information technology (IT). Throughout the past century, Banque Misr has been supporting Egypt’s economic growth and community welfare, even in the most challenging of times, during bursts of growth and in wartime. Banque Misr has withstood adversity with a sustainable legacy of success, while abiding by its first mission; to promote community empowerment and well-being.

Spurring competitiveness throughout several decades, Banque Misr scaled up its leadership in the banking sector through customer-centricity and digitally-enabled sustainability. As artificial intelligence (AI) always enables BM to deliver the best for its customers, it excelled in AI-powered digital transition due to its professional workforce. With solid confidence in the capabilities of Egyptians, Banque Misr’s stakeholders represent the milestone of its leading success. Thus, effective stakeholders’ engagement is of prime priority for the bank. Therefore, Banque Misr always ensures the best communication channels to effectively engage with them. It has always been a front-runner in deploying cutting-edge innovations that reshape the customers’ experience.

Even prior to the current digital transformation, Banque Misr was the first bank to apply a computer system in its operations. With a fundamental role in stimulating Egypt’s economic development, the bank embraces state-driven initiatives to integrate underserved groups, including the youth and women, into the formal banking sector and to ensure startup empowerment as well. Full of pride, it offers the best for the prosperity of the community. Such a prominent role as a

leading bank was enhanced through long-running partnerships with the government and various local and international institutions.

In its continuous pursuit of excellence, BM is the first state-owned bank that takes the lead in fulfilling the highest standards of corporate governance by adopting front-line regulations, among which are the Global Reporting Initiative (GRI), the UN global compact principles, and the responsible banking approach. Banque Misr is Egypt’s contemporary pyramid, and Talaat Harb’s crowning achievement that has sustained its remarkable prominence as a pioneer bank several years after his death; it has crystallized his grand vision and success. Many of BM’s projects laid the foundation for a resilient national economy that would endure any challenges just like the pyramids we are showcasing in the pages of this report.

Drawing parallels between the ancient Egyptians’ glory and Banque Misr’s ground-breaking achievements. We are proud to be the upholders of Egypt’s remarkable position worldwide, while overcoming any possible challenges. By establishing Banque Misr, Talaat Harb notably reflected the pharaohs’ unrelenting greatness in Egypt’s contemporary culture.

Five millennia of Egyptian civilization have inspired us to promote the treasures of ancient Egypt in BM’s annual report for the second consecutive year. The ancient Egyptians built many pyramids, aside from those on the Giza Plateau, most of which were named after the kings who were buried in them and their numbers continue to rise due to new archaeological discoveries that are being made. We present here the most magnificent of these structures, whose secrets are still being unlocked to this day by experts, including how they were built, and the purposes they served.

Djoser

c.2667–2648 BC; Third Dynasty

The Step Pyramid in Saqqara marks the beginning of "The Pyramid Age" This pyramid was built by the Third Dynasty king Djoser, also known as Netjerykhet (Magli 2010). It is 60 meters high, 330,400 cubic meters in volume, and covers an area of 121 by 109 meters. (Bárta 2005).

Djoser was related to Khasekhemwy, the last king of the Second Dynasty, through Queen Nymaathap, who has generally been accepted to have been the wife of Khasekhemwy and the mother of Djoser. Early in the Third Dynasty, King Djoser assigned Imhotep to develop the first great stone building in history, the Step Pyramid. Djoser's name was found written in a cartouche, yet not found in an inscription of the Old Kingdom. On his own developments, the pharaoh engraves his Horus Name, Netjerykhet. There is no doubt that both names refer to the same king (Smith1962). King Djoser built more than just a pyramid. He built other structures around it as well, which form together a pyramid complex. In essence, he combined his tomb and the site of his funerary cult, which were separate in previous periods, into one coherent whole. Although no pyramid complex like his would ever be completed, the influence of Djoser's pyramid complex on later ones is undeniable. For example, his pyramid complex includes a mortuary temple. This is where his funerary cult was conducted. It also includes a structure called the South Tomb, in essence a symbolic tomb, also for the king, believed to be for his ka-soul.



 The Pyramid of Djoser in central Saqqara


Djoser

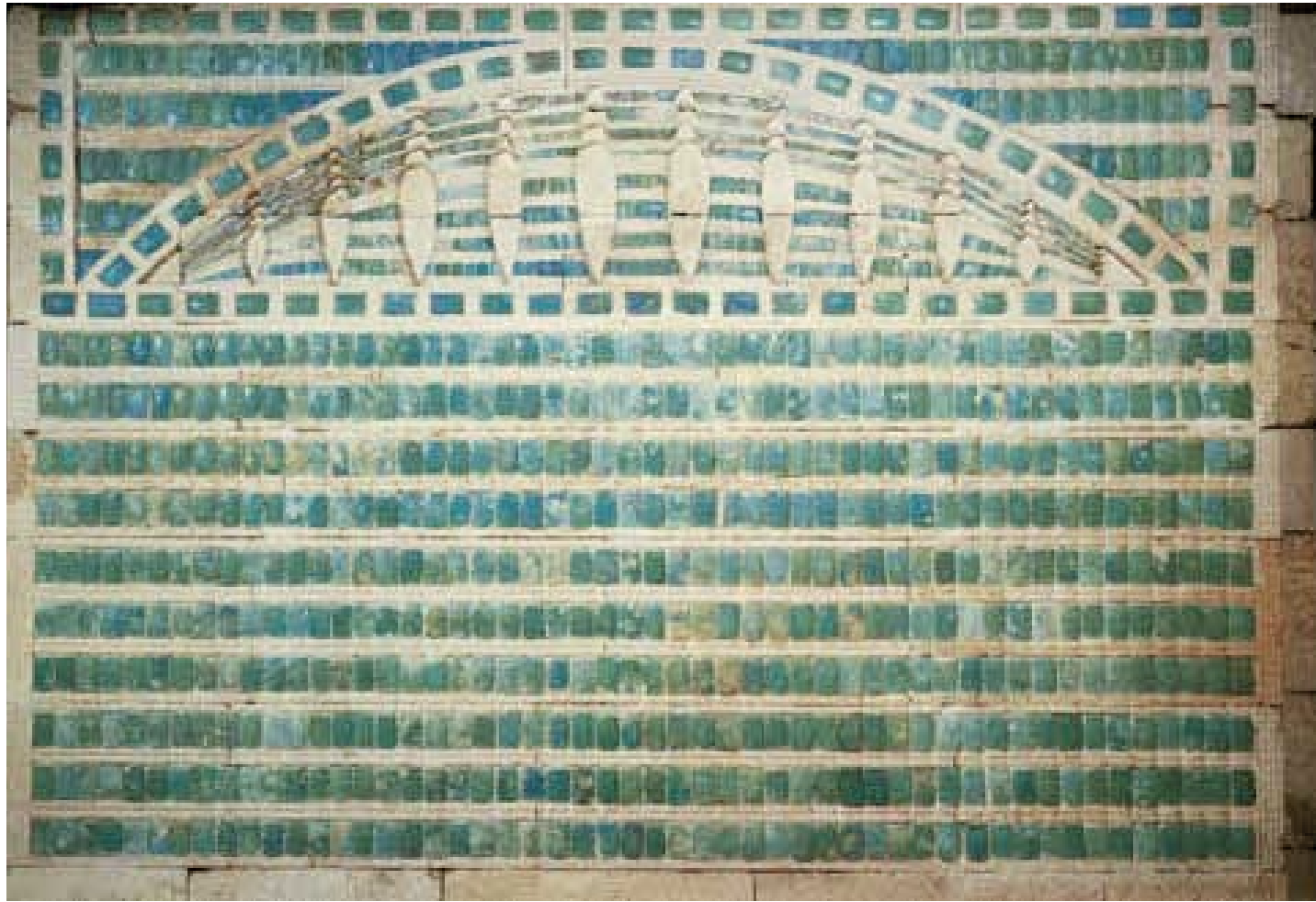
c.2667–2648 BC; Third Dynasty

It is worth noting that there are groups of underground passages cut into the bedrock under the complex, one under the pyramid and the other under the South Tomb – each planned to comprise four rooms with walls covered with faience tiles. The corridors of the South Tomb were most probably completed, while those under the pyramid were left unfinished (Kuraszkiewicz 2015).

The Step Pyramid complex is the first monument that the ancient Egyptians built entirely out of stone. It is interesting to note that the ancient Egyptians built its constituent structures in the same style that they previously used to build these same structures, but out of mudbrick and plant materials. The columns of the entrance colonnade, for example, are made to look like bundles of reeds, and the series of shrines just to the east of the Step Pyramid are stone replicas of their wood and reed originals.



 The pyramid of Djoser in Saqqara



One of the Faience Panels from Djoser's Step Pyramid Complex



Pyramid Relief
Relief depicting Djoser performing the running ritual of the Sed Festival, from the so-called "South Tomb" at his Step Pyramid complex, Saqqara



One of the underground relief panels beneath the Step Pyramid depicting Djoser.



Statue of King Djoser
This statue, found in a closed room called a serdab, northeast of the funerary complex of King Djoser at Saqqara, is the oldest known life-size statue in Egypt. It depicts King Djoser himself, seated on his throne.



The Panels of Hesire
Six wooden panels were found in the niches of the brick tomb of Hesire at Saqqara. He was a "Chief of the Royal Scribes" and "Chief Dentist," during the reign of Djoser in the Third Dynasty (c.2667–2648 BC). They are carved with fine reliefs of hieroglyphs as well as figures of the tomb owner in different poses and different stages of his life.



The Famine Stela
An inscription written in Egyptian hieroglyphs located on Sehel Island in the Nile near Aswan in Egypt tells of a seven-year period of drought and famine during the reign of pharaoh Djoser of the Third Dynasty.

Sekhemkhet

c.2648–2640 BC; Third Dynasty

Sekhemkhet began building a step pyramid in central Saqqara that was planned to be 129 square meters, but it only reached a height of seven meters when work stopped (Baines and Malek 2000). Had it been completed, it would have been 33,600 cubic meters in volume, stood 70 meters tall, and consisted of seven steps (Lehner 1997, Bárta 2005).

The pyramid was certainly not finished but the excavations had to be discontinued after only a small part of the site had been explored. The underground galleries of Sekhemkhet resemble in plan those of the Layer Pyramid assigned to Khaba at Zawyet el-Aryan (Smith 1962).

Although the pyramid was unfinished, archaeologists discovered a translucent alabaster sarcophagus with the original gypsum seal intact in the burial chamber. Unfortunately, the sarcophagus was found to be empty. However, a number of gold bracelets and armlets, and a beautiful golden box in the shape of a shell were discovered in a small chamber outside the burial chamber, along with clay jar sealing bearing Sekhemkhet’s name (Hill 2008).

Sekhemkhet was a rather obscure king. A relief in the Wadi Maghara shows that he engaged in military activity in Sinai, but other than that little is known about his reign. Sekhemkhet is mentioned in both the Saqqara Kings List and the Abydos Kings List (Hill 2008).



 The Pyramid of Sekhemkhet in central Saqqara

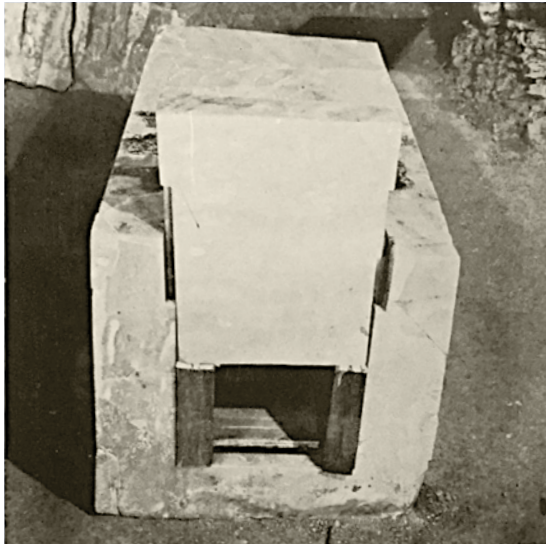


Historic Pyramid expedition photos

The pyramid was discovered by Zakaria Ghoneim in 1952, and excavated until 1956.



During the visit of H.E. Jefferson Caffery, U.S. Ambassador to Egypt



Alabaster Sarcophagus

Archeologists discovered a translucent alabaster sarcophagus with the original gypsum seal intact.



King Sekhemkhet

The king as he appears in his reliefs in Wadi Maghara, Sinai.



Golden Bracelets

Golden bracelets found in the funerary complex of Sekhemkhet.



A hinged gold cosmetic box in the form of a shell

Khaba

c.2640–2637 BC; Third Dynasty

The so-called Layer Pyramid at Zawyet el-Aryan was most likely built by Khaba, who ruled Egypt during the Third Dynasty. He was the successor of Sekhemkhet and probably his son (Hill 2010). The Layer Pyramid is 47,040 cubic meters in volume (Bárta 2005). Its base is 84 square meters (Baines and Malek 2000), and it might have reached a height of 42 to 45 meters if it had been completed (Lehner 1997).

The Layer Pyramid is ascribed to Khaba based on the discovery of eight stone bowls in a Third Dynasty tomb beside it that are inscribed with the name of this king. It is clear that Khaba’s pyramid, as well as his predecessor Sekhemkhet’s, was intended to be a step pyramid, like Djoser’s, but neither were completed because of the short reigns of both kings (Smith 1962).

There is no evidence that Khaba was buried in the pyramid, and there is no reference to him inside the structure (Hill 2010). It is not clear what state of construction had been reached in building a temple at the Layer Pyramid of Zawyet el-Aryan (Smith 1962).



 The Pyramid of Khaba in Zawyet el-Aryan

A CENTURY-OLD HISTORY OF ILLUSTRIOUS SUCCESS... THE BEST YET TO COME

The year 2020 is a defining year that marks the centennial of the establishment of Banque Misr, which was founded in 1920. The notable Egyptian economist, Talaat Harb, initially proposed the establishment of the first bank entirely owned by Egyptians to utilize their savings. Banque Misr has played a considerable role in driving sustainable development and supporting entrepreneurial ecosystems.

As a solid pillar of Egypt's economic growth for a century, Banque Misr has spawned new opportunities for numerous Egyptian businesses to transform into industrial giants. Banque Misr offers a wide array of funds for various sectors, including: textiles, insurance, transportation, aviation, entertainment, and film-making. Since then, Banque Misr has been offering various financial services for all segments through advanced banking facilities.

Additionally, Banque Misr always participates in various initiatives and protocols to promote national projects, including Al-Robeky Leather City workshops, industrial complexes for micro, small, and medium-sized enterprises (MSMEs), the "Mashrouak" (Your Project) program, the New Damietta Furniture City workshops, pharmacists' businesses, and more. Further, BM signed an agreement with the International Finance Corporation (IFC) to help in expanding the number of women-led businesses in its SME Banking portfolio, as part of the IFC's wider efforts to promote financial inclusion for women entrepreneurs in the country.

Banque Misr relentlessly focuses on promoting a vibrant economy through its financial services offered by its valuable employees who provide exceptional services in uniquely diverse workplaces. Banque Misr expanded its outreach nationwide and worldwide with advanced banking facilities in order to serve various segments. BM's headquarters is located at 151 Mohamed Farid Street, Downtown Cairo, Egypt. It successfully built its success in nine markets across three continents with a huge domestic client base of more than 12m, operating one of

the largest networks of branches in the Middle East and North Africa. Banque Misr has about 18,000 employees, with a total paid-up capital worth EGP 15bn. BM has a solid competitive advantage, where it owns and operates 700 branches, including five branches in the United Arab Emirates (UAE), one in Paris, a subsidiary in Germany, 20 branches run by its subsidiary in Lebanon, and representative offices in Russia (Moscow) and China (Guangzhou). This is in addition to new representative offices in Italy (Milan), and South Korea (Seoul). Moreover, It plans to expand its foothold, especially in Africa.

In parallel, BM's innovative strategies place it at the vanguard of the transformation of the banking industry. Over the past decades, the bank harnessed the latest technologies to enhance the way products and services are developed for customers. Banque Misr has also expedited the restructuring process of its branches to fully equip them for digital transformation, offering a wide variety of best electronic services, such as e-payment services, BM mobile and internet banking (BM online), and BM microfinance products.

For the first time in Egypt, Banque Misr has launched a self-service "Chatbot" on its website to better serve customers 24 hours a day. BM is also the first bank in Egypt and North Africa to adhere to the PCI data security standards and to obtain the latest version of the globally-accredited Payment Card Industry Data Security Standard (PCI DSS 3.2.1) certification. BM's state-of-the-art technologies aim to serve a large base of customers.

Sustainability underpins BM's corporate culture and guides its day-to-day operations, along with stakeholders' inclusiveness. This has been pioneered through the adoption of inclusive prosperity for everyone in the communities it aims to serve; through a positive climate of entrepreneurship, women empowerment, and environmental protection for a more prosperous present and future. BM plays an indispensable role in achieving sustainable development. With the aim of accelerating sustainable development, Banque Misr adopts

frontline regulations, as the bank recently signed the responsible banking initiative supported by the UN Environment Programme Finance Initiative (UNEP-FI). This is in addition to the UN global 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs), and the UN Global Compact (UNGC) principles. Embracing a shared responsibility to accelerate progress, BM is proud to make a positive impact, both directly and indirectly through the Banque Misr Foundation for Community Development (BMFCD). BM also encourages employees to give back to the communities they serve.

As a fundamental pillar of the national economy, BM's role extends to contextualizing and promoting the SDGs and UNGC principles in Egypt. In this regard, BM has taken remarkable steps toward eradicating poverty and hunger, promoting health and education, reducing inequality and gender disparities, combating climate change, and halting biodiversity loss. Further, the bank is committed to aligning its operations and strategies with the 10 UN principles in the areas of human rights, labor, environment, and anti-corruption.

BM's ongoing efforts support Egypt's Sustainable Development Strategy, dubbed "Egypt's Vision 2030." This strategy is aligned with the UN global 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). The strategy intends to serve as a guiding framework for all development work in Egypt, which in turn extends to the bank's commitment to promoting social justice, knowledge, innovation, scientific research, and economic development.

Ownership

Banque Misr is a state-owned bank

ABOUT THE REPORT

A 100-YEAR JOURNEY Toward A SUSTAINABLE FUTURE

Celebrating 100 years of a remarkable footprint nationwide, Banque Misr (BM) remains committed to maximizing returns to a wide range of stakeholders, while minimizing environmental impacts and acting as a responsible financial institution.

Banque Misr (S.A.E.) issues its annual sustainability report to illustrate its performance impacts on the communities it serves. Banque Misr adopts such internationally recognized framework in order to assess such impacts. Hence, BM is always able to foster its positive impacts and mitigate any adverse impacts to ultimately achieve the best with regard to community wellbeing. Thus, senior level decision making process has to be conducted under BM’s chairman’s authority to define the material topics. The reporting on sustainable development topics is conducted on an annual basis.

BM’s fifth annual sustainability report highlights progress on the bank’s main materiality approach, as selected based on our operations, strategy, and sector particularities. Notably, a comprehensive overview of our impact and engagement across the economic, social, and environmental sectors is covered in different sections of this report within the scope of the consolidated audited financial results for fiscal year (FY) 2018/2019.

BM’s corporate communication department is responsible for determining and validating the overall sustainability reporting process in accordance with the most updated GRI principles and standard disclosures. Meanwhile, BM’s business departments jointly collaborate in providing the updated information, reviewing and consolidating the included data and information. With this respect, BM’s sustainability reporting process is based on the consultation of internal stakeholders.

Building on remarkable performance during the past years, BM is now well-positioned to progress into a brighter future. We are now more focused on sustaining BM's positive influence as we launch

into our second centennial. Additionally, BM spearheaded efforts for ecosystem development and environmental protection, embedded through its compliance with local and international regulations and laws related to environmental protection while carrying out its operations.

A century of success is a milestone few institutions achieve. This is a testament to BM’s ongoing perseverance over many generations. The bank shows a clear commitment to GRI standards, which have been included in the report. This report has been prepared in accordance with the GRI Standards (core option).

Throughout the report, GRI Standards are disclosed through labels. All these standards and the corresponding page numbers are listed in the GRI Content Index starting from page 209.

For the fifth consecutive year, Banque Misr sets sustainability as the pillar according to which its operations are measured. Among many other highlights, this report reveals BM’s strategy, which aligns with the principles of the United Nations Global Compact, the Sustainable Development Goals (SDGs), along with joining United Nations Environment Programme Finance Initiative (UNEP FI). This year’s edition of our report illustrates our progress over the last 10 decades and the strides we made on several fronts.

MATERIALITY

The materiality concept has recently been deemed fundamental to our sustainability efforts. Banque Misr adopts a triple bottom-line strategy which gives equal weight to its economic performance, along with its social and environmental footprint. This year’s materiality assessment puts an emphasis on the bank’s economic performance, stakeholders’ inclusiveness and the socio-ecological impacts.

Banque Misr is the first state-owned bank to prepare its annual report in accordance with the Global Reporting Initiative (GRI) standards for sustainability and UNGC principles. BM plays an indispensable role in achieving sustainable development. This year marked the fifth year since its compliance with the Global Reporting Initiative’s principles to report its sustainability performance. In line with its operations, Banque Misr has a mission to foster the community’s wellbeing and market-led growth, in addition to boosting shared prosperity. Banque Misr adopts a community-driven development approach while managing the allocation of its resources in a prudent manner. Capitalizing on today’s opportunities and future potentials, Banque Misr shows a full commitment to eradicating poverty, promoting human rights, and gender equality.

Banque Misr conducted an assessment to identify topics that are essential to its approach to sustainability. The assessment is conducted based on GRI Standards, diligently seeking to enhance our sustainability approach in line with stakeholders’ expectations. The report covers 22 material topics pertaining to sustainability that are crucial both to the bank and its stakeholders. These topics were identified in FY 2017-2018, and as cohesive as the relevant focal points in this year’s report.

Defining the categories of material topics

Banque Misr applies triple-bottom-line framework for achieving sustainable development. Thus, the material topics of the sustainability report are classified according to:

Society	Environment	Economy
Employment and Job Creation	Material Recycling	Post-employment Benefit Plan
Labor/Management Relations	Reduction of Energy Consumption	Employee Wages and Benefits
Occupational Health and Safety	Reduction of Water Consumption	Community Welfare
Training and Education	Reduction of Green House Gas Emissions	Infrastructure Investments
Diversity and Equal Opportunity	Supplier Environmental Assessment	Significant Indirect Economic Impacts
Non-discrimination		Supporting Local Suppliers
Child Labor		Anti-corruption
Community Engagement		
Supplier Social Assessment		
Customer Privacy		

Snefru


Meidum Pyramid

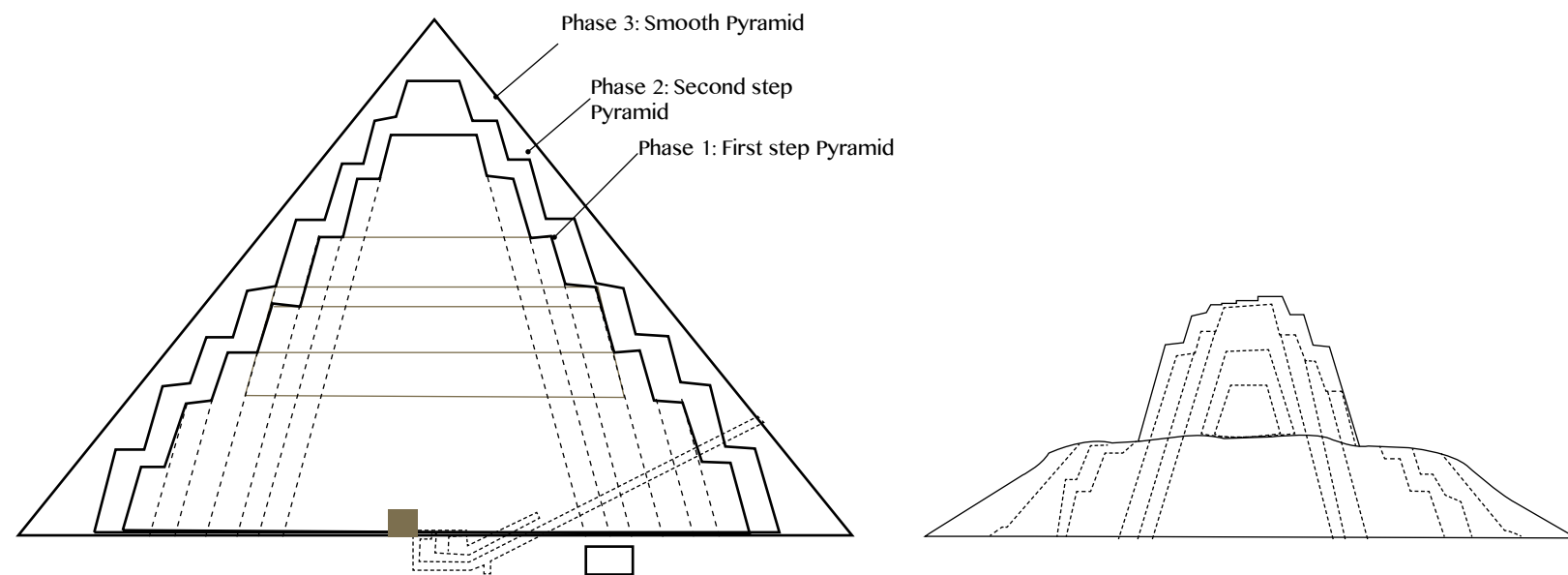
c.2613–2589 BC; Fourth Dynasty

The Fourth Dynasty begins with Snefru, the builder of the two magnificent pyramids located in Dahshur. Snefru built his first pyramid, 638,733 cubic meters in volume, at Meidum (Bárta 2005). With an original height of 92 meters (Baines and Malek 2000), the pyramid does seem to represent a transitional phase from Djoser's step pyramid to the whole structures adopted in the Giza Plateau. It is most likely that the original outer casing was quarried away rather than suddenly collapsing and sliding down around the base of the remaining stepped tower (Lehner 1997).

The Meidum complex is the first ancient Egyptian royal funerary compound to have many of the components that would later become standard. Aside from the pyramid itself, there may have been a simple valley temple closer to the Nile Valley, along with a funerary cult structure in the center of the eastern face of the pyramid. This is a simpler version of the mortuary temple found in later pyramid complexes, where the cult of the deceased king was conducted. These two structures were connected with the first causeway which, unlike later examples, was not roofed. In addition to elite burials around the pyramid, the complex also has a satellite pyramid, a smaller, symbolic, pyramid for the soul of the king (Lehner 1997, Bárta 2005).



 The Meidum Pyramid of Snefru in Dahshur



The Construction Riddle

Some researchers think that Huni was largely responsible for building the step pyramid phases of the Meidum Pyramid and that Snefru's involvement was limited to the final building phase. According to the work of Petrie, followed by the insightful work of Borchardt, it is well established that the Meidum Pyramid was built in three phases, an initial seven-step pyramid which was enlarged to an eight-step pyramid, before an outer casing was added to produce a smooth-sided pyramid (Reader 2014).

Mendelssohn claimed that, during construction, the pyramid collapsed, possibly burying parts of the Old Kingdom workshops beneath the debris that accumulated around the base of the pyramid. Those who do not favor the collapse theory for the Meidum Pyramid argue that the unusual shape of the pyramid is the result of centuries of stone robbing, with the debris mantle slowly accumulating around the base (Reader 2014).



The Façade of the Tomb of Nefermaat, Looking Toward the Meidum Pyramid

Close to the Meidum Pyramid is a series of Old Kingdom tombs, which are generally considered to belong to the family of Snefru.



Old Kingdom, Fourth Dynasty, reign of Snefru (c.2613–2589 BC) painted plaster scenes from the tomb of Nefermaat and Atet in Meidum. The beautiful scene on the right, which is famously known as the "Meidum Geese", was discovered by A. Mariette in 1871. Nefermaat bore the title "Eldest Son of the King," and was thought to have been a son of Snefru and thus brother of Khufu, owner of the Great Pyramid of Giza. The colorful scenes of daily life that decorate the chapel of this tomb include pictures of men hunting birds in the marshes and farmers plowing and sowing seed. The geese displayed here form part of the scene showing men trapping birds with a clapnet.

Snefru

Bent Pyramid

c.2613–2589 BC; Fourth Dynasty


Snefru made his second attempt at building a pyramid, 1,237,040 cubic meters in volume, at Dahshur (Bárta 2005). Its final height is 104.71 meters (Verner 2002).

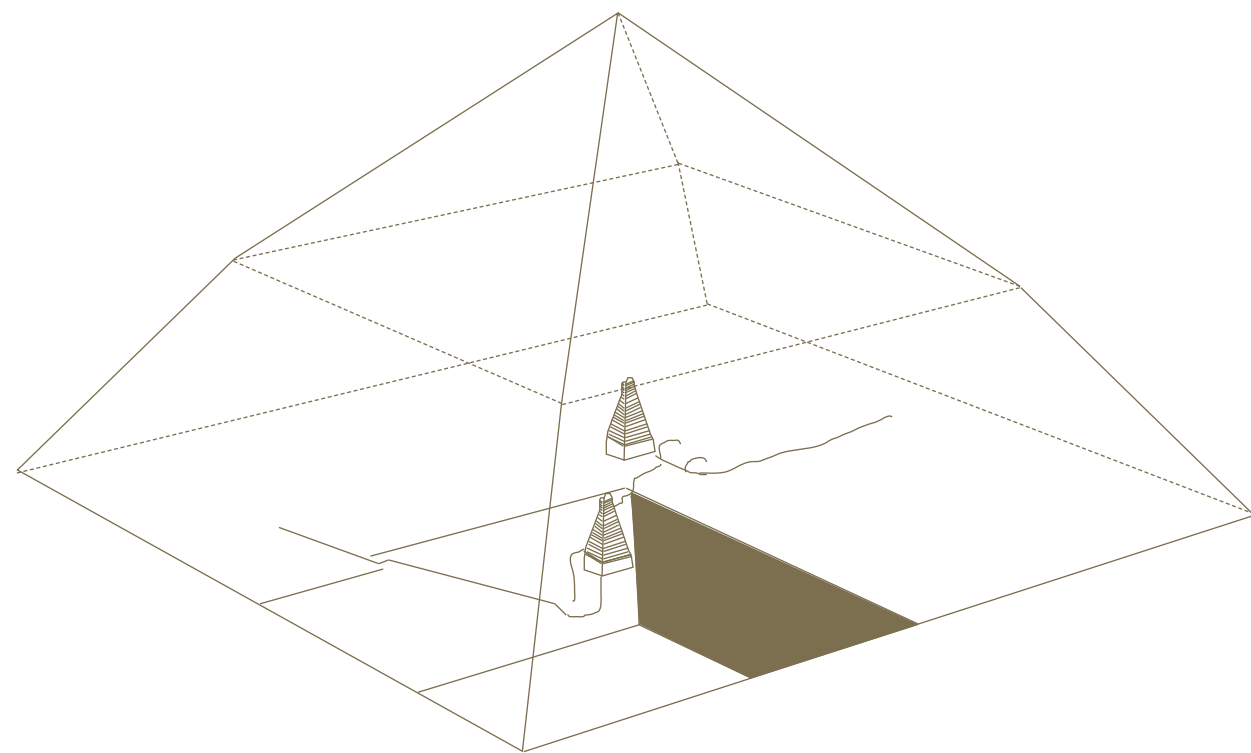
Around the fifteenth year of his reign, Snefru decided to transfer his burial ground to Dahshur, further to the north. The reasons for this decision are unknown. Maybe the king wished from the inception of the project to build a new, larger, pyramid (the square base of the Bent Pyramid measures 189.5 meters compared to the Meidum pyramid’s 144 meters) and one that in its shape would be the first true pyramid (Verner 2002, Bárta 2005). Another factor may have been the site’s relative proximity to Memphis (Bárta 2005).

Some Egyptologists argue that when the Bent Pyramid reached a height of about 46 meters, cracks appeared within the masonry and the architect was forced to reduce the steep slope of the side-walls from an angle of 55 degrees to 43 degrees (Verner 2002, Bárta 2005). Because of the resulting shape, this pyramid has come to be known as the Bent Pyramid.

However, the Time Scanners documentary team laser scanned the pyramid and their results showed that the pyramid has not collapsed on itself. Based on these interesting results, they claim that the pyramid was designed with its peculiar in shape in mind from the outset, and consider it a marvel of ancient architecture (Stubberfield 2014). However, peer-reviewed academic research is required to validate their findings.



 The Bent Pyramid of Snefru in Dahshur

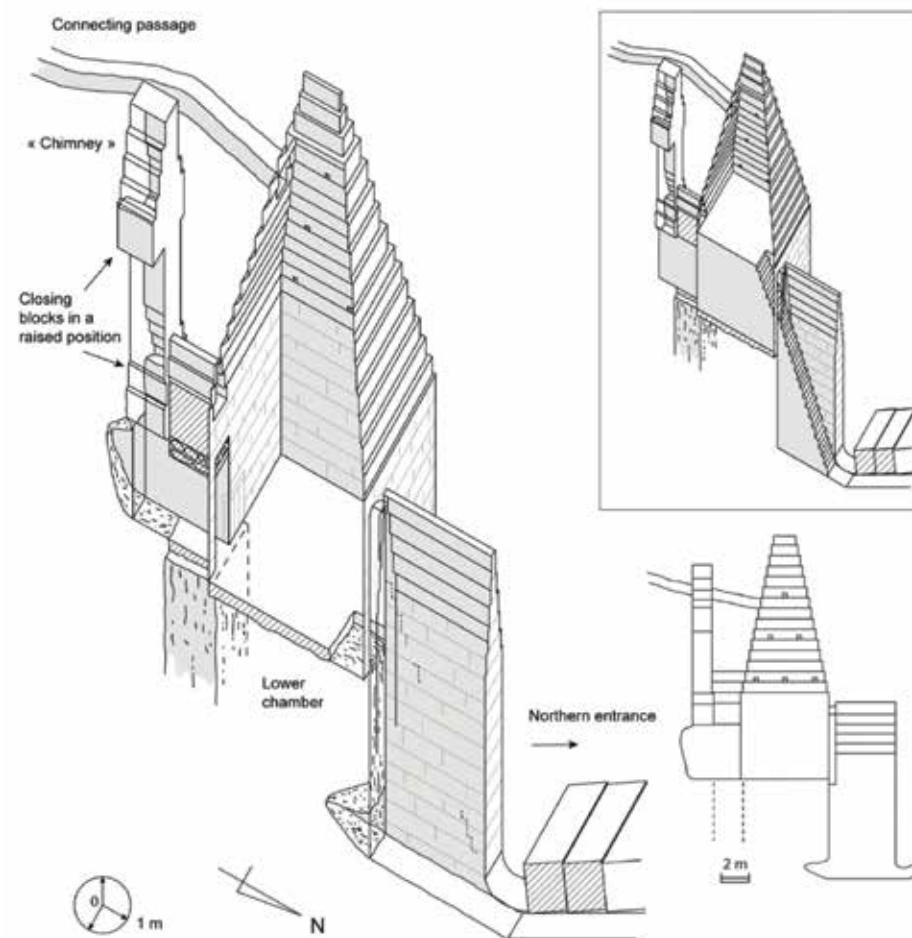


The Internal Layout of the Pyramid

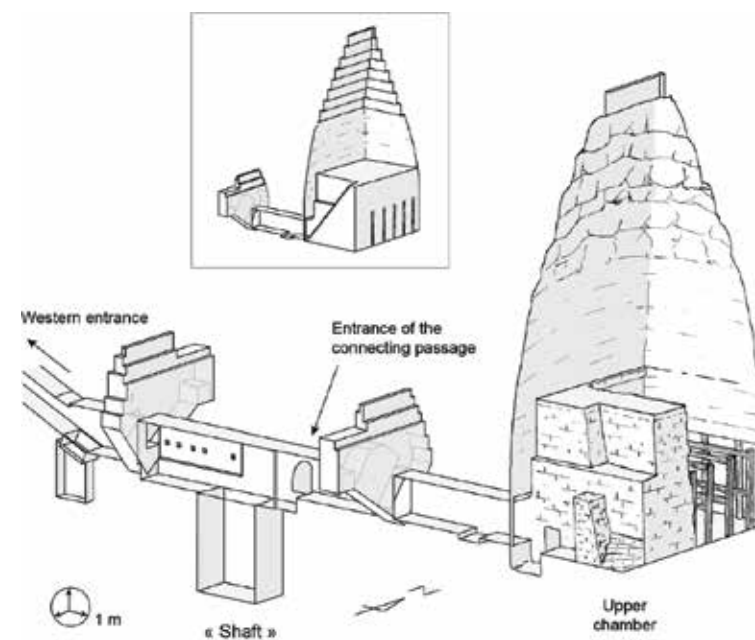
The pyramid is exceptional in that it has two largely separate internal structures a lower one with an entrance located on the north face at a height of 11.33 meters from the ground level, and an upper one – a unique case for the Old Kingdom – with an entrance situated on the west face at a height of 32.76 meters. These two systems of compartments both contain a vast chamber which is covered with a corbelled vault. These different arrangements were connected by a gallery dug through the existing masonry, undoubtedly by the builders themselves at a later stage of the construction work (Monnier and Puchkov 2016).



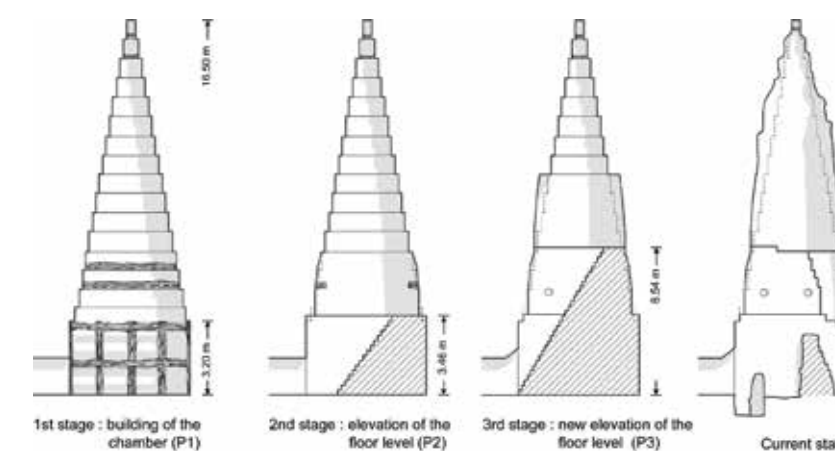
The Lower System



The Upper System



The reconstruction of the three building stages of the upper chamber



Snefru

The Red Pyramid

c.2613–2589 BC; Fourth Dynasty


Snefru built his third pyramid, 1,649,000 cubic meters in volume and 104 meters high, at Dahshur (Verner 2002, Bárta 2005). It is built from a reddish-colored limestone, which gives it the nickname of the Red Pyramid (Baines and Malek 2000). It is also known as the North Pyramid because of its position relative to the Bent Pyramid.

The mortuary temple for the Red Pyramid in Dahshur covered an area of approximately 800 square meters, but had virtually no storerooms (Bárta 2005). It appears to have been completed in a rushed manner, possibly by Khufu himself after the death of his father Snefru (Lehner 1997).

This pyramid was conceived as an even bigger construction (the length of the base being 220 meters) but the slope of the walls was from the very beginning lessened to 43 degrees. This pyramid probably became the final resting place of the king (Bárta 2005).

The tremendous amount of building undertaken by Snefru had a profound effect on the overburdened state economy, with a vital part of the resources directed toward the pyramid projects. At Meidum, pottery imitating stone vessels and miniature cult vessels for symbolic food and drink offerings were introduced. The mastaba tombs for elite members of the royal court at Dahshur were limited to a standard size of about 600 square meters, in contrast with the mastaba tombs for members of the royal family at Meidum ranging from about 3,200 to 6,000 square meters (Lehner 1997, Bárta 2005).



 The Red Pyramid of Snefru in Dahshur

STAKEHOLDERS' INCLUSIVENESS

A VALUABLE ASSET FOR SUCCESS

The value of Banque Misr’s stakeholders is deeply articulated in its strategy. Hence, Banque Misr actively puts stakeholder engagement as a top priority for achieving more equitable, and sustainable social development. BM’s stakeholder strategy focuses on promoting inclusiveness and strengthening integrity while fostering the transition to a sustainable future. Banque Misr’s long-run success is driven by leveraging stakeholders’ overall value.

Furthermore, Banque Misr conducts multi-stakeholder partnerships, which in return enable it to be better positioned to accelerate sustainable development. Banque Misr takes its stakeholders’ engagement into due account through a systematic approach in order to ensure long-term shareholder value, which has been reflected through our performance. To solidify the long-term relationships with its stakeholders, Banque Misr frequently ensures proactive, broad, and ongoing engagement. Stakeholders’ engagement is essential to Banque Misr’s sustainable success, which is fostered by continuous adaptability to cutting-edge evolution.

Identifying Stakeholder Perspectives

Employees

As an influential asset, employees have significant financial and time investments in the organization. They also have defining role in the strategy, tactics, and operations undertaken by the organization. They also sustain the well-established confidence of other stakeholders. They are well-equipped to offer the best banking services whilst ensuring that customers aren’t vulnerable to privacy breaches.

Government

Due to its prime importance as a major stakeholder, Banque Misr ensures the alignment with the Egyptian cabinet’s agenda for sustainable development, aiming to eliminate poverty and advance human development and gender equality.

Current & Potential Clients

Adopting a customer-centric approach, Banque Misr ensures customer retention by going beyond high-quality customer service. Banque Misr always takes the lead in ensuring optimum customer engagement.

Local Communities

Banque Misr adheres to a solid commitment to corporate social responsibility and a range of humanitarian and societal impact,

including volunteerism and philanthropy. Banque Misr mobilizes financial support for sustainable development to advance its goal of shared prosperity.

Business Partners & Suppliers

Banque Misr integrates sustainability into its procurement activities, encouraging business partners and suppliers to incorporate social, ethical, and environmental criteria in their activities.

BM’s Stakeholder Engagement

Banque Misr’s solid commitment to the stakeholder engagement is fundamental for ensuring a constructive, accountable, and inclusive decision-making process at all levels, in aligning with national regulations, and international best practices. Reciprocal communication is the essence of Banque Misr’s resilient presence. Hence, BM is always committed to ensuring seamlessly effective communication channels with its stakeholders.

Therefore, BM offers optimized end-to-end communication channels to its stakeholders: above the line (ATL), below the line (BTL), and one-to-one communication. In line with its multichannel stakeholders’ communication approach, BM has managed consistent communications through a wide array of print, online and broadcast media in order to ensure effective stakeholder engagement. Banque Misr also embraces the full potential of digital channels for highly personalized communication with its stakeholders.

Our APPROACH TO SUSTAINABILITY

ENTERING A NEW CENTURY OF SUSTAINABLE SUCCESS

Banque Misr always looks forward to creating the utmost value, with a 100-year proven track record of achievements. Our purpose, “working together for prosperity”, is deeply rooted in our operations. BM illuminates a value-based culture that creates a more resilient future every day; enriching communities and boosting the local economy while maintaining human rights and environmental protection as a top priority.

Incorporating sustainability in the core of its business philosophy, Banque Misr’s success goes beyond a sole focus on the economic bottom line. When it comes to our strategy, Banque Misr adopts a holistic approach to its sustainability agenda.

For a wider impact, exceeding profits and stakeholders’ value, BM adopts corporate-level strategic priorities in line with the triple-bottom-line framework. With ongoing growth prospects, BM invests its value-based efforts in support of the national economy, community welfare, and environmental protection. BM will always maintain its customer-centric strategy, in addition to ultimate excellence in all its operations.

As a value-based bank, prioritizing stakeholder engagement along with the best resource allocation complements the bank’s responsible growth. BM has a well-established proactive approach to adequately balance between delivering added value to society and its target to fulfill the demands of both current and future generations for a better life without compromising either of them.

Banque Misr has been able to significantly achieve competitive advantages. Building prosperous communities, therefore, has been integrated as a guiding principle into our operational decisions and business strategy. With a future-focused approach, Banque Misr pursues sustainability, not just a mere

success. Since its inception in 1920, Banque Misr’s mission is to facilitate access to affordable and reliable banking services for all Egyptians, to ensure inclusive and sustainable development for the national economy. Sustainability at BM is not just about doing good. It is about investing in a better future for our business and making a positive and lasting impact on society, driven by our purpose and our corporate values. This has guided the way we do business for a century and enabled us to adapt effectively to an ever-evolving operating environment.

Commitment to sustainability has been at the core of our success from the outset, which drove us to align with the highest global standards to achieve the optimum level of excellence for the communities we serve. As a flag bearer for a responsible banking approach, corporate social responsibility is tightly integrated into our activities.

In line with the culture of compliance, good corporate governance - in the sense of promoting continuity, consistency, and effectiveness - is of special importance for Banque Misr. Within an international best practice framework, BM’s governance practices usually bring better performance and reinforce transparency, accountability, and sustainability. Based on materiality, GRI principles, Sustainable Development Goals (SDGs), and Environmental, Social, and Governance (ESG) principles and best practices are broadly articulated by the bank’s strategy which focuses on optimizing the bank’s resource allocation strategy, while steering the nation’s action plan for sustainable development and community welfare.

This chapter clarifies BM’s current market position and its governing principles along with its new strategy to sustain its leading role in the banking sector and community welfare as well.

FOREWORD

BM
APPROACH

HOW BM
OPERATES

BM
DIVISIONS

FINANCIAL
PERFORMANCE



INTRODUCTION BY THE CHAIRMAN

A CENTURY OF MOMENTUM

As Banque Misr Chairman, it is my distinct privilege to witness Banque Misr's centennial, which is a once-in-a-lifetime occasion that deserves special recognition for its momentousness. One hundred years ago, the leading economist Talaat Harb took the reins to turn the long-cherished dream of the whole society into a reality. With immense pride over this unrelenting tradition, we are ready to forge ahead with a deep sense of loyalty and commitment, not just for this legacy but also for the whole community. In this vein, I would like to recognize the inclusive value of our broad stakeholders' base, including our employees, as every success is chiefly attributed to their devotion and trust, which has lasted over the years.

Accordingly, we will make the utmost effort to always ensure such sustainable success, which propels national economic growth. With a solid compliance to our code of ethics and deeply-rooted values, Banque Misr sustained its stakeholders' long-lasting trust and loyalty. Such compliance and commitment to remain a responsible partner for our stakeholders is a stepping stone for every achievement; this unwavering commitment is clearly demonstrated through BM's hierarchy structure at all levels.

Banque Misr... The Route to Genuine Success

Last year was another year of progress along with a consistent focus on customer-centricity and propelling growth. The milestone of such progress is always steered by our commitment to society and the environment. For the fifth consecutive year, we are full of pride as our annual report illustrates our performance in accordance with the standards of the Global Reporting Initiative, the most widely-adopted global standards for sustainability reporting.

Aligning to such standards scales up Banque Misr's growth in its business size. Banque Misr recorded a 9.4% increase in its financial position up to EGP 967bn by the end of June 2019, compared to EGP 884bn at the end of June 2018. Banque Misr successfully managed to restore its profitability rates to its normal levels recording EGP 8.6bn in net profits after tax during fiscal year 2018/2019. This coincided with the maturity of the high yielding certificates of deposits that the bank offered during the last fiscal year to minimize the impact of high inflation rates on average depositors, while playing a much appreciated positive role in supporting the national economy.

Egypt's Economy on the Right Track

Egypt has successfully begun to reap the fruits of the notable success of the comprehensive economic reform program, which receives a positive impact on national economic performance during 2019. Egypt has undertaken historical economic reforms over the last years. In cooperation with the International Monetary Fund (IMF), the government took courageous strides. The macroeconomic outlook has continued to improve, with external and fiscal deficits narrowing, inflation and unemployment decreasing, and growth accelerating. A positive outlook is a token of Egypt's continuous reforms. Egypt recently gained a solid foothold in the digital transformation era, reshaping its future as a leading fintech hub through its technology-driven innovation in financial infrastructure.

Supported by a strong economy and robust growth rate, Egypt will turn into a cross-continental hub in various sectors thanks to its vast resources, along with the government's megaprojects, including a pan-African road project extending from northern Egypt to Cape Town, which is currently under construction. Egypt also has a pivotal role in the Belt and Road Initiative. The long-term economic growth is also supported by ongoing reforms, mega infrastructure projects and national projects in housing and health. As financial technology (fintech) has recently become a promising and emerging industry across the globe, the Central Bank of Egypt has launched its fintech and innovation integrated strategy in March 2019 to promote Egypt's fintech ecosystem and position Egypt as the regionally recognized fintech hub.

Egypt's robust growth is maintained at favorable levels. Real GDP growth reached 5.6% in FY 2019, compared to 5.3% in FY 2018. The pivot to monetary easing is triggered by the significant decline in the rate of the headline inflation in July 2019 to 7.8%, Egypt cut interest rates, seizing on slower inflation, a stable currency and stocks rebounding. The positive indicators of Egypt's economic performance lauded by international institutions reflect that Egypt is on the right track. Egypt notched up to third place in The Economist's list for the most accelerated economic growth globally in the first quarter of 2019.

Due to the ongoing efforts regarding improving the investment environment, Egypt continues to be Africa's largest recipient of foreign direct investment (FDI) flows in the first half of 2019, as declared during the United Nations Conference on Trade and Development (UNCTAD). As for the International Monetary Fund's forecasts, Egypt's economy will witness a solid economic growth thanks to the recovery of the tourism sector and the hike in gas production rates. Furthermore, Egypt's economy is forecasted to grow at 6.8% per year over the next 10 years, placing it among the top fastest-growing economies until 2027, according to a report issued by Harvard-affiliated Center for International Development (CID).

Egypt will continue on the same path as it further diversifies local production and promotes investments. Moody's indicates that Egypt's budget deficit narrowed to 8.2% of the GDP in FY 2019, from 9.8% in FY 2018, against an initial target of 8.4%, and that the primary surplus expanded to 1% of GDP after recording a small deficit in FY 2018. Moreover, Moody's report indicates that Egypt's economy is well-diversified with high growth potential, underpinning Egypt's significant shock absorption capacity. Egypt's GDP rate reached 5.6% despite rekindled global trade tensions.

According to Fitch, real interest rates remain comfortably positive, even after CBE's interest cut. Thus, Egypt's economic strength was assessed as "high", with forecasts of a continuous increase in the primary surplus to 2% of GDP threshold in FY 2021 and a decline in deficit rate to 7.5% in FY 2020. Fitch Ratings affirmed Egypt's long-Term Foreign-Currency (LTFC) Issuer Default Rating (IDR) at B+ with a stable outlook. On the other hand, Fitch Ratings forecasts real GDP growth will remain robust at around 5.5% in FY 2020. The recent economic reform decisions positively influenced the banking sector and the whole society. In the light of the bank's outstanding performance in 2019, Moody's upgraded the long-term local-currency deposit ratings of Banque Misr to B2, and the long-term foreign currency deposit rating to B3.

Egypt's Bold Strategy to Ensure Coronavirus Readiness

Amid the novel Coronavirus outbreak, the Egyptian government swiftly took robust countermeasures to prevent the epidemic. President Sisi urged the government to seriously and responsibly deal with the outbreak. Egypt embarks on a comprehensive and coherent strategy for reassuring precaution measures, including suspending flights and repatriating the Egyptian expatriates in Coronavirus-stricken countries and quarantining them for 14 days.

The CBE ramped up bold measures to support the national economy. With the CBE's support with the tune of EGP 20bn,

Egypt's main index recorded the highest global hike. The CBE also launched an initiative for a 6-month delay of installment payment for retail loans, debit cards, corporate loans, and SMEs loans. Besides, the limitation has for in-branch cash withdrawals and deposits in Egypt to avoid crowding and ensuring protection. The Egyptians are also urged to rely on e-payments and electronic transfers instead of cash to avoid COVID-19 transmission.

A New Strategy for Future Success

Taking the next step in its sustainable success, Banque Misr embarked on adopting a new five-year strategy to be applied during the period from 2019-2023 to increase its market share and further reinforce its financial position. The new strategy is based on important pillars: Partnership, Responsibility, Integrity, Dedication, and Excellence. As the first letter of each word forms collectively form the word "PRIDE", we are attached to this pride to pursue a better society for future generations; hence, our operations are managed responsibly in alignment with community development strategies. BM's strategy not only identifies economic targets but also sets social objectives such as financial inclusion, responsible lending, environmental sustainability, social development, and governance. Sustainable and responsible practices remain fundamental to our business approach which, in continuation of tradition, will remain a crucial component of our guidelines and values.

Financial Inclusion...Key to Sustainable Development

Being at the forefront of financial inclusion, Banque Misr is well-positioned to unlock the potential for sustainable development in Egypt. Banque Misr is internationally recognized by The European Magazine-one of the most prominent international magazines in assessing the performance of banks and financial institutions, as "The Best Bank in Financial Inclusion in Egypt 2019". We have identified various scopes that are crucial for financial inclusion, namely digital transformation, ensuring accessibility for both underserved and unbanked groups, supporting micro, small, and medium-sized enterprises (MSMEs), and empowering women.

Toward Disruptive Digital Transformation and a Cashless Society

As digital transformation cuts across every aspect of the banking sector, digital-enabled banking operations unveil new opportunities. Moving ahead in line with the global shift toward digital transformation, Banque Misr has successfully taken credible steps toward harnessing financial inclusion through a wide array of digitized banking services, with scalable, faster and cheaper delivery. Banque Misr has successfully taken the lead in the digital banking transformation through a wide array of services, which include BM Online services for faster, safer and more convenient transactions around the clock.

BM’s digital banking services enable customers to carry out banking transactions anytime and anywhere. Besides, digitalization expands the outreach of the banking services beyond the confines of our physical footprint. As part of its journey of ongoing success, Banque Misr takes the lead in providing state-of-the-art digital services, being the first bank to supply the Chatbot service with artificial intelligence technology. Banque Misr also introduced QR code technology for electronic payments, updated BM mobile, and Internet banking service (BM online), in addition to BM Wallet, which enables customers to safely make their payments through websites and ATMs all over Egypt.

For boosting the functionality of our digital offerings, Banque Misr also provides instant payroll services and electronic services for government payments, taxes, insurance, and customs to avoid time-consuming transactions. Banque Misr is setting up a new department to manage to adopt the latest digital banking technologies, such as blockchain and fintech. To unlock more potentials to accelerate the transition toward a cashless society in line with the national strategy for financial inclusion, the bank signed protocols with 23 public and private universities in Egypt to offer fee-free prepaid cards “Meeza”, for university students to pay tuition fees.

Accessible for Better Customer Experience

As customer-centricity is our prime focus to reach out to more than 12m customers in Egypt wherever they are,

Banque Misr adopted an expansion strategy that enabled it to operate one of the largest networks of branches in the MENA region, operating a network of branches of about 700 branches. Banque Misr is renowned for providing the best-in-class banking services from in-branch services through the largest network of branches to online services. Banque Misr plans to extend its geographical presence in Egypt through up to 875 branches by 2022. Banque Misr is also the first bank to offer Islamic banking branches (Kenana Branches) that reach up to about 44 branches all over Egypt.

Wider Global Outreach for Optimal Success

BM enjoys a well-established global presence across three continents. Banque Misr’s strategy sets global outreach as a top priority to ensure more accessibility. Banque Misr’s global outreach solidly extends across nine countries: Egypt, UAE, Lebanon, China, South Korea, Italy, France, Germany, and Russia. Igniting financial inclusion, BM has a solid market presence worldwide in order to fulfill the demands of a wider segment of customers, especially Egyptian expatriates. Banque Misr has set a plan, which entails expanding our global outreach to include Somalia “Mogadishu”, Kenya “Nairobi” and some other African Countries. The bank will work on the expansion plan in more than 15 countries during the later four phases of this strategy.

Advancing MSMEs Ecosystem...Fostering Inclusive Prosperity

Indeed, Banque Misr is determined to continue reshaping the future with an inclusive vision aligned with national and global best practices. Banque Misr notably recognizes the essential role of micro, small and medium-sized enterprises (MSMEs) as a catalyst for accelerating economic growth. Accordingly, BM has exerted serious efforts to fuel productive business models and champion entrepreneurship as well. In line with Egypt’s national strategy in this regard, financing priority is given to the MSMEs sector in Banque Misr. In return, BM inched up the MSMEs loan portfolio rate in accordance with the CBE’s latest directives in support of this segment. BM’s MSMEs portfolio has surged by 120% year-on-year during FY 2018/2019.

The volume of the portfolio reached EGP 23.3bn, compared to EGP 10.6bn by the end of June 2018. Further, Banque Misr collaborated with the Ministry of Local Development in the “Mashrouak” program for financing MSMEs through local single-window units nationwide. With respect to this program, Banque Misr issued total loans at a value of EGP 6.4bn to 78,000 clients. BM’s MSMEs portfolio has served about 121,000 clients as of June 2019, compared to 85,000 in June 2018. As such, the client base of the MSMEs portfolio increased by 36,000 clients, recording a growth rate of 41%. Banque Misr also thrives to facilitate a barrier-free transition for MSMEs to the formal economy. Banque Misr always seeks to launch innovative banking services and solutions for this segment, resulting in expanding the client base. In an unprecedented step, Banque Misr automated micro-financing services, with the aim of enhancing the quality of the services provided for this segment. Abiding by CBE’s mandate to support MSMEs, Banque Misr also took part in various initiatives, including the “NilePreneurs” initiative.

Banque Misr inaugurated the first NilePreneurs Design House in 2018. It also supports its clients in participating in local and international exhibitions in addition to providing consultation services to ensure their sustainability. Banque Misr’s efforts to support MSMEs ultimately promote the growth rate of the Gross Domestic Product (GDP) and effectively impact sustainable development.

Empowering Women Through Banking Innovations

Banque Misr recognizes gender equality as an essential aspect of sustainable development and a better future. Thus, Banque Misr is always keen on promoting women’s representation on one hand and providing finances for female-led businesses on the other hand. Empowering women is considered a recurring necessity to accelerate sustainable development. Being the core of our bank’s strategy, empowering women is consistent with the UN Sustainable Development Goal no. 5 for promoting gender equality and empowering all women, which echoes

Egypt’s "Vision 2030". Further, Banque Misr has a supporting role in integrating the informal micro-businesses, owned or led by women into the formal economy.

Female entrepreneurs represent an increasingly significant portion of the SMEs sector in Egypt, yet they are still struggling to access financial services. Therefore, Banque Misr exerts efforts through collaboration with international institutions toward empowering female entrepreneurs, which in return reflects on sustainable development. It signed Egypt’s first Women Banking Agreement to Support Female Entrepreneurs with the International Finance Corporation (IFC) to integrate more women-led SMEs into the formal banking sector, in alignment with the state’s directives.

Corporate Social Responsibility...A Leading Role

Since the community is the root of our existence, Banque Misr is always keen on consolidating its commitment to social welfare. Banque Misr always takes part in national initiatives targeting better lives for vulnerable groups in our community. Banque Misr has a significant footprint in economic growth, as it is considered one of the largest banks with a legacy in the field of corporate social responsibility, which complements its performance standards. Banque Misr is the first state-owned bank to abide by the GRI standards and UNGC principles. In line with the adopted triple-bottom-line framework, Banque Misr is enacting positive change on community welfare through its leading role in social responsibility. Banque Misr’s expenditures on CSR activities amounted to almost EGP 760m in 2019.

It is worth noting that corporate social responsibility is tightly integrated into its activities, either directly through the bank itself along with its employees or indirectly through Banque Misr Foundation for Community Development in cooperating with the civil society organizations. Banque Misr is actively contributing to the community’s development in various sectors: health, education, slum development, supporting civil society in the implementation of development projects,

etc. Giving back to our nation, Banque Misr's employees crystallize its core value in promoting the community welfare through philanthropy and volunteerism activities. Further, Banque Misr's role was recognized as the best bank in CSR-2019 by International Business Magazine. Banque Misr's solid commitment to corporate social responsibility is clearly demonstrated through various efforts exerted by the bank as an entity or by its valuable employees.

Responsible Finance...Bettering the Environmental Footprint

With a commitment to social and environmental responsibility, BM is the first national bank in Egypt to comply with the 10 principles of the United Nations Global Compact and the Global Reporting Initiative's (GRI) standards for the fifth consecutive year, to report its sustainability performance. In addition to signing the United Nations Environment Programme Finance Initiative, Banque Misr also joined the Responsible Banking initiative. Banque Misr has enhanced its role in this regard by earning a firm position in the global arena.

As a good corporate citizen, we are conscious of managing our direct environmental footprint and seek to influence our stakeholders toward sustainable practices and to rely on locally manufactured materials. Banque Misr offers finance schemes for eco-friendly projects to achieve sustainable development. In addition to collaborating for environmental protection, Banque Misr also implements effective practices in its internal operations to reduce its carbon footprint and protect resources. As a pioneering financial institution, BM is consciously working on reducing the adverse environmental impact of its operations through consistent reductions in its environmental footprint. Our resource conservation programs, in water usage, energy consumption, and waste recycling, are helping to cut down CO2 emissions. Banque Misr has a significant footprint in economic growth, Banque Misr goes beyond the traditional CSR approach and facilitates the transition to a green, low

carbon economy with equal opportunities within an ethical framework. As a member of (UNEP FI), Banque Misr uniquely shows a further commitment to the international principles engendering the transition to climate-resilient economic development. In parallel, our employees give back through corporate philanthropy and volunteerism. This is in addition to our collaborations with non-profit organizations and participation in corporate social responsibility initiatives.

Agile Methodology for Adaptive, Resilient Success

Banque Misr focuses on achieving agility to promote sustainable development. Banque Misr's success is a unique success shared with the staff and stakeholders. Such collaborative success is all about high-performing teamwork. As customer-centricity is Banque Misr's highest priority, our self-organizing teams are committed to consistently offering a competitive advantage to customers while paying attention to technical excellence, respect, and transparency. In light of financial inclusion, the team ensures simplicity in delivering digital banking services to customers within a shorter timescale. To be adaptable to any change, Banque Misr decided to double the training activities to enhance acquired skills and improve competencies, striving to offer the best.

Our Stakeholders...Mutual Trust over Years

BM's stakeholders represent the most valuable asset to continuously leverage our success. Banque Misr's remarkable stand couldn't be achieved without the engagement of our stakeholders and employees. Enhancing the stakeholder's value remains indispensable to our core strategy. I would like to say that sustainability, as a core value, truly relies on our employees. We further uphold our unwavering compliance with our code of ethics and core principles to ensure being a responsible partner for our stakeholders. Our Board and senior team are clear about the role they play; we are setting the right

tone from the top to create a culture that drives success on all fronts. Our employees are considered the most valuable asset; they instill a solid sense of loyalty and commitment, which is deeply reflected in each and every success. Thus, BM is keen to achieve a work-life balance to maintain the well-being of its employees and their engagement, as a board focus. Sustaining optimum performance goes hand in hand with supporting employee fulfillment through effective succession planning, learning agility, talent management, and leadership development.

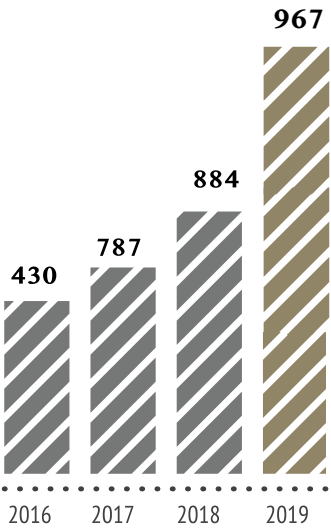
On behalf of Banque Misr, I would like to express my appreciation to everyone who contributed to our road to success, with special gratitude to our stakeholders, the Central Bank of Egypt, and the Ministry of Finance. We are looking forward to starting a new century of excellence based on the values of our rich history. This will be accompanied by an unparalleled level of sustainable integrity, transparency, and unsurpassed commitment to our partners in success, our employees. They instill a solid sense of loyalty and commitment, which is deeply reflected in each and every success attributed to Banque Misr.

Sincerely,
Mohamed Mahmoud El -Etreby
Chairman

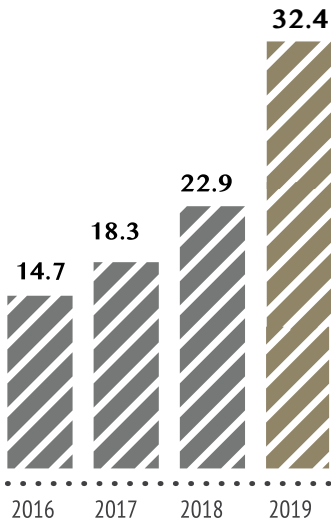


FINANCIAL HIGHLIGHTS

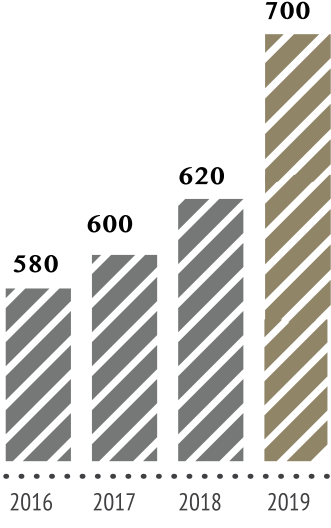
FOR FISCAL YEAR
2018/2019



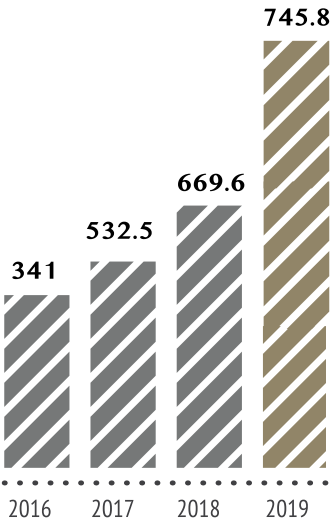
● Financial Position ●
(As of June 30th, 2019)
EGP 967bn



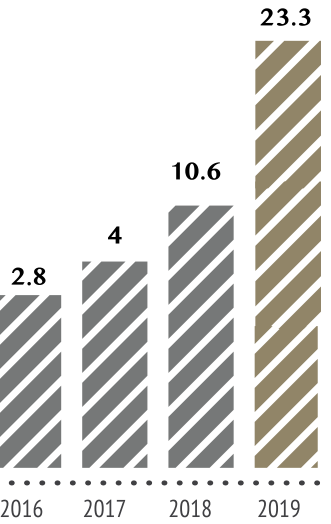
● Retail Portfolio ●
(As of June 30th, 2019)
EGP 32.4bn



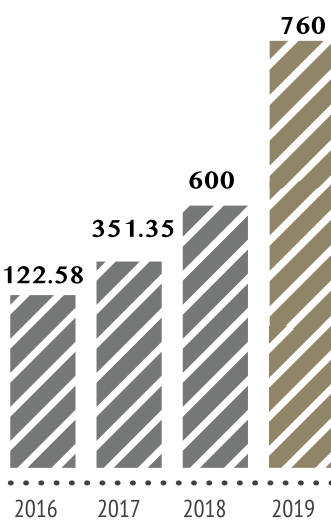
● Branches ●
about 700 local and international branches



● Customers' Deposits ●
(As of June 30th, 2019)
EGP 745.8bn



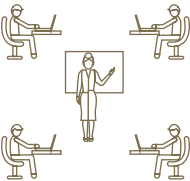
● MSMEs ●
(As of June 30th, 2019)
EGP 23.3bn



● CSR Donations ●
(As of June 30th, 2019)
About EGP 760m

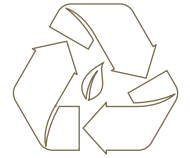
SUSTAINABILITY HIGHLIGHTS

FOR FISCAL YEAR
2018/2019



IMPROVING WORK ENVIRONMENT

Focusing on building a sustainable workforce, a positive workplace atmosphere is crucial for boosting productivity. Maintaining effective communication to solidify positive relationships based on trust and free from discrimination is deemed a pillar for Banque Misr's success. Recognitions, competitive benefits packages, incentives, and recreational activities are essential aspects of shaping the positive work environment in Banque Misr.



RECYCLING

Annual paper use is reduced by around 20%. Approximately 166.24 tons of papers were shredded to be recycled in 2018/2019, compared to 210 tons of paper in 2017/2018.



WOMEN EMPOWERMENT

Female representation at Banque Misr this year amounted to 35.5%. The female representation ratio reached 34.31% in the previous year.



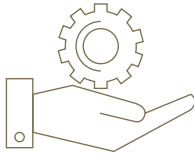
CHAMPIONING SDGs

BM's strategy and action plans actively contribute to the Sustainable Development Goals (SDGs) to ensure inclusive welfare for the whole community.



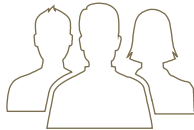
LEADING ENVIRONMENTAL ROLE

Banque Misr extends its positive environment to its whole operation, catalyzing significant suppliers' engagement. BM signed the UN's Environment Programme Finance Initiative, becoming the first Egyptian bank to sign the UN's Responsible Banking principle.



PROMOTING LOCAL INDUSTRY

With full support to the local industry and MSMEs, BM achieved leading efforts for strengthening the MSMEs ecosystem, which in return supports financial inclusion. BM's role in supporting startups and the handicrafts industry significantly contributes to achieving professional development and promoting economic growth as well.



SUPPORTING TALENTS

BM also supports talented athletes in a number of sports to complement its sustainability achievements. Sponsoring talented Egyptian athletes participating in major international sporting events is an integral part of BM's sustainability goals and achievements. Most current of BM's initiatives is the sponsorship of the Egyptian Tennis Federation for the upcoming Davis Cup as well as all talented Egyptian athletes qualified to participate in the next Olympic Games scheduled to take place in Tokyo, Japan.

BM STRATEGY

At Banque Misr (BM) we have developed a very ambitious five-year strategy (2019-2023) that capitalizes on our heritage, and expertise. Our strategy focuses on sustainable growth through providing profitable services and products driven by our customers' needs and enabled through diverse innovative channels and solutions and our expanding local, regional and global presence. It is a fully transformative tool that empowers us to continue our critical role in the national economic agenda and support financial inclusion within Egypt while remaining vigilant over our social, environmental, and economic footprint.

Vision:

“Our distinguished performance guarantees us the leadership we deserve.”

Mission:

“Excellence in fulfilling all of our customers' banking needs, maximizing the value of shareholders, inspiring employees' loyalty and playing a leading role in the prosperity and development of Egypt.”

VALUES:

“Our core PRIDE values of Partnership, Responsibility, Integrity, Dedication and Excellence define who we are and how we carry ourselves. Our values reflect the essence of our mission for sustainability; to invest in communities and value sustainable development.”

Our VALUES

Partnership

Partnership is about working together as one team across departments and sectors to achieve the best results. Teamwork, centered on collaboration and knowledge-sharing amongst the team, creates mutually beneficial and profitable internal and external relationships that instill a sense of gain.

We value partnership, unity, and collaboration within our team, bank, and community.

We:

- Believe in working together and respecting our differences to achieve the best results.
- Build diverse inclusive teams aligned through mutual trust, shared ownership and accountability.

Responsibility

Responsibility is each individual's role in the bank. Every employee is accountable for their work, which serves internal and external customers and contributes to the achievement of the bank's strategic goals.

We are responsible for the way we do business.

We:

- Learn from our successes and failures, and focus on efficiency and future development.
- Add value to our shareholders and clients by prioritizing their current and future goals.

Integrity

Integrity is the foundation of all interactions, whether internally with colleagues or externally with clients. To choose the interest of the public and the bank over personal gains in an honest and transparent manner.

We are truthful, credible and honorable in our business.

We:

- Communicate with openness and transparency.
- Ensure that honesty and trust govern our work.

Dedication

Dedication is each individual's commitment to their function within the bank. It is devotion to perform at a degree of competence that outshines expectations through exerting more effort and time, as well as coming up with new and unique ideas.

We are dedicated to our role in the success of our bank, clients and community.

We:

- Are committed to the national, economic and environmental development of Egypt.
- Serve our country, bank, customers and colleagues with the utmost devotion.

Excellence

Excellence in providing the highest quality of products and services to customers. It is BM's drive to be an innovation leader in the banking industry; offering non-traditional digital products and solutions, ensuring high customer satisfaction ratings and enabling the transformation of the bank into the future.

We strive for excellence and quality in our everyday services

We:

- Seek to be the best for our shareholders, customers, colleagues and community.
- Believe that the application of intelligence and innovation in a practical way has a positive impact on our customers and their businesses.

Awards & Recognition

In recognition of our excellence, Banque Misr's leadership has been lauded locally, regionally, and internationally. With a sense of pride in our 100-year legacy, we commemorate Banque Misr's centennial this year. The year 2020 honors the rich history of the bank. This year, the bank received 23 global awards from 14 leading organizations.

As a culmination of Banque Misr's relentless efforts, Banque Misr always receives well-earned recognitions and awards. Nominated by panels of experts, BM always receives awards in various categories, nominating its first-class performance and holistic management approach in various categories. Such recognitions drive Banque Misr to tirelessly work on fulfilling its customers' demands and retaining its stakeholders' trust.

Banque Misr Receives 23 Awards and Leading Titles in 2019
We continue to pioneer, and today, we celebrate what we have accomplished together

Global Business Outlook Magazine

Best Islamic Bank-Egypt
Best Environmental Sustainable Bank-Egypt

International Finance Magazine

Most Socially Responsible Bank–Egypt
Best Islamic Bank-Egypt

ASIA MONEY (Euromoney) Magazine

Egypt’s Best Bank for Asia
Best Local Bank in the Region for Belt Road Initiative (BRI) in the Middle East and Africa

International Business Magazine

Best CSR Bank-Egypt
Best Islamic Bank-Egypt

World Union of Arab Bankers

Best Bank in Egypt in Terms of Financing Big Projects and Enterprises

The Asian Banker

Among 5 Strongest Banks in Africa

The Banker (Financial Times Magazine)

Deal of the Year-Africa



Corporate Live Wire Magazine

SME Bank of the Year in Africa

Global Finance Magazine

Best Provider of Money-Market Funds
and Short-Term Investments in Africa and the Middle East

Global Brands Magazine

Best CSR Bank-Egypt
Best Corporate Banking Brand-Egypt

The European Magazine

Bank of The Year-Egypt
Best Financial Inclusion Program-Egypt

Global Banking and Finance Review Magazine

Best CSR Bank-Egypt
Fastest Growing Trade Finance Bank-Egypt
Best Islamic Corporate Bank-Egypt

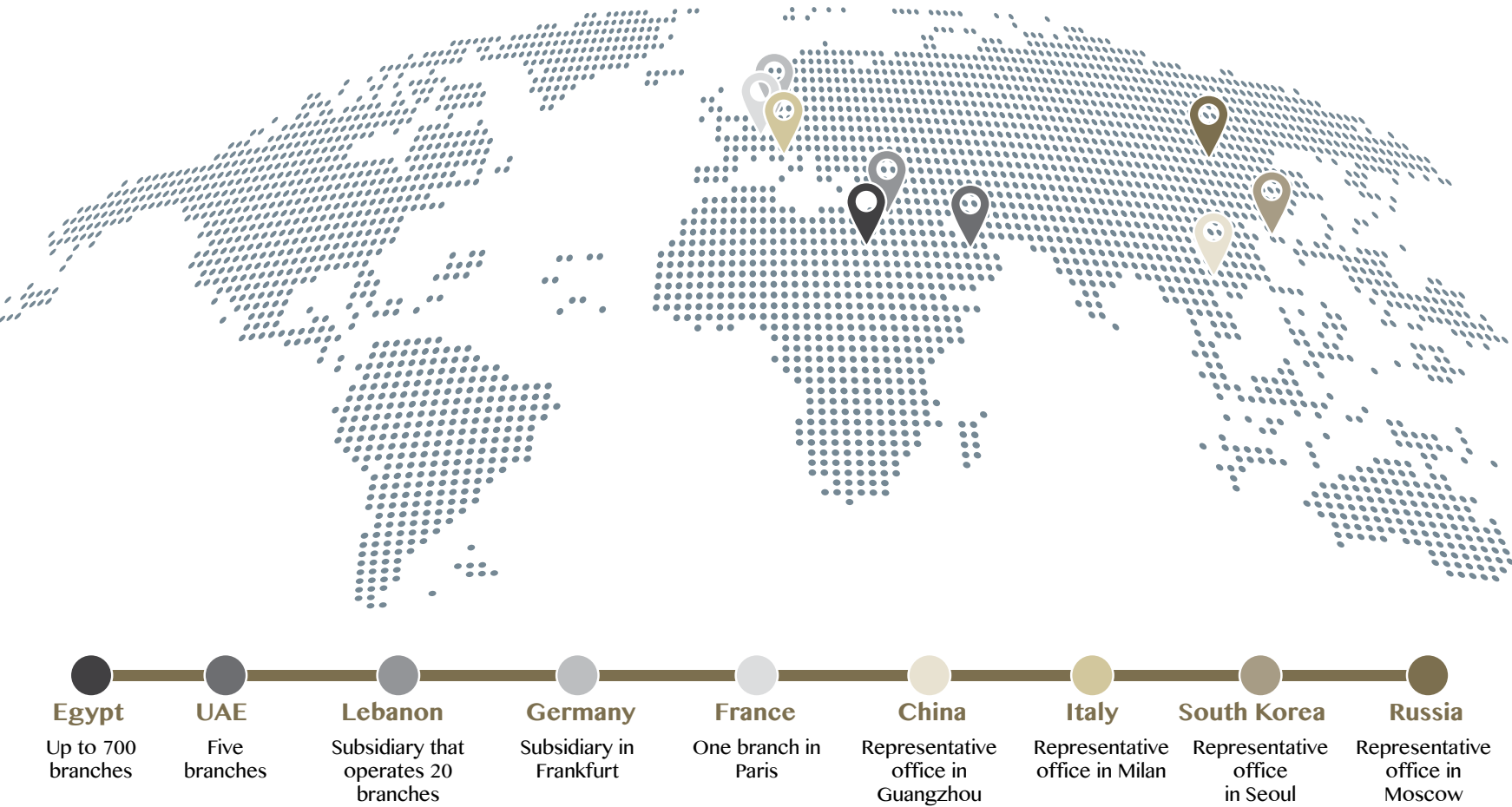
Euromoney Magazine- Cash Management Survey

Market Leaders for Non-Financial Institutions-Egypt
Best Service Provider for Non-Financial Institutions-Egypt

YouTube (Google)

YouTube Silver Play Button as a reward for reaching 100,000 subscribers

LOCAL AND GLOBAL NETWORK



Banque Misr has established a resilient market presence as a core strategic value to ensure wider access to its banking services. Banque Misr’s market presence has successfully permeated the market in Egypt and the World over the past century. Moreover, BM is executing a new strategy to expand its market penetration while contributing to economic development in the local and global communities it serves.

Banque Misr offers various channels to ensure the accessibility of banking services for both its current and prospect client base 24/7, including a wide network of about 700 branches and about 2,800 advanced ATM machines all over the nation, in order to ensure proximity to its customers, BM’s local network of branches will exceed 875 branches across Egypt by 2022.

Banque Misr sets the community’s economic and social welfare and prosperity as its sustainable core value. Against the backdrop of this value, Banque Misr always ensures higher efficiency and better customer experience through operating one of the largest networks of branches in the Middle East and Africa. The bank continuously invests in upgrading its banking platforms by adopting disruptive technologies to provide modern mobile, branch, ATM, and online banking services, along with customized services.

Banque Misr’s global presence across three continents highlights a competitive advantage to incorporate its sustainable success worldwide. Banque Misr operates five branches in the United Arab Emirates (UAE), one in Paris, a subsidiary in Germany, 20 branches operated by its subsidiary in Lebanon, and four representative offices in Russia (Moscow), China (Guangzhou), South Korea (Seoul), and Italy (Milan).

To leverage its financial footprint in Africa, Banque Misr has set a new five-year expansion strategy, mainly in our home continent Africa. Our goal is to expand our outreach in the African market within the next five years. It is our target to expand the bank’s market presence in Africa either through establishing a unit in the form of Rep. Office/ Branch/ Subsidiary or by practicing the international activities through other Financial Institutions. Therefore, Banque Misr moves forward to having a presence in Somalia “Mogadishu” and Kenya “Nairobi” as the Bank successfully optimizes a multitude of business cooperation activities and opportunities through resilient global outreach.

BM’s Presence in the UAE

Banque Misr’s global outreach complements its strong market presence in the Middle East through operating a digitally upgraded network of five branches in Abu Dhabi, Al Ain, Dubai, Ras Al Khaimah, and Sharjah. Over the past two years, all Banque Misr’s UAE branches underwent renovations to be more digital-enabled and service-focused, in line with BM’s corporate identity. Banque Misr-UAE branches upgraded its core banking system by the end of 2018 to support the bank’s ambitious expansion plans in retail and corporate banking.

Banque Misr-UAE seeks to meet customers’ evolving needs, especially Egyptian expatriates, and foster greater connection through BM’s presence across the world in France, Lebanon, Germany, Russia, and China.

Aiming to provide Egyptian residents in the UAE with services that meet and satisfy all their needs, Banque Misr-UAE offers mortgages for the purchase of housing units inside Egypt using the local currency (EGP). Also, the bank provides mortgages within the UAE to locals and selected non-Egyptian nationalities with high incomes, who wish to increase their asset base with long-term secured products. BM branches in the UAE provide a wide range of corporate, retail and treasury products, in addition to several state-initiated funds and certificates. The bank also enables the purchase of certificates of deposit in euros and US dollars.

The bank also offers high-yielding certificates in Egyptian pounds issued by the parent bank, BM Egypt. During FY 2017/2018, BM appointed a new management team aiming for further expansion in operations and service delivery. The top management team possesses the necessary leadership and extensive expertise to solidify the bank’s position in the UAE market. It is worth noting that BM supported the recapitalization of its branches in the UAE by injection new funds to increase its paid-up capital.

BM’s Presence in Lebanon

Banque Misr Liban S.A.L. (BML) is one of the oldest banks in Lebanon. Founded in Lebanon in 1929, BML stands at the heart of Beirut’s commercial center. Its network of branches strategically spread throughout Lebanon, along with an extensive ATM

network and online banking platform. The bank is working on its geographical expansion. Currently, the bank owns and operates more than 20 branches. On average, the bank inaugurates at least one branch a year. The bank also remains committed to adopting the latest technologies to increase productivity and improve service quality.

During the past 90 years, BML offers an array of distinctive Corporate, Retail, SME, Investment, Treasury, and Private Banking services. In December 2010, BML established Misr Liban Insurance Brokers S.A.L. (MLIB) to develop an integrated bundle of services, principally focused on bancassurance. The new company complements BM's banking services and retail, corporate, treasury, investment, and private banking activities.

BML adopted several internal reform measures, including restructuring the senior executive management, as well as implementing a comprehensive and integrated plan to expand and develop the bank's services and operations to keep pace with the global banking industry.

On the grounds of adopted reforms, BML's total assets have increased by 105.07% and deposits increased by 67.84%. Also, loans and advances to customers surged by 117.26% over the past five years. BML witnessed a substantial increase in deposits in 2013, qualifying the bank to join the Beta group (i.e. transformed from a small bank to a medium-sized bank). These key developments were also made possible by increasing BML's paid-in capital, which recorded 120 billion Lebanese pounds. Additionally, BML is committed to developing its loan portfolio, while supporting its provisions and reserves. BML's long history and close association with Lebanon's economic and social development have fostered the importance of giving back to the community. Under the umbrella of "Be the Change," BML launched in 2017 its Corporate Social Responsibility arm defined by its philosophy and commitment to serve its community and society at large.

The Dafa Campaign is on top of BML's CSR efforts. The campaign gathers donations to supply basic needs like food, clothing, hygiene products, and other necessities to families and individuals in Lebanon who are living below the poverty line. Thousands of volunteers gather for a day to sort and distribute the donations across Lebanon. The bank supports Dafa since 2016. The bank participates in planning and logistics for the event. BML employees also volunteer annually to contribute to the cause. Since its first edition in 2015, Dafa aided more than 80,000 families.

In 2017, the bank opened a representative office (BMLCI) in Abidjan, République de Côte d'Ivoire, West Africa. This representative office serves the Lebanese expatriate community in West Africa and provides full logistical services to Lebanese and Egyptian nationals wishing to invest in West Africa. Also, BMLCI supports and works closely with Egypt Lebanon for Africa (ELA) initiative to promote the Egyptian-Lebanese ties.

In 2012, World Finance named BML as the Best Commercial Bank, in recognition of its outstanding performance. The bank also received the Best Visual Award in the same year for its distinctive and unique website.

BML's success is attributed to adopting the highest standards of corporate governance, careful adherence to all regulatory requirements and standards, strict risk management guidelines, and achieving a strong financial position. BML has shown endurance and looks forward to a promising future of steady growth and continuous development across all its activities and services, especially under the leadership of its Board of Directors and with the strength of its qualified senior management team. BML will continue working on upholding its objective of serving its customers in the best possible ways.

BM's Presence in Germany

Following Banque Misr's successful experience in international markets, in 1992, BM's top management decided to open a subsidiary in Frankfurt, Germany. The subsidiary was named Misr Bank - Europe GmbH. Currently, Banque Misr owns 84.75% of the subsidiary (74.75% directly and 10% through Banque du Caire).

Misr Bank - Europe GmbH (MBE) is considered the first and only Egyptian bank in Germany and Central Europe with a paid-in capital of €60 million. It also has a full banking license and is a member of the Association of German Banks. The Association of German Banks secures customer deposits at the bank.

The bank earned prominent memberships in many local, Arab, and international banking organizations, including the Germany-based Association of Foreign Banks, the Private Banking Industry's Employers Association and the German Near and Middle East Association (NUMOV), Ghorfa Arab-German Chamber of Commerce and Industry, along with the German-Arab Chamber of Industry and Commerce in Cairo and the Austro-Arab Chamber of Commerce in Vienna.

Today the business of MBE focuses on supporting clients engaged in trading activities between Europe-Egypt and clients investing in growth and sustainability projects in Egypt.

By concentrating on its strength in trade finance and guarantees, MBE succeeded in delivering a strong performance during the long period of low-interest rates witnessed over the last few years. A modern core banking system and a forward-looking risk management concept also contribute to enhanced risk awareness. In that regard, MBE limited allocation of risk capital in the framework of the yearly update to the risk strategy played a significant role in ensuring the presence of a rigorous management system. MBE's continuous marketing activities positively contributed to the increase in the documentary business between Egypt and target countries in Europe.

MBE offers export finance products, insurance-covered financing of export receivables to Egyptian exporters, correspondent banking services to banks in Egypt and the Middle East. Besides, providing finance and handling a range of exports from Egypt. In cooperation with the German-Arab Chamber of Industry and Commerce (GACIC), Cairo – the bank has developed a tailor-made product to meet the requirements of Egyptian exporters that do business across European countries.

MBE currently focuses on financing Egyptian investments in sustainability projects including, investments in new efficient machinery, renewable energy supply, wastewater projects, desalination projects, greenhouse gas reduction, in other words, projects reducing the carbon footprint of our clients. We also hold well-established contacts to investors interested in Egyptian business.

MBE's ongoing efforts contributed to a large volume of high-class assets in syndicated loans and the establishment of a highly liquid financial asset portfolio. In turn, this generates revenue that guarantees the continuation of a steady flow of income and an increase in business volume, reflecting positively on the overall financial performance. The bank aims, as part of "Egypt Inc.", to be the first contact for any business in Egypt as well as the prime address for parties being interested in investments in Egypt.

BM's Presence in France

BM inaugurated its branch in 1922 in rue Danielle Casanova, formerly known as rue des Petits Champs, Paris. The Paris branch was reallocated in 1984 to rue Auber, Paris. The bank is a member of the French Banking Association and is regulated by the Central Bank of France.

The branch has a clear mandate to promote Europe-Middle East trade and economic ties with a particular focus on Egypt, offering trade finance and corporate banking services. The mission of Banque Misr -Paris is to participate in the development of trade between Egypt, Europe, France, and French-speaking countries. It provides import and export clients with high-quality services and solutions adapted to their needs. BM's branch in Paris also offers retail banking services to customers with ties to Egypt.

As a bank operating in France, authorized by the French banking authorities, Banque Misr participates in the deposit guarantee scheme of France, which applies to all deposit accounts made by natural persons, legal entities and covers up to the sum of €100K. Currently, the branch is upgrading its online banking service to better cater to a modern and demanding clientele.

BM Representative Offices

BM has founded four representative offices as a part of its expansion strategy. Currently, the bank operates representative offices in China "Guangzhou", Russia "Moscow", Korea "Seoul" and Italy "Milan".

The main business activities of BM representative offices are to:

- Build relations and liaison financial activities with state-owned and private banks, financial institutions, companies, organizations, and institutions
- Utilize business opportunities for BM branches and units in Egypt, the UAE, Lebanon, France, and Germany, which provide a comprehensive range of products and services, including trade finance (letters of credit, letters of guarantee and collections), payment orders, transfers, corporate credit, etc
- Reinforce relations between BM and correspondent banks
- Handle market research and analysis

Khufu

c.2589–2566 BC; Fourth Dynasty


Khufu, son of Snferu and Hetepheres I was the first king to choose the Giza Plateau as the site of his tomb. He launched a building project that would remain unparalleled in the history of the ancient Egyptian state. Khufu’s successful overcoming of the initial obstacles resulted in a pyramid with a base of 230.33 meters, originally 146.6 meters high with a volume of some 2,583,283 cubic meters of built stone (Bárta 2005). For its massive proportions, Khufu’s pyramid is today known as the Great Pyramid.

The Pyramid of Khufu is in good condition and, although it has lost almost all of its casing blocks, stands nearly to its original height. The temples which were a part of the total pyramid complex, however, have all but disappeared. The name of Khufu’s pyramid was "Horizon of Khufu." The complex is also identified as belonging to Khufu through quarry inscriptions found on the relieving blocks above the king’s burial chamber inside the pyramid and by later historical tradition. There is no evidence that the cult of Khufu was maintained during the Middle or the New Kingdoms; however, the cult was revived in the 26th Dynasty, known as the Saite Period (Petrie with update Hawass 1990).

Khufu most probably abandoned the royal necropolis at Dahshur because there was no longer enough limestone nearby and because of the low stability of the subsoil, which consists of slate clay. Instead, he decided to build his pyramid on a massive rocky plateau in the western desert near modern Giza. In terms of size, technical accomplishment, and organization required for its construction, this pyramid represents the climax of pyramid building (Klemm and Klemm 2010).

The outer walls of the core are built with blocks laid in horizontal layers. The height of the blocks varies between 0.80 and 1.20 meters on average. Between the core and the casing, another layer of somewhat smaller stones was bound with mortar, which increased the cohesion of both the two materials and the two masonry structures.



 The Pyramid of Khufu in Giza

Khufu


c.2589–2566 BC; Fourth Dynasty

In archaeological terminology, this intermediate layer is known as "backing stones"(Klemm and Klemm 2010). The casing was made of large blocks of fine, white limestone blocks from Turah, but only a few are still in place, mostly at the base. A cult pyramid, of which little remains, and three small queens' pyramids stand on the eastern side (Klemm and Klemm 2010). The original entrance with the descending corridor is about 17 meters high starting on the level of the 13th layer at the north side of the pyramid (Klemm and Klemm 2010).

The first burial chamber in Khufu's pyramid is located in the bedrock underneath the pyramid and was left unfinished. Next, the king's burial chamber was moved further up within the pyramid to what is known as the Queen's Chamber. But for reasons possibly connected to a cult change made by Khufu, the burial chamber which contains the sarcophagus was moved even higher up into the pyramid (Petrie with update Hawass 1990).A red granite sarcophagus is still in situ, oriented north-south. It is 2.24 meters long and 0.96 meters wide. Its lid is missing. This large sarcophagus was installed during the construction of the granite chamber. The walls of the burial chamber, and the pressure relieving chambers above it, are all also made of large granite blocks, all of which were brought all the way from Aswan (Klemm and Klemm 2010).

Khufu's mortuary temple east of the pyramid, with only its black basalt pavement remaining, covered an area of more than 2000 square meters (Bárta 2005, Klemm and Klemm 2010).



 The Pyramid of Khufu in Giza

Radjedef

c.2566–2558 BC; Fourth Dynasty

Radjedef, also called Djedefra, began building a pyramid north of Giza at Abu Rawash with a base of 106 meters square, and a volume of 131,043 cubic meters. The pyramid itself occupies a very favorable position atop a limestone plateau overlooking the region (Bárta 2005). Although the present surviving height is 11.4 meters (Verner 2002), the pyramid would have stood between 57–67 meters.

Radjedef is well-known as the king who introduced the fifth element of the official royal titulary, namely the 'Son of Ra' name which emphasizes the link of the king with his mythical father, the sun god Ra. More importantly, the site of the Abu Rawash plateau, some 160 meters above sea level, was by far the highest location for an Old Kingdom pyramid and Radjedef was thus closest to his solar father travelling daily across the sky (Bárta 2005).

The earliest known ancient Egyptian sphinx to date was found in Abu Rawash. It belonged to Radjedef's consort Hetepheres II (Bárta 2017). Radjedef was succeeded by his brother Khafra and subsequently Menkaura, both of whom placed their mortuary complexes back at Giza (Bárta 2005).



 The Pyramid of Radjedef in Abu Rawash

Khafra

c.2558–2532 BC; Fourth Dynasty


Khafra returned to Giza to build the second largest pyramid in Egyptian history, this time with a base of 215 meters, a height of 143.5 meters and a volume of 2,211,096 cubic meters. To strengthen his ties with the sun god, he shaped a natural rock outcropping into the form of a sphinx and to the east of it built a sanctuary dedicated to the sun god Ra (Bárta 2005).

The level of the base of the pyramid is 10 meters higher in relation to Khufu’s monument and thus, depending on the viewing position, it seems to be bigger. The lower levels of the pyramid’s casing were cased with blocks of pink granite from the large quarry area south of Aswan. The higher layers, which become smaller toward the top, are of fine limestone. At the top of the pyramid a small portion of the original casing remains in place (Klemm and Klemm 2010).

The older of the two entrances into the subterranean rooms of the pyramid is located about 30 meters north of the pyramid and carved completely out of the subsoil rock. The second entrance is located in the north side of the pyramid about 12 meters above ground level. It meets a corridor lined with red granite that first descends into the pyramid before running horizontally at the structure’s base. The burial chamber at the end of this corridor, oriented east-west, was excavated completely out of the bedrock. Near its west wall stands a black granodiorite sarcophagus that was originally covered by a sliding lid. The lid was found nearby in two pieces. A small cult pyramid stands on the structure’s central axis at the southern side of the pyramid (Klemm and Klemm 2010).

Storerooms start to appear during the reign of Khafra but only occupy less than 200 square meters of the 1265 square meters of the mortuary temple’s built area, so the daily funerary cult of the king wasn’t yet as important as it became in the Fifth Dynasty (Bárta 2005).



 The Pyramid of Khafra in Giza

Board of Directors AS OF
MARCH 2020

MR. MOHAMED EL-ETREBY
CHAIRMAN



MR. AKEF EL MAGHRABY
VICE CHAIRMAN



MR. HOSSAM ELDIN ABDELWAHAB
VICE CHAIRMAN



MR. AHMED ALAA EL-DIN ALI EL-GUINDY
Board MEMBER



DR. MAYA MOHAMED ABDEL-MONEIM MORSY
Board MEMBER



MR. MAHMOUD MONTASER IBRAHIM EL-SAYED
Board MEMBER



DR. RIHAM MOUSTAFA HASSAN MOUSTAFA
Board MEMBER



MR. TAMER ABDEL AZIZ GADALLA
Board MEMBER



SENIOR EXECUTIVES AS OF
MARCH 2020

MRS. MAHA HEBA ENAYETALLA
HEAD OF STRATEGY AND
DEVELOPMENT



MR. AHMED IBRAHIM
HEAD OF REMEDIAL SECTOR



MR. AMR EL AASSAR
HEAD OF CORPORATE BANKING
AND SYNDICATED LOANS



MR. AMR HASHEM
HEAD OF INTERNAL CONTROL



MR. ASHRAF TOLBA
CHIEF RISK OFFICER



DR. FATMA EL-GOULLY
CHIEF CORPORATE
COMMUNICATION OFFICER



MR. HANY ELSAMRA
CHIEF HUMAN RESOURCES
OFFICER



MR. HOSSAM RAOUF
HEAD OF INTERNATIONAL
BUSINESS AND FOREIGN BRANCHES



MR. IBRAHIM EL-SHERBINI
CHIEF INFORMATION OFFICER AND
ACTING HEAD OF DIGITAL
TRANSFORMATION



MR. IHAB DORRA
HEAD OF BRANCHES AND
RETAIL BANKING



MR. KHALED ATRIS ABDEL AZIZ
HEAD OF LEGAL AFFAIRS



MR. MOHAMED AFIFI
GROUP CHIEF COMPLIANCE OFFICER
& CORPORATE GOVERNANCE



MR. MOHAMED SHERIF
CHIEF FINANCIAL OFFICER



MR. MOHAMED YEHIA AHMED
CHIEF INTERNAL AUDITOR



MR. MOUSTAFA GAMAL
HEAD OF TREASURY AND
CORRESPONDENT BANKING



ENG. SAYONARA EL ASMAR
CHIEF OPERATION OFFICER



MR. SHEHAB ZIDAN
HEAD OF GLOBAL TRANSACTION
BANKING AND HEAD OF
TRANSFORMATION OFFICE



MR. SHERIF EL-BEHERY
HEAD OF SMEs, MICROFINANCE
AND ISLAMIC WHOLESALE BANKING



DR. SUZAN F. HAMDY
CHIEF INVESTMENT OFFICER



ENG. TAREK ALI
HEAD OF ADMINISTRATIVE
AND ENGINEERING AFFAIRS



FOREWORD

BM
APPROACH

HOW BM
OPERATES

BM
DIVISIONS

FINANCIAL
PERFORMANCE

MEMBERS OF BM's
Board of Directors





MR. MOHAMED EL-ETREBY
CHAIRMAN

Mr. Mohamed El-Etreby is a prominent banker with more than 35 years of experience in the banking sector. Prior to joining Banque Misr, he was the CEO and Managing Director of the Egyptian Gulf Bank from January 2013 to December 2014.

Mr. El-Etreby began his banking career in 1977 with the Arab African International Bank (AAIB), followed by Crédit International d’Egypte Bank. In 1983, he joined Misr International Bank (MIBank, currently Qatar National Bank Alahli), where he spent more than 22 years, and during which he held several senior banking positions and acquired a wide range of experience in various key areas of the banking industry. In September 2005, he joined the Egyptian Arab Land Bank as Vice Chairman and Board Member.

In 2009, he was appointed as the Managing Director of the Arab Investment Bank. In 2011, Mr. El- Etreby returned to the Egyptian Arab Land Bank as Chairman. In recognition of his great achievements, Mr. El-Etreby was appointed as the Chairman of Banque Misr in January 2015.

He also serves as the Chairman of Federation of Egyptian Banks (FEB), in addition to being a Vice Chairman of Union of Arab Banks, the Chairman of Banque Misr Liban (BML), and a Vice chairman of Cairo Amman Bank. He graduated with a bachelor’s degree in Commerce from Ain Shams University in1976.

Committees:

(E, ALCO, CRC, b9)

MR. AKEF EL MAGHRABY
VICE CHAIRMAN

Mr. Akef El Maghraby joined Banque Misr in August 2016 as Vice Chairman. Previously, he spent 16 years working at Citibank.

He is responsible for the Lines of Business including Corporate, Treasury, Investment, SMEs, Retail, Branches, Islamic Financing, Global Transaction Business, International Business and Financial Inclusion.

Mr. El Maghraby has held positions in a variety of fields throughout his banking career, including Credit Analysis, Corporate Finance, Ratings Advisory and Corporate and Investment Banking.

He has worked in and covered several jurisdictions, including Egypt, Bahrain, Saudi Arabia, the United Kingdom, and the Netherlands, where he led and executed many landmark mergers and acquisitions (M&As), debt, and equity capital markets, loan markets, and derivatives transactions.

Mr. El Maghraby also serves as Chairman- Misr Bank-Europe GmbH Frankfurt, Chairman - BM Lease, Board Member - Misr Capital S.A.E., Board Member - Banque Misr Liban S.A.L (BML), Board Member - Misr Insurance Holding Co S.A.E. and Board Member – Egyptian Mortgage Refinance Co.

Mr. El Maghraby holds a bachelor’s degree in Accounting and an MBA, both from the American University in Cairo.

Committees:

(E, C, V, ALCO, CRC, b2, b7, a5, IFRS 9, I, b9)

MR. HOSSAM ELDIN ABDELWAHAB
VICE CHAIRMAN

Mr. Hossam Eldin Abdelwahab joined Banque Misr in October 2018, as Vice Chairman.

He is responsible for managing support departments in the bank; including the Administrative and Engineering Affairs, Internal Auditing, Remedial, Central Operations, as well as IT and Communication sector.

Prior to joining Banque Misr, Mr. Abdelwahab was the Deputy Chief Executive Officer of Al Ahli Bank of Kuwait, where he led the Retail, Branches, and SMEs divisions from 2016 until September 2018.

Mr. Abdelwahab began his banking career in 1989 at Gulf Bank in Kuwait before moving to Procter & Gamble in 1991, climbing up the ranks throughout his nine years working for the company. During that time, he held the position of Head of Investments in 2000. He subsequently left Procter & Gamble to join Investia Venture Capital as manager of Investments from 2000 until 2001.

Later in 2001, he moved to Citibank Egypt, taking on leadership positions from 2001 to 2006 in the sectors of risk management, branches, and operations. Then, he moved to Citibank-London as a Vice President of Credit Operations in Europe, the Middle East and Africa regional offices from 2006 to 2008. Later, he took the position of Head of Retail Banking at Bank Audi Egypt from 2008 to 2012.

Then, he joined the Arab Banking Corporation, where he held the position of Executive Board Member and Head of Retail Banking and Branches from 2012 to 2016.

Mr. Abdelwahab holds board member positions at Misr Capital Investments S.A.E., International Company for Touristic Investments S.A.E. "Conrad", International Company for Leasing S.A.E. "Incolease", Banque Misr Foundation for Community Development, and the National Investment Charity Fund for Education.

He holds a bachelor's degree in accounting & auditing from the Faculty of Commerce, Economics, and Political Science at Kuwait University.

Committees:

(E, b1, a8, ICAAP, a1, IFRS 9, C, I, ALCO, CRC, V, a5)



MR. AHMED ALAA EL-DIN ALI EL-GUINDY
Board MEMBER

Mr. Ahmed Alaa El-Din Ali El-Guindy began his career in research and economics at the World Bank bureau in Cairo in 2002. He started working as a Financial Analyst at EFG-Hermes in 2004 in the Investment Banking Division. He went on to occupy the position of Vice President of Investment Banking in 2008, before becoming the Managing Director of Investment Banking from 2012 until 2016.

During this time, he worked on expanding the division's regional presence and overseeing the conclusion of several high-profile mergers and acquisitions, as well as, numerous regional initial public offerings, including Emaar Malls Group, Edita Food Industries, Dubai Parks and Resorts, Orascom Construction, Arabian Cement Company, Emaar Misr, and Domty. Under his leadership, the investment banking team went on to top the Thomson Reuters' MENA Equity Capital Markets list in 2015. In June 2016, he became a Founding Partner of TCV Holding for Investment, specializing in promoting capital growth for successful and promising Egyptian SMEs.

Mr. El-Guindy received his bachelor's degree in Business Administration and Economics from the American University in Cairo in 2002 and his master's degree in Accounting and Finance from the London School of Economics in 2004.

Committees:

(A, V)

DR. MAYA MOHAMED ABDEL-MONEIM MORSY
Board MEMBER

Dr. Maya Mohamed Abdel-Moneim Morsy was elected as the President of Egypt's National Council for Women (NCW) on the 1st of February 2016. She is the third and the youngest President of the NCW since it was established in 2000. She was awarded "the Woman of the Decade in Public Life and Empowerment" during the Women Economic Forum conveyed in India in 2018, the national award of one of the 100 most influential women in Egypt in the year 2016, and the Women Pioneer from the UAE in 2019.

Before being elected as NCW's President, Dr. Morsy has been the UNDP's Gender Regional Advisor (2013 - 2016). She formerly served as the Head of the Egypt Country Office United Nations Fund for Women (2011-2013), and as a Country Coordinator/Director of UNIFEM and liaison for the League of Arab States (1999- 2010).

Dr. Morsy has more than 25 years' experience with National, Regional and International organizations, through her work in the National Council for Women, the United Nations Agencies, USAID, Academia, and Private Sector. Her work experience has strengthened the strategic partnership with the League of Arab States, European Union, Organization of Islamic Cooperation, African Union, Union for the Mediterranean, Government Organizations, Civil Society, Academia and Private Sector.

She managed and Led more than 50 programs and widely authored more than 45 training manuals, books, articles, research and policy papers on Public Policy, Development, Gender Equality and Women's Empowerment, Peace and Security, Human Security, and Finance for Development.

Her Areas of Technical Focus are: Public Policies, Public Administration, Business Administration, Management and Human Resources, Social and Economic Policies (Welfare Systems, Fiscal Stimulus Packages, Conditional Cash Transfer), Human Security, Human Rights, International Conventions Treaties, Strategic Planning, Political and Democratic Transition, Electoral Assistance, Gender Transitional Justice, Rights based approach. Gender Equality and Women's Empowerment, engendering public policies and statistics, Gender Responsive Planning and Budgeting, Performance Based budgeting, Financial Inclusion, Monitoring and Impact Evaluation, Fair Trade, Entrepreneurship and Social innovation, Academic/Action oriented research and Behavioral Change.

Dr. Morsy received a Ph.D. in Public Policy with a focus on the human security of Arab women from the Institute of Arab Studies and Research of the League of Arab States. She completed two Master's degrees at the City University of Seattle, USA, in Business Administration (1998) and Public Administration (1997), after receiving a Bachelor's of Arts degree in Political Science from the American University in Cairo (1995), with a minor in Mass Communication (Journalism).

Committees:

(I)

MR. MAHMOUD MONTASER IBRAHIM EL-SAYED
Board MEMBER

Mr. Mahmoud Montaser Ibrahim El-Sayed gained more than 40 years of experience in the banking sector. He has amassed a wealth of knowledge in all areas of lending, investment, and funding. In November 2017, the Egyptian government assigned him as the Deputy Chairman and the Managing Director of the National Investment Bank.

Moreover, he was appointed as a Board Member at Banque Misr in September 2017. Prior to his current position, Mr. Montaser was selected to be the Executive Vice Chairman of the National Bank of Egypt (NBE). As Vice Chairman of NBE, Mr. Montaser led the day-to-day commercial banking departments, such as Corporate and Syndications, Investment, Foreign Affairs, and Treasury, as well as Retail and Branches. Mr. Montaser was personally responsible for a loan portfolio of over EGP 490bn.

He was also an Executive Board Member and Head of Corporate and Syndicated Loans, where he was responsible for the supervision and management of the direct and indirect credit portfolio that exceeded EGP 465bn at that time. Mr. Montaser also served as NBE's representative in several corporations in the petroleum, construction, and aviation fields, in addition to NBE's financial affiliates in Europe and Egypt. In 1977, Mr. Montaser graduated with a bachelor's degree from the Faculty of Commerce at Ain Shams University. He obtained a diploma in Banking Studies from Ain Shams University in 1998.

Committees:

(A, R, G, B)

DR. RIHAM MOUSTAFA HASSAN MOUSTAFA
Board MEMBER

Dr. Riham Moustafa Hassan Moustafa is a professor of public policy and entrepreneurship as well as the managing director of the Resource Development Center at Helwan University. She began her career as a teaching assistant, before becoming an assistant professor in the Business Administration Department at the Faculty of Commerce.

Dr. Moustafa specializes in public policy and entrepreneurship. In 2015, she earned her Ph.D. in Public and Urban Policy from the New School University in New York City. Her dissertation was titled "Evaluating the Institutional Environment for Entrepreneurship: A Cross-National Study on Arab Countries."

In 2008, she earned her master's degree in International Studies from the University of Connecticut, with a thesis titled "Egyptian Women as Entrepreneurs and Leaders." Dr. Moustafa also has another master's degree in Marketing and Strategic Management, with a thesis titled "Evaluating the Competitiveness of the Textile and Ready-made Garment Industry in the Light of Trade Liberation Agreements." Her research and teachings cover topics such as entrepreneurship, public policy, strategic management (competitive strategies), and management in transitional economies.

Committees:

(G, I, B, R)



MR. TAMER ABDEL AZIZ GADALLA
Board MEMBER

Mr. Tamer Abdel Aziz Gadalla began his career in the Cabinet Information and Decision Support Center IDSC, where he occupied the position of Systems Engineer in 1993.

In 1996, Mr. Gadalla joined GEGA NET, where he worked as a Sales Manager. He then moved to MenaNet for Communications, where he held the position of Business Development Manager in 1999, before being formally appointed to General Manager in 2001. Subsequently, Mr. Gadalla joined TE Data as Sales Director in 2004, before heading to the Commercial Department in 2005. Afterward, he served as the Chief Executive Officer and Managing Director of TE Data in the period between August 2008 and March 2016. He later held the position of Chief Executive Officer and Managing Director of Telecom-Egypt from March 2016 to April 2017. In 2018 Mr. Gadalla joined SAP. Currently, he is the Executive Director for SAP in Egypt and the Non-Executive Chairman of Eastern Tobacco Company since 2019.

Mr. Gadalla received his bachelor's degree in Electronics and Communication Engineering from Cairo University in 1992. He also completed his master's degree in Business Administration from Maastricht University in the Netherlands in October 1996.

Committees:
(I, R, B, G)

SENIOR
EXECUTIVES





MRS.MAHA HEBA ENAYETALLA
HEAD OF STRATEGY AND DEVELOPMENT

Mrs. Maha Heba EnayetAlla has 36 years of experience in the banking sector. She joined Banque Misr in September 2010 and was appointed as Executive Board Member from January 2014 to September 2017, and a Board Member in Banque Misr Liban (BML) from November 2011 to August 2017.

After graduating from the American University in Cairo in 1982, she joined Chase National Bank, a subsidiary of Chase Manhattan Bank, (currently CIB), where she spent almost 26 years working in several departments, mainly Corporate Banking, Branch Management, and Retail Development, with the last position held being Head of Mid-Cap and SME Banking.

She currently oversees the following departments at Banque Misr:

- Strategy and Change Management
- Project Management Office
- Performance Quality Assurance
- Research and Market Studies

Mrs. EnayetAlla was chosen by Forbes Middle East as one of the Top 100 Most Powerful Businesswomen of 2017. And, she was also chosen as one of "The 50 Most Influential Women in Middle East Finance" in 2018. Her professional experience is complemented by intensive training programs and study tours with renowned international institutions.

Committees:

(E, I, CRC, ALCO, b2, a1, IFRS 9)

MR. AHMED IBRAHIM
HEAD OF REMEDIAL SECTOR

Mr. Ahmed Ibrahim was appointed as General Manager of the Remedial Sector. Prior to joining Banque Misr, Mr. Ibrahim was Head of the Recovery Division - Risk Group at NSGB Egypt.

He has extensive experience, spanning across 35 years in the banking industry and covering different areas, including Retail Banking, Branches and Marketing, Corporate Credit, Credit Risk Assessment, and Remedial Loans.

He obtained his bachelor's degree from the Faculty of Commerce at Cairo University in 1984.

Committees:

(E,a5, a8,c3, c6,b)

MR. AMR EL AASSAR
HEAD OF CORPORATE BANKING AND SYNDICATED LOANS

Mr. Amr El Aassar joined Banque Misr in May 2018 as Head of Corporate Banking and Syndicated Loans. He is responsible for handling corporate portfolio performance in terms of quality, growth, and profitability.

Mr. El Aassar enjoys over 22 years of extensive in-depth experience in the banking sector. He commenced his banking career in 1996 with Misr International Bank, holding various roles and managerial positions in corporate and investment banking He played a pivotal role in restructuring MIBank's corporate credit unit before its merger with National Societe General Bank (NSGB).

He joined different financial institutions and acted as Corplease's Chief Credit Officer, Audi Egypt Bank's Chief Corporate Officer, and Arab Bank's Country Head of Corporate and Institutional Banking.

Mr. El Aassar graduated with a bachelor's degree from the Faculty of Economics and Political Science at Cairo University. He is also a certified trainer for Finance and Credit modules at various institutions, such as the American University of Egypt and the Egyptian Banking Institute.

Committees:

(E, C, ALCO, c6, IFRS 9)

MR. AMR HASHEM
HEAD OF INTERNAL CONTROL

Mr. Amr Hashem joined Banque Misr as Head of Internal Control in March 2019. Before joining Banque Misr, he obtained more than 23 years of progressive experience in the banking sector.

He is responsible for managing the Internal Control Framework Strategy in Egypt and the UAE, with a focus on strengthening the internal control environment/culture across branches, operations, as well as finance and support functions. Mr. Hashem worked in four leading multinational banks, such as the National Bank of Kuwait, Citibank, Arab Bank PLC and the Egyptian American Bank.

He has extensive experience in all aspects of supervisory functions in the banking sector, including internal control, operational risk management, business continuity, internal audit, AML compliance, banking operations process design, balance sheet accounts monitoring, reconciliation and control requirements of bank branches.

He was the Head of Operational Risk Management & Business Continuity in National Bank of Kuwait-Egypt. Subsequently, Mr. Hashem served as the Cluster Head of Internal Control at Citibank (Egypt, Jordan and Lebanon). He obtained his bachelor's degree in accounting from the Faculty of Commerce, Ain Shams University in June 1992.

Committees:

(E, b8, BRCC)



MR. ASHRAF TOLBA
CHIEF RISK OFFICER

Mr. Ashraf Tolba joined as Chief Risk Officer in September 2019. Before joining Banque Misr, he garnered more than 27 years of experience in credit risk management, corporate banking, and investment banking. From 2003 until 2019, he worked for Union National Bank-UAE, gaining more than 13 years of specialized experience in credit risk.

He was promoted to Executive Vice President in Credit Risk Management, managing the entire portfolio of the bank, including international subsidiaries. His last position was Executive Vice President – Corporate Banking (UAE), including Islamic Finance. From 1992 to 2003, he worked in the corporate banking sector in various financial institutions, including Commercial International Bank, Arab Bank Plc, and Citibank. Joining Citibank, he handled the responsibilities of Senior Relationship Manager for Public Sector Enterprises.

Mr. Tolba also worked for Alliance Capital Management, one of the top 10 global fund managers, as an Equity Research Analyst and Co-Fund Manager for The Nile Growth Fund dedicated to Egyptian equities. Mr. Tolba became a certified Credit Official in 1994 and since then attended high profile training programs in Egypt, UAE, UK, South Africa, Brazil, and Oman facilitated by global institutions as Alliance Capital Management, Harvard Business School, and Franklin Covey.

committees:

(A,I,R,E,v,ALCO,a8,FATCA,b2,C,C1, ICAAP, C6, IFRS9, b9)

DR. FATMA EL-GOULLY
CHIEF CORPORATE
COMMUNICATION OFFICER

Dr. Fatma El-Gouilly was appointed as Chief Corporate Communication Officer at Banque Misr in 2006. Dr. El-Gouilly has over 20 years of experience in marketing, public relations, corporate communication, and management.

Prior to joining Banque Misr, Dr. El-Gouilly held several managerial positions in different industries, such as pharmaceuticals, banking, and communications. She was the former Director of Marketing and Corporate Communication for National Societe Generale Bank (NSGB) and Misr International Bank (MIBank), and Head of Marketing Communication at Novartis Swiss Company. She has experience in leading firms such as Bristol-Myers Squibb and Raya.

She has been exposed to diverse training and personal development programs, in addition to earning an MBA in Business and Marketing Management in 2005, a Master of Philosophy in Corporate Communication in 2009, and a Doctorate of Business Administration in 2013, all from Maastricht School of Management, Netherlands.

Committees:

(b2, c4)

MR. HANY ELSAMRA
CHIEF HUMAN RESOURCES
OFFICER

Mr. Hany Elsamra was appointed as Chief Human Resources Officer in June 2018, with more than 19 years of cumulative experience within the banking sectors in Egypt and Kuwait. Before joining Banque Misr, Mr. Elsamra worked with three different leading multinational and regional banks, such as Citibank, Abu Dubai Islamic Bank, and Burgan Bank, where he was distinguished by his commended performance and proven results.

He has extensive experience in all aspects of HR, including Recruitment and Selection, Employee Relations, Conflict Resolution, Performance Management, Training and Development, Compensation and Benefits, Talent Management, Career and Succession Planning, HR Systems, Payroll Personnel and Admin, Governmental Activities, Manpower Planning, and Budgeting.

Mr. Elsamra is responsible for directing the Human Resources group strategy with a key focus on helping develop the bank's transformation through leadership, differentiated talent models, attracting and developing the best talent, and building a culture of engagement, agility, and innovation. He is also responsible for planning, developing, coordinating, and tracking HR management to maximize the strategic use of human resources and provide business units with value-added HR services. He obtained his bachelor's degree from the Faculty of Commerce, English Department in June 1997.

Committees:

(CRC, a2, b3, b4, b5, b7, c4)

MR. HOSSAM RAOUF
HEAD OF INTERNATIONAL
BUSINESS AND FOREIGN BRANCHES

Mr. Hossam Raouf joined Banque Misr in August 2017 as Head of International Business and Foreign Branches.

Prior to joining the bank, Mr. Raouf served as Head of Saudi Arabia and GCC Markets at Credit Suisse Dubai from October 2008 to July 2011. He was responsible for managing a team and leading sales activities, as well as other responsibilities.

Mr. Raouf has rich banking experience extending over 30 years. He began his banking career at Misr International Bank in 1982 as Chief Dealer, until 1994, when he joined American Express Bank. At American Express Bank, he held various positions, including Treasurer and Head of Financial Market Services, until he was finally named Middle East Treasurer and Head of Financial Market Services, a post he held for 14 years.

Moreover, Mr. Raouf obtained an Executive Master of Business Administration from the American University in Cairo and the Kellogg School of Business in Chicago. He also attended extensive managerial, sales, and product-related training courses.

Committees:

(b9)



MR. IBRAHIM EL-SHERBINI
CHIEF INFORMATION OFFICER
AND ACTING HEAD OF DIGITAL
TRANSFORMATION

Mr. Ibrahim El-Sherbini joined Banque Misr in March 2018, as Chief Information Officer and Acting Head of Digital Transformation. Mr. El Sherbini was the Chief Operations Officer of Non-Market Operations and the Chief Information Officer at EFG Hermes. He was responsible for overseeing the IT, marketing, legal, facilities, and administration departments, directing the overall strategy, driving support to all EFG Hermes lines of business, in addition to steering the technology strategy of the firm and driving its development to further support and enhance EFG-Hermes’s products and services.

Mr. El-Sherbini was Vice President of Development at the Pennsylvania based Primavera Systems. He also helped drive the company’s implementation of agile development methodologies and successfully adapted agile methods to work within a project management culture. He has published articles and presented at conferences focused on both agile development and project management, and has mentored other development organizations in their adoption of agile development practices. He received a Master of Science in Computer-Aided-Engineering from Carnegie Mellon University and an MBA from the Wharton School at the University of Pennsylvania.

Committees:

(a1, E, I, ALCO, b1, a3, IFRS 9)

MR. IHAB DORRA
HEAD OF BRANCHES AND
RETAIL BANKING

Mr. Ihab Dorra was appointed as the Head of Retail Banking at Banque Misr in February 2017, later named the Head of Branches and Retail Banking. He is responsible for leading global performance and strategic delivery of a broad range of personal banking products and services, with a focus on new banking technology, innovative and digital banking trends, and online payment and e-banking channels. This is in addition to driving Banque Misr’s strategy in the retail business banking segments to maximize customer and shareholder value and achieve market-leading business growth. Prior to joining Banque Misr, Mr. Dorra was the Head of Retail Banking at Bank Audi Egypt, where he built the platform for a full-fledged retail arm, including Audi Première Service and Branch Model Optimization.

In 2008, Mr. Dorra joined Barclays as Cluster Head, managing a region of 15 branches constituting over 50% of the bank’s liabilities portfolio. Mr. Dorra also worked in Citibank in 2001, where he spent eight years in different positions ranging from Auto Loan Sales Manager and Auto Loan Product and Sales Manager to Branch Manager and Branch Area Head. Mr. Dorra, who is a Certified Trainer at the Egyptian Banking Institute (EBI), received a number of certificates and diplomas in retail banking, which enriched his area of expertise. He received a Banking Diploma from the University of Madison in Wisconsin, USA in 2016, in addition to holding an MBA from Operational Unit for Development Assistance (OUDA).

Committees:

(I, E, ALCO, b1, C, a4, a1, b5, IFRS 9)

MR. KHALED ATRIS ABDEL AZIZ
HEAD OF LEGAL AFFAIRS

Mr. Khaled Atris Abdel Aziz El Sayed is Head of Legal Affairs. He joined Banque Misr in 1993. He has more than 25 years of experience in various legal fields.

He has risen through the ranks, starting as a lawyer in the legal department until he reached his current position as the Head of Legal Affairs on March 13th, 2018.

Mr. Atris is also a Member of the Cairo Regional Center for International Commercial Arbitration, Member of the Arab Union for International Arbitration, Member of the Arab lawyers union, and Member of the Committee of Directors and Member of Legal Departments Affairs headed by the Council of Ministers.

Mr. Atris graduated from the Faculty of Law at Ain Shams University in 1991. He holds a master’s degree in private law from Ain Shams University and received an honorary doctorate from the Cambridge Academy of Science and Technology in collaboration with IAUS College and UNESCO.

Committees:

(E, I, a2, a3, a5, a6, a8, b1, b2, b4, b6, BRCC)

MR. MOHAMED AFIFI
GROUP CHIEF COMPLIANCE OFFICER
& CORPORATE GOVERNANCE

Mr. Mohamed Afifi was appointed as the Group Chief Compliance & Corporate Governance Officer in January 2019.

With more than 39 years of experience in the banking sector, he brings a deep perspective regarding banking operations, retail banking, and control functions. Before joining Banque Misr, he elevated his career in the banking sector while holding various senior positions at a number of leading regional and international banks and institutions, among which are the Arab Banking Corporation, Barclays Bank, NBAD, Crédit Agricole, and BNP Paribas. He also served in several senior management positions, including Group Head of Compliance, Chief Internal Auditor, Deputy Chief Operations Officer, and Regional Head of Compliance. He holds a bachelor’s degree in Business Administration.

Committees:

(FATCA, a1, a2, a3, b1, b2, IFRS 9, ICAAP, b6, b9)



MR. MOHAMED SHERIF
CHIEF FINANCIAL OFFICER

Mr. Mohammed Sherif was appointed as Chief Financial Officer in June 2019. Sherif is also a part-time instructor in the Egyptian Banking Institute; He is also a guest speaker in many international conferences in banking. He is also a Non-Executive Board Member in many joint-stock companies.

Prior to joining the bank this year, Mr. Sherif served as Executive Board Member, Chief Financial Officer and Strategic, and Transformation Director at Attijariwafaa Bank Egypt (formerly Barclays Egypt) since September 2012, and Board Member since January 2013. He joined Barclays Egypt as Operations Risk and Control Director in February 2009.

Prior to joining Barclays Egypt, Mr. Sherif held several positions at Citibank, most recently as Vice President and Quality Assurance Unit Head. Mr. Mohammed Sherif has an MBA from the German University in Cairo, in addition to his diploma in International Accounting Standards and Report from the Association of Chartered Certified Accountants (ACCA). He is also a member of the American Institute of Certified Public Accountants (AICPA) since 2004.

Committees:

(A, E, I, ALCO, V, b2, A5, b1, b4, a1, a3, a8, ICAAP, IFRS9, BRCC, C)

MR. MOHAMED YEHIA AHMED
CHIEF INTERNAL AUDITOR

Mr. Mohamed Yehia brings more than 20 years of professional experience in internal and external auditing. Before joining Banque Misr, he was appointed by Abu Dhabi Islamic Bank - Egypt as Chief Internal Auditor (Audit & Risk Review Division Head). Additionally, he held various senior positions, such as Head of Retail Audit, Head of Operations, Branches, and Financial Audit. He was the acting Head of Corporate Credit Audit and a member of the international/cross border audit team in the UAE, and Sudan.

For his efforts in the bank, he was assigned to carry out additional tasks, being the Chairman of the Board of Directors of the Bank's "End of Service" Fund. Previously, he joined KPMG-Hazem Hassan as a Senior Audit Manager (Financial Sector and Contracting).

He gained vast experience while working at prominent institutions. He combined his professional experience with academic and professional learning. He is a CPA, CIA, CISA and CFIP holder. His professional experience includes auditing financial statements, fraud investigations, audit quality assurance, IT, information security, corporate and retail credit risk, operations, subsidiaries, compliance, and corporate governance, in addition to conducting financial due diligence (valuation) for financial institutions for mergers and acquisitions. He has a well-established track record in strengthening the organization internal control systems, risk management framework and corporate governance.

Committees:

(A,G,E,a5,b6,ALCO,IFRS9,BRCC)

MR. MOUSTAFA GAMAL
HEAD OF TREASURY AND
CORRESPONDENT BANKING

Mr. Moustafa Gamal was appointed as the Head of Treasury and Correspondent Banking in August 2018.

Mr. Gamal brings over 28 years of experience in the banking industry, having held a range of leadership positions in a number of banks. Before joining Banque Misr, he was the Senior General Manager for Treasury and Capital Markets at Bank Audi, a role he held for eight years.

Prior to this, he spent 20 years, from 1990 until 2010, in the Commercial International Bank, Egypt (CIB) in a variety of roles, including Director and Chief Dealer. Additionally, he served in different areas, including branches and trading support, and treasury.

Mr. Gamal received a Banking Diploma and a Certificate of Executive Leadership from the University of Madison in Wisconsin, USA in 2014 and 2016 respectively. Additionally, he completed training programs in USA, UK, and GCC.

Committees:

(C, E, CRC, ALCO, b2, b5, a3, b9, V, IFRS 9)

ENG. SAYONARA EL ASMAR
CHIEF OPERATION OFFICER

Eng. Sayonara El Asmar has been appointed as Chief Operations Officer in Banque Misr since May 2019. In addition, she is a member of the Bank's Executive Committee and Board member in I-score.

She has been working in the banking operations and information technology field for the last 34 years. Her banking experience includes managing IT departments, implementing different core banking systems, managing operation division, and handling all type of operations related to individuals and companies, besides managing automation and process re-engineering projects to optimize processes and resources utilization. Thus, increase operational efficiency, reduce turnaround time and enhance quality of service. Moreover, El Asmar participated in different merging processes and digital transformation initiatives. She also formalized and implemented the digital transformation strategy for banking operations.

Prior to joining Banque Misr, Sayonara was Head of Bank Operations and Deputy COO at Credit Agricole Bank - Egypt for 13 years, and Head of Information Technology department at the CALYON/CAE, a subsidiary of Credit Agricole Group for 6 years. Preceding these posts, El Asmar held different positions in the Information Technology department in the Egyptian American Bank, a joint venture between American Express Bank and Bank of Alexandria for almost 16 years.

She earned a bachelor's degree from the Faculty of Engineering, Cairo University in 1984.

Committees

(E, I, a1, a3, b2,b7,c3)



MR. SHEHAB ZIDAN
HEAD OF GLOBAL TRANSACTION BANKING AND HEAD OF TRANSFORMATION OFFICE

Mr. Shehab Zidan joined Banque Misr in October 2017 as the Head of Global transaction Banking and Head Of Transformation office. Mr. Zidan has extensive experience spanning over 18 years, whereby he held diversified banking managerial roles in the commercial operations, financial institutions, corporate banking, and global transaction banking departments. In September 2018, he took responsibility for governmental relations in Banque Misr after the Governmental Relationship Department was consolidated under BM's Global Transaction Banking. Mr. Zidan commenced his banking career in 2000 with the Commercial International Bank (CIB), after which he joined the Arab African International Bank (AAIB) in 2004. During the period from 2007 until 2017, he worked at Barclays.

From 2014 to 2017, he was responsible for establishing the Global Transaction Service (GTS) platform in Barclays Egypt. Mr. Zidan graduated with a bachelor's degree from the Faculty of Commerce and Business Administration at Helwan University. He studied Business Administration at the American University in Cairo in 2000 and he holds an MBA from ESLSCA Business School. Mr. Zidan also holds several professional certificates, including the CDCS from the IFS School of Finance and the International Chamber of Commerce (ICC), and the Advanced Commercial Lending certificates from the IFS School of Finance. In addition, he successfully completed Harvard Business School – EBI Executive leadership program.

Committees:

(E, ALCO, C, a3, a4, b5, b7, c4, IFRS9)

MR. SHERIF ELBEHERY
HEAD OF SMEs, MICROFINANCE AND ISLAMIC WHOLESALE BANKING

Mr. Sherif El Behery is currently the Head of SMEs, Microfinance and Islamic Wholesale Banking at Banque Misr, a position he has held since April 2017. Mr. El Behery brings vast experience to the role, having worked in various banking sectors throughout his career, including SMEs, retail banking, finance, business development, and strategic capacity planning.

Prior to this post, Mr. El Behery was the Director of Retail and Business Banking at Barclays Egypt, a role he held for three years.

Mr. El Behery joined Barclays Egypt in 2010 as the Director of Strategy, Planning, Marketing, and Corporate Affairs. He formerly joined Barclays Africa Center-UAE, where he spent nearly four years moving between senior roles in the Emerging Markets Center and Russia.

He also held various senior positions at Vodafone and Citigroup, including Head of Business Performance and Business Manager for the Middle East, and North Africa Global Transactional Services, respectively.

Mr. El Behery holds a Business Administration degree from Ain Shams University, in addition to being a CFA charter holder.

Committees:

(E, c1, a3, a4, C, c6, b7, IFRS 9)

DR. SUZAN F. HAMDY
CHIEF INVESTMENT OFFICER

Dr. Suzan F. Hamdy is currently the Chief Investment Officer. She also oversees the assets managed by the Capital Markets Group.

Dr. Hamdy has a career spanning more than 35 years in the banking industry. She began her career at the credit and syndications department at the Arab African International Bank, where she worked in a variety of banking divisions, including project finance, remedial management, investment banking, retail banking, marketing, business development, and foreign branches. She was formerly the Chairman of the Nile Fund Company for Development and Investment in the Nile Basin countries. She was also a Board Member at the Export Development Bank and several other companies. In 2014, Dr. Hamdy was chosen as one of the top 10 bankers in Egypt, and as one of the 50 most influential women in the Egyptian economy in 2015. She was also selected as a member of the International Who's Who of Professionals for the year 2009. Moreover, Dr. Hamdy is a member of different business associations, such as the Egyptian Capital Market Association, Fixed Income Association, Egyptian Investment Management Association, the American Chamber of Commerce, the British Egyptian Business Association, and the World Studies Future Generation in Finland.

She had represented Egyptian banks as part of the Visa International Risk Advisors for the Central and Eastern Europe, Middle East, and Africa (CEMEA) region. She holds bachelor's and master's degrees in Economics from the American University in Cairo. Graduating at the age of 17, Hamdy obtained her P.h.D. in Monetary Policy from the University of Hungarian Sciences at the age of 22, to become the youngest university graduate and P.h.D holder in Egypt and the Middle East.

Committees:

(E, ALCO, V, b2, a5, C, IFRS 9)

Eng. TAREK ALI
HEAD OF ADMINISTRATIVE AND ENGINEERING AFFAIRS

Eng. Tarek Ali joined Banque Misr in 2009 as the General Manager of the Administration Department for two years. He was subsequently promoted to his current position as the Head of Administrative and Engineering Affairs in 2011. Eng.Tarek Ali is also a Board Member at Amanco company.

He has about 35 years of proven experience in various fields. Before joining Banque Misr, Eng.Ali was the Head of Supply Chains at Americana Group. He was formerly the Head of the Operations Department at Quick-Tel Egyptian Telephone Company.

Prior to that, he was the Head of the Purchases and Materials Department at Magrabi Hospitals. Eng. Ali spent 15 years in senior roles at Xerox Egypt, including Quality Assurance Manager, Administration and Training Manager, Production Manager, and finally as Head of the Materials and Export Department. He holds a bachelor's degree in Power Engineering from the Faculty of Engineering at Ain Shams University.

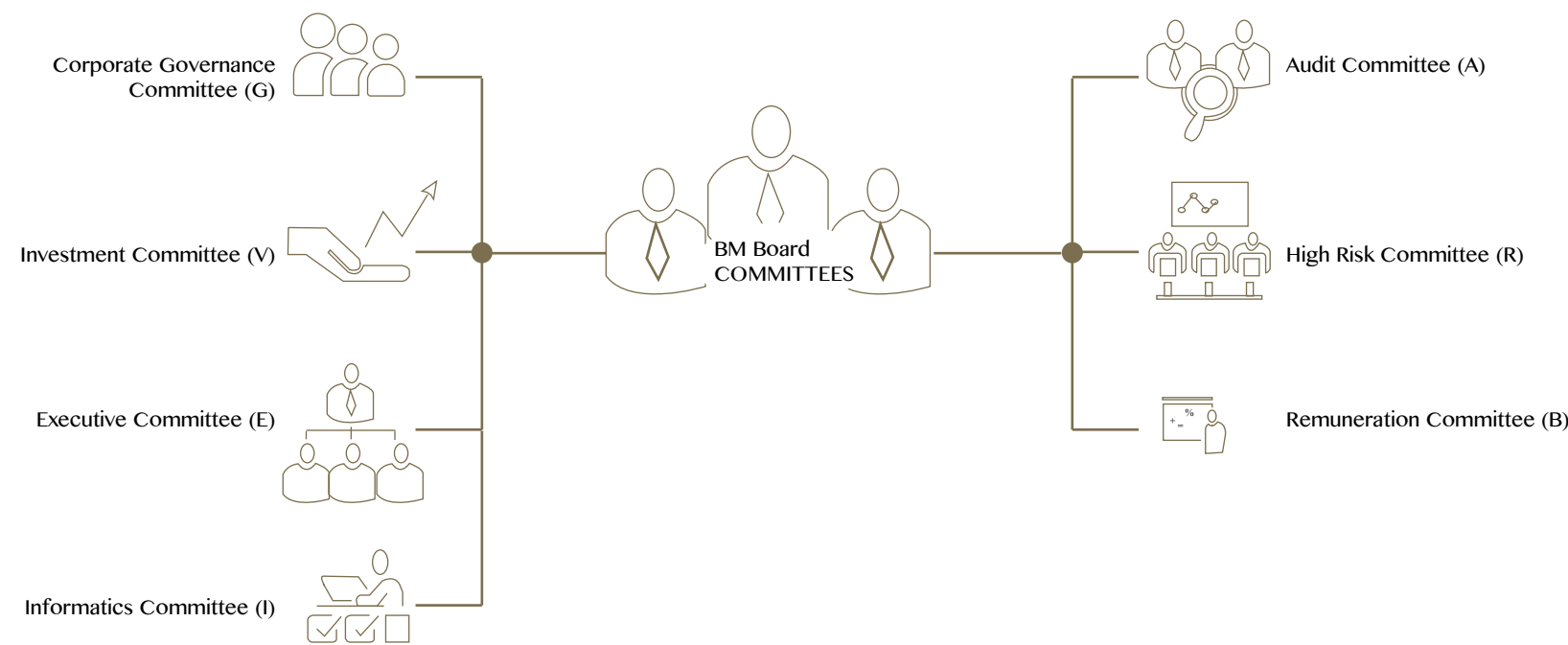
Committees:

(E, b1, b2, a5)

BM

Board COMMITTEES

The Board of Directors is a governing body, comprised of principal decision-makers. It is responsible for representing the stakeholders’ interests. It also ensures effective implementation of the bank’s risk management strategy. The Board is accountable to the General Assembly of Financial and Operational Performance. It is responsible for providing leadership in order to deliver long-term value to stakeholders. It also leads the management to act in the interest of the public as well as stakeholders, and to set corporate management policies.



Audit Committee (A)

Responsible for overseeing the financial reporting process, including the risks and controls in that process. The committee should supplement figures received from the executive management with further information and assurance from both internal and external auditors.

Corporate Governance Committee (G)

Ensures strict adherence to the principles of corporate governance and oversees the strict compliance to all relevant laws and regulations imposed by the Central Bank of Egypt and all other regulatory bodies.

Investment Committee (V)

Evaluates and allocates the investment budget on the bank’s macro level.

Remuneration Committee (B)

Governs and leads major decisions regarding all matters related to Banque Misr’s total reward strategy, taking into consideration the following aspects: Egypt’s gross domestic product, updated inflation rates and market changes in terms of reward structures in the banking sector, ensuring that BM is aligned with its market competitors.

Executive Committee (E)

Controls all funding operations, contributions made in corporate capital, and the bank’s credit facilities.

Informatics Committee (I)

Monitors the offered services, ensuring that all needs are being catered to, up to the highest standards, to maximize the bank’s return on investments in the field of informatics.

High Risk Committee (R)

Risk management is an integral part of banking business. BM’s strategy should incorporate policies and actions regarding the risks it is willing to take and the means by which it will manage and mitigate those risks. The High Risk Committee ensures that all relevant business risks are identified, that their impact has been properly assessed, and that there are enough policies and regulations in place to manage all risks effectively.

● **Audit Committee:**

The committee handles a number of responsibilities that include:

A- Financial Statements:

- Studying annual financial statements before presenting them to the Board of Directors for approval.

- Ensuring that the bank’s Executive Committee periodically reviews the value of collateral put up against loans and credit facilities.

- Studying the Central Bank of Egypt’s observations on the bank and its financial statements following inspections and reporting them to the Board of Directors with recommendations.

B- Internal Audit System:

- Reviewing the reports compiled by the Inspection Department, including reports on the sufficiency of the internal audit system at the bank.

- Coordinating between the tasks of internal and external auditing and ensuring that there are no obstacles preventing communication between the head of the Inspection Department and auditors.

- Reviewing the procedures adopted by the bank’s management to ensure compliance with the Central Bank of Egypt’s auditing standards and regulations.

C- Compliance, Money Laundering And Risk Management:

- Reviewing reports compiled by the head of compliance at the bank.

D- Auditors:

- Providing recommendations to hire auditors, setting their tasks, and reviewing issues related to their resignation or dismissal, according to legal provisions and the Central Auditing Organization law.
- Offering counsel on permission to assign auditors to provide services to the bank, rather than reviewing financial statements.

E- Inspection Department:

- Reviewing and adopting the annual inspection plan.

● **Executive Committee:**

The Executive Committee reviews the overall bank strategy, prior to submission to the Board of Directors for approval.

The committee reviews and approves:

A- Newly delivered retail asset and liability products and/or financial schemes.

B- Credit facilities within the authority granted to the committee and in accordance with the bank’s credit policy.

C- Investment strategies and decisions in accordance with the committee’s set authorities.

D- Settlements and/or the rescheduling of remedial loans in accordance with the bank’s set policies.

E- Allocated provisions and reserves in accordance with the Central Bank of Egypt’s (CBE) regulations and internal policies.

The committee ensures the enforcement of all of the CBE’s regulations and legislations. It follows up on the financial results and performance indicators of the bank on a monthly basis and addresses areas of concern.

The committee approves capital expenditures related to the

purchase of new branches, IT systems, and procurement, after being studied and approved by the relevant committees.

The committee studies and recommends modifications to HR policies, incentive schemes, and appraisal systems.

It evaluates the bank’s performance, competitiveness, and brand positioning with regards to the local market and in all countries where Banque Misr has branches and/or subsidiaries. The committee has administrative and financial authorities in accordance with the bank’s regulations, approved by the Board of Directors. It also has lending authorities according to the approved credit policy.

The Board of Directors may delegate additional authorities to the Executive Committee when deemed necessary, to facilitate the bank’s operations.

● **Corporate Governance Committee:**

The committee handles a number of responsibilities that include:

A- Defining clear boundaries of responsibility and accountability in the bank and ensuring the clarity of the rules relating to the existence of:

- A policy to deal with related parties.
- Effective internal control and risk management systems, and compliance with laws and regulations.
- Workable policy to replace the different functions.

B- Ensuring the availability of applicable policies, systems and the means to ensure the following:

- The senior management and Board of Director’s commitment to the principles of governance.
- The application of good practices in the bank, in accordance with the Basel II accord.
- Staff commitment to the implementation of the banking code of conduct.

- The bank’s assessment of the efficiency of its governance structure to its potential customers as part of the process to approve the granting of credit to such customers.
- The relevant departments ensuring the bank’s adherence to the application of corporate governance rules established by or added to the bank.
- The application of corporate governance rules in emergencies and crisis management.

● **Informatics Committee:**

Providing domain expertise, leadership, and guidance to the bank to help it achieve its objectives through:

A- Constantly reviewing the bank’s strategies and activities, as well as monitoring the offered services, ensuring that all needs are being catered to, up to the highest standards, to maximize the return on the bank’s investments in the field of informatics.

B- Following up on the development of the bank’s services, the flow of its operations, and the archiving of data, by bridging between the bank’s reporting requirements and data architecture to ensure that all data models are aligned with the bank’s main strategy.

C- Managing the development and distribution of data and reports provided to the bank’s internal and external customers, along with eliminating risky operations and protecting data from potential threats.

● **Investment Committee:**

Assisting the Board of Directors in overseeing investment activities from a strategic perspective.

The committee focuses on the following areas:

- A- Macro-economic and market conditions as they pertain to the bank.
- B- The bank’s investment strategy, taking into account the implications of accounting, standards, taxation laws, regulatory requirements, and bank policies.

- C- Overseeing investment exposures across multiple asset classes.
- D- Reviewing investment risk levels for each asset class and overall.
- E- Setting criteria for regular investment reporting.
- F- Ensuring that investment guidelines are adhered to and that procedures are in place to ensure that portfolios are managed in compliance with investment policies for each asset class.
- G- Monitoring performance in line with the bank's strategy and objectives.

● **High Risk Committee:**

Assisting the Board of Directors in carrying out its roles in relation to the control and supervision of the overall risk management framework at Banque Misr.

The committee also follows up on the functions of risk management through:

- A- Compiling reports and following up on compliance to capital strategies, liquidity management, credit and market risks, operational risk, and any other risks the bank may become exposed to.
- B- Controlling and supervising the development and evaluation of the general risk management framework in the bank in terms of: credit, investment, market, and liquidity risk, as well as operational risk. The committee should take into account all required policies, procedures, systems, and tools used by the executive management in the risk control and identification of acceptable risk (risk appetite) for each of the major risks in light of the surrounding environment, as well as current and prospective economic and financial conditions.
- C- Ensuring the application of regulatory instructions and governance principles, and following up on the related principles and policies in line with them.
- D- Auditing reports that contain the key risks faced by the bank, which cover all credit, investment, market, liquidity, and operational risk and

setting the boundaries used for follow-up allocations (risk exposures), in addition to the standards of the risk management system in terms of acceptable risk percentages and rates.

E- Reviewing the procedures and policies followed for setting the maximum limits on risk and risk concentrations (risk/concentration limits), as well as ensuring that reports illustrate the trends in terms of investments and concentrations, versus unauthorized limits.

F- Reviewing the size of the bank's liquidity and making recommendations to the Board on the comprehensive framework for liquidity risk, including the results of the different assumptions of stress tests (liquidity stress).

G- Emphasizing the independence of the Chief Risk Officer through his/her jurisdiction in directly reporting to the Board of Directors or the High Risk Committee without any obstacles.

Additionally, he/she may not perform any financial or administrative responsibilities that contradict with his/her job as General Manager of the Risk Management system.

H- Ensuring that all risk management reports are rated according to:

- The probability of occurrence of those particular risks.
- The completion of the internal control systems of the bank to manage those risks.

● **Remuneration Committee:**

The committee works to establish and maintain a competitive and equitable remuneration/compensation and benefits policy that results in a powerful total reward strategy designed to attract engage and retain a workforce that helps BM achieve immediate and long-term sustainable success.

Moreover, it is also responsible for reviewing and approving any updates or modifications to BM's salary structure, ensuring the competitiveness of the wages and benefits programs offered to employees. This is to make sure that these programs comply with the bank's strategy to attract and maintain outstanding performance among employees.

The committee also monitors and evaluates the overall structure of the employees' financial and non-financial rewards through:

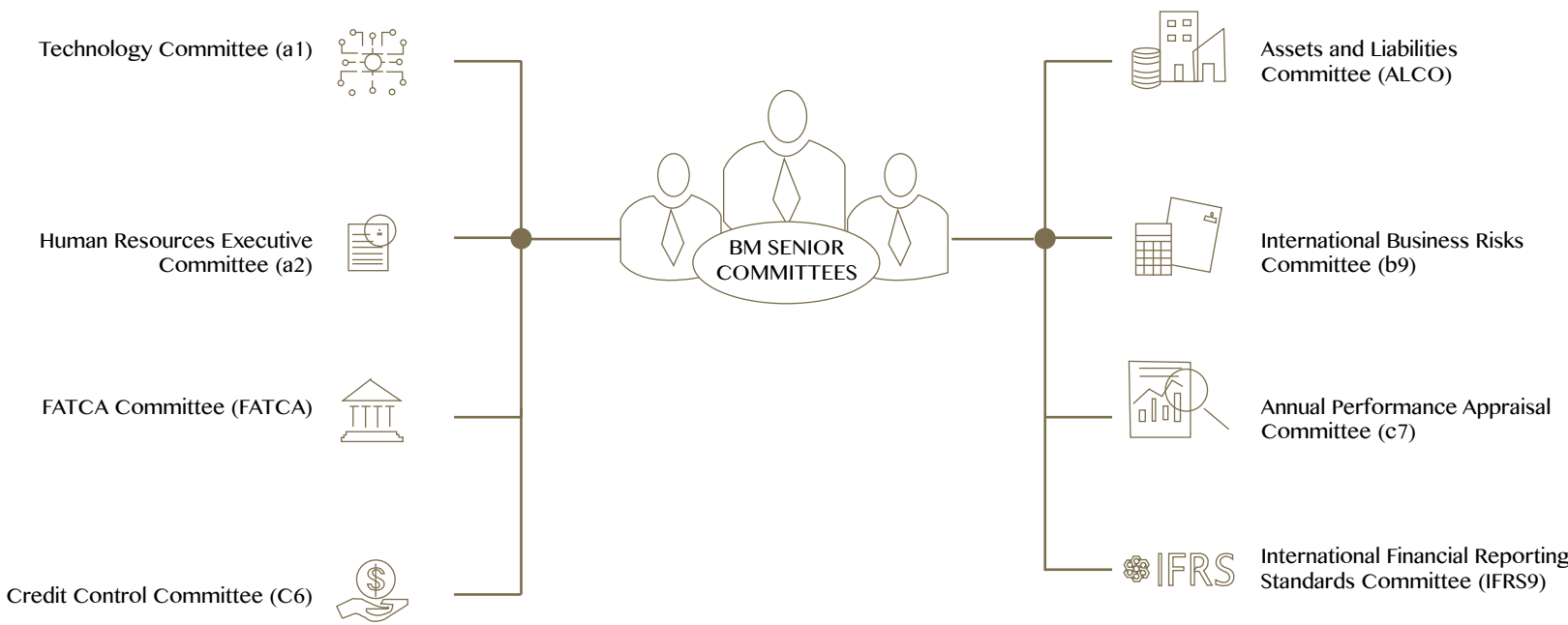
- Reviewing the all related proposals designed by the HR Department resulting in fundamental changes related to the philosophy and strategy of the bank's income and benefits.
- Ensuring that the incentive policies offered to managers do not lead to the acceptance of excessive risk and do not exceed the market high-end total cash in similar positions.
- Periodically reviewing the public policy programs for income, taking into consideration Egypt's gross domestic product, updated inflation rates and market changes in terms of reward structures in the banking sector, and presenting them to the Board of Directors for approval.
- Reviewing the long-term policy programs, such as the benefits related to the end of service or healthcare after retirement, ahead of submitting them to the Board of Directors for approval.

BM

SENIOR COMMITTEES

Governance Bodies

The committees retain the authority and responsibility for the bank’s strategic guidance while ensuring competence and diligence, while undertaking their supervisory responsibilities to assess the efficiency of the bank’s performance, and ensure accountability to the bank’s management and its stakeholders.



Assets and Liabilities Committee (ALCO)

Responsible for the formulation of the management strategy for assets and liabilities, as well as specifying the key performance and risk indicators, while taking all the necessary executive decisions to achieve the goals set by these indicators.

Corporate Restructure Committee (CRC)

Governs and oversees new structures, in which new manpower is requested and job leveling is reviewed for endorsement, ensuring that there is no duplication of functions and the bank’s resources are fully utilized. This review can result in the approval, boundary change, re-allocation, merger, or rejection of business proposals, based on the bank’s strategic direction aligned with modeling the best-applied practices in the peer group.

FATCA Committee (FATCA)

Ensures the bank’s compliance with the U.S. Foreign Account Tax Compliance Act (FATCA) regulations and the provision of the required systems and mechanisms, as well as examining any obstacles to applying those regulations. The committee does not have any financial authorities, and all recommendations from the committee must be presented to the Executive Committee.

Internal Capital Adequacy Assessment Process Committee (ICAAP)

Responsible for the bank’s Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP was formed as a result of Pillar 2 of the Basel II accords, which targets a better quality of regulatory capital, along with better risk management and supervision. The committee is responsible for coordinating and implementing a comprehensive vision for all the bank’s departments, to implement the Internal Capital Adequacy Assessment Process.

International Financial Reporting Standards Committee (IFRS 9)

Implements new financial instruments through developing an action plan, follows up on implementation in accordance with the adopted timeline and ensures the bank’s compliance with the Central Bank of Egypt’s guidelines in this regard. IFRS 9 introduces new requirements on how an entity should classify, measure and reflects impairments to financial instruments.

The Board Risk and Compliance Committee (BRCC)

The committee aims at developing, reviewing, and overseeing the bank’s compliance strategy and its consistency with BM’s evolving plans and adopted policies. The committee monitors high risks, concentrations or exposures, and recommends reform procedures. The committee also evaluates mitigation procedures and ensures that inherent risks controlled effectively within the scheduled timeline.

Technology Committee (a1)

Evaluates all technological and informatics systems.

Human Resources Executive Committee (a2)

Reviews and approves various HR-related policies, including and not limited to hiring, job transfers, leaves, temporary assignments, promotions, disciplinary actions, post-graduate educational support, etc. This is in addition to reviewing staffing structure and succession planning. It also reviews reports related to confirmed changes in the types of contracts for employees, from limited term contracts to permanent contracts. In addition, the committee further oversees rehiring cases, and unpaid leaves for reasons apart from childcare. It is worth highlighting that the committee does not hold any HR-related financial authorities.

Procedure Manuals Committee (a3)

Aims to ensure the bank's compliance with and adoption of the guidelines and other procedures comprised in all-new, updated, and amended instruction manuals across all divisions and departments.

ATMs & Branches Network Development Committee (a4)

Specifies the requirements of new or alternate branches nationwide, as well as reviewing requests from regions and branch management departments to expand branches.

Real Estate Divestment Committee (a5)

Facilitates a systematic and suitable disposal of unserviceable properties that have been acquired by the bank in stages, to be sold in steps.

Committee for Receiving Assets Owned by Holding Companies' Affiliates (a6)

Based on the Framework Debt Swap Agreement signed on September 14th, 2009 between Banque Misr, the National Bank of Egypt, and holding companies, regarding the assets owned by subsidiaries of the holding companies, the committee is responsible for coordinating a collective settlement through exchanging the debts of lagging public companies for land plots.

Committee for Setting Returns on Islamic Transactions(a7)

Reviews BM's Islamic branches' performance and return rates on a monthly basis, and sets the applicable return rates.

Settlement Committee (a8)

Reviews suggestions for the settlement of client debts, liquidating facilities, and/or debt write-off.

Senior Gulf Branches Committee (b)

Reviews and approves credit cases extended to Gulf Branches' corporate borrowers and participates in syndicated loans. Reviews suggestions for the settlement of Gulf clients' debts and/or debt execution.

Administrative Affairs Committee (b1)

Reviews the requirements of the bank's various departments, whether furniture, equipment, office supplies, publications, and other requirements, as well as anything related to the bank facilities.

Crisis and Emergency Management Committee (b2)

In light of some unusual events that the country experienced over the past few years and in order to be ready for any adverse political and economic circumstances, this Committee was formed to address any potential crises and to handle any emergency situations following natural disasters. The committee creates and maintains an efficient and integrated structure for preventing and managing incidents. It aims to ensure preparations for crisis situations and develop action plans.

Medical Services Committee (b3)

Assesses all offers from medical specialists, hospitals, and laboratories, to select the most suitable and low-cost services to provide comprehensive medical packages for employees and their families. The committee issues decisions regarding handling of chronic illnesses, and the relevant actions in relation to the type of work. It also follows up on the monthly financial status of the bank's medical service system and decides on how to ensure a balance between the system's expenses and resources.

Support and Medical Care Committee (b4)

Responsible for providing financial assistance and granting expedited approvals following social disasters that affect the basic needs of employees and for the treatment of exceptional medical conditions.

Banking Services Tariff Committee (b5)

Responsible for reviewing and amending the tariffs for the provision of the banking services in Banque Misr.

Grievances Committee (b6)

Reviews any complaints/grievances submitted by employees regarding performance evaluations, disciplinary actions imposed on employees, or actions that violate BM's code of conduct, with the aim of achieving conflict resolution and fair treatment in resolving issues.

Senior Management Nomination Committee (b7)

Conducts interviews with candidates seeking senior-level positions at Banque Misr i.e. General Manager and Senior Deputy General Manager positions.

Middle Management Nomination Committee (b8)

Conducts interviews with candidates seeking positions at specialized departments at Banque Misr.

International Business Risks Committee (b9)

Approves all limits related to Pre-Settlement Risk (PSR) provided by different business lines and/or the International Business Department (new extension of facilities, renewal, increasing limits). Credit customers are excluded from this.

Senior Credit Committee (C)

Formed of Senior Executives of the bank to approve credit facilities within its delegated authorities, review policies, and set strategies for various business units.

Main Credit Committee (c1)

Approves credit facilities within its delegated authorities.

SME Credit Committees (c2): (Three committees)

Approve facilities (new, renewal, amendments, etc.) within their delegated authorities for companies that fall under the SMEs portfolio.

Settlement of Retail and Corporate Banking Customers Committee (c3)

Considers the debt settlement offered by the debt Remedial or Retail Banking departments, whose indebtedness does not exceed EGP1m or its equivalent in any other major foreign currency, excluding marginal returns.

Interviewing Committee for Entry-Level Applicants (c4)

Responsible for conducting interviews and selecting the successful applications of new recruits, ensuring that their performance is up to the bank's standards, vision and strategic objectives.

Re-Interviewing Committee for Entry-Level Applicants (c5)

Conducts second interviews with applicants who scored less than 70% in their first interviews, and who are compliant with the bank's terms of service, in light of staff shortages in various departments. The second interview is conducted within six months of announcing the results of the first assessment.

Credit Control Committee (c6)

Reviews the status of clients, whose related facilities are suspended due to irregularities in their accounts, warning signs that appeared due to internal or external factors, or accounts that breach approval terms or covenants. Reviews all accounts falling within these criteria in terms of account behavior, collateral position, and recommends the appropriate course of action.

Annual Performance Appraisal Committee (c7)

Responsible for discussing and endorsing the defects in the annual performance appraisal reports.

Central and Non-Central Small Enterprises Financing Committees (c8)

Responsible for small-sized business financing schemes and products, both in the conventional and Islamic branches.

OUR COMMITMENT

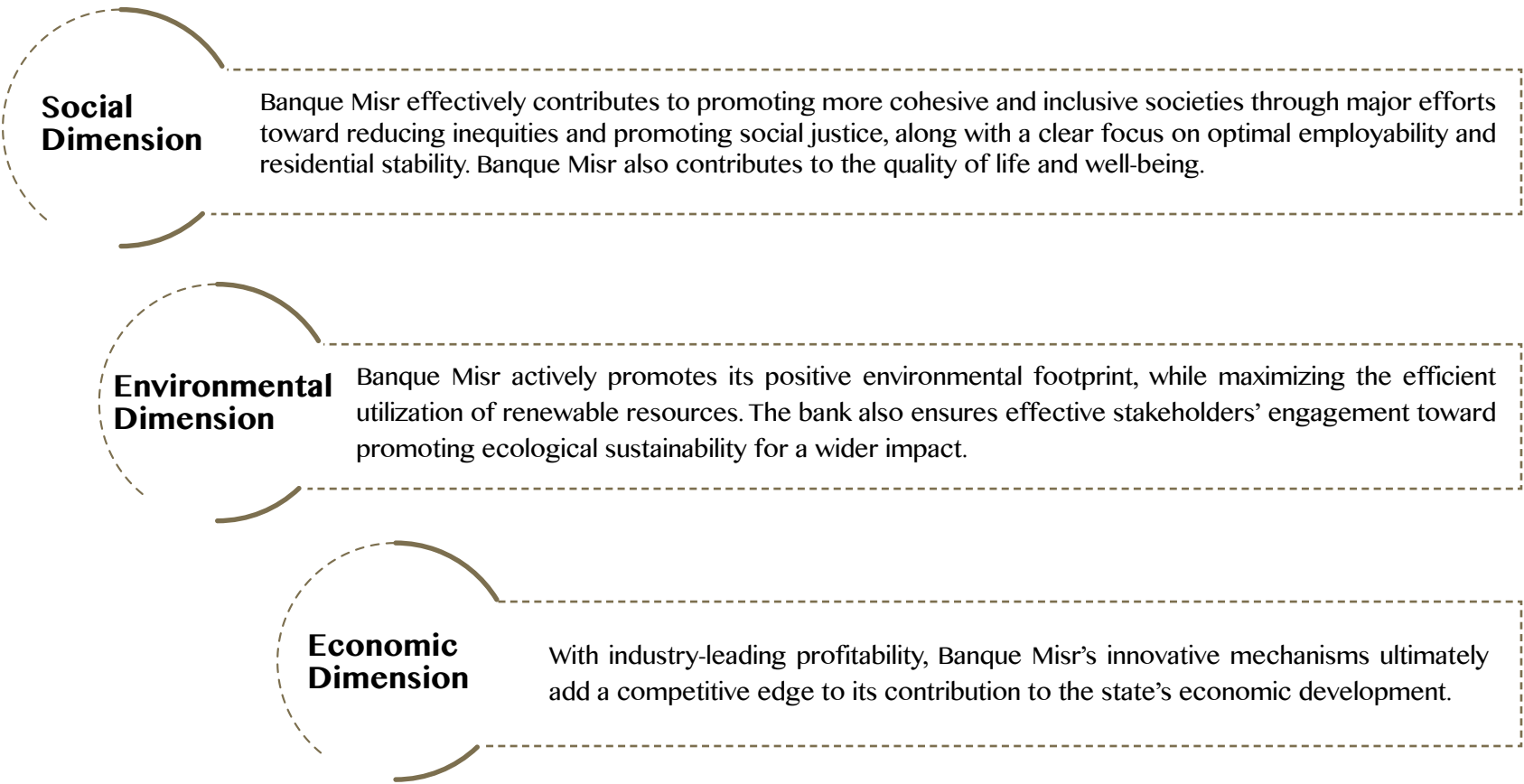
Bringing a sustainable future-forward vision after a century-old legacy, our commitment will continue to expand the breadth of our efforts to ensure sustainable development in the community we serve. Hence, our mission is as expansive as our capacity to act for the community. To this end, we bring the best standards and practices to our multi-dimensional strategy, culture, and day-to-day operations. Banque Misr’s strategy is underpinned through acknowledging that its long-lasting profitability depends on stability, economic growth, shared prosperity, and a better ecosystem. Banque Misr enables stakeholders’ collaborative engagement while empowering others and respecting differences, encouraging effective risk management while adopting good governance and anti-corruption practices.

Moreover, equal weight is given to its market-leading role through its resilient commitment to the best international standards. Banque Misr’s adherence to the UN SDGs, UN Global Compact, and Responsible Banking Initiative is widely reflected in its sustainable action plan. Thus, Banque Misr gained solid stakeholders’ loyalty and ensured success. Further, BM fosters collaboration with a wide range of partners across the community for a more sustainable impact on a larger scale.

In order to propel better prosperity in line with inclusive economic growth, we effectively engage with our stakeholders in adopting more sustainable action. Hence, Banque Misr is effectively accountable to them. Further, BM’s strategy clearly entails a good governance structure and adherence to the highest level of ethics and integrity.

Three-Dimensional Sustainability Strategy

Taking the three pillars of sustainability further, Banque Misr has built a true paradigm of sustainability within a triple-bottom-line framework.



RESPONSIBLE BANKING APPROACH LONG- LASTING COMMITMENT

Throughout 100 years of dedication to economic growth and community wellbeing, Banque Misr continues to deliver on its mission to best serve the community. Banque Misr’s corporate culture is consistently compliant to good governance and responsible banking principles to steer operations toward a promising future. In matters of its corporate governance approach, Banque Misr always keeps a close attention to three action areas.

The bank’s value-driven management system ensures maximizing its stakeholders’ value, while retaining better and long-lasting relationships with them. As for BM’s managers and employees, performance-based compensation represents a rewarding incentive to maintain their remarkable contributions to its ongoing success. Furthermore, transparency through reporting is always deemed crucial for Banque Misr to maintain its status as a pioneering financial institution.

BM’s Board of Directors upholds the highest standards of corporate governance, integrity, and ethics. BM’s Board of Directors’ agenda entails internal control, risk management and regulatory compliance, which is considered of a paramount importance. Further, policies and practices concerned with compliance to legal and regulatory requirements are considered a priority during the Board of Directors’ meetings.

Banque Misr abides by sound governance for promoting accountability, transparency, efficiency, and commitment, as they are considered resilient assets to the bank’s control system framework for equitable and sustainable development. Banque Misr has not set a policy on gaining external assurance for its GRI index and sustainability review, however internal assurance is constantly carried out to ensure quality and promote credibility, as sustainability represents the main pillar of its legacy of success.

Banque Misr’s operations and activities is subject to the supervision of the Ministry of Finance, the Central Bank of Egypt, the Financial Regulatory Authority, and the Central Auditing Organization. With regard to the bank’s financial statement, Banque Misr’s financial statement is subject to external assurance. Banque Misr’s financial statements are audited by a third party, a Certified Public Auditor.

Banque Misr’s pre-eminence in leveraging its sustainability potential is achieved through incorporating best practices:

- 1- Governance
- 2- Code of Conduct
- 3- Whistleblowing...Zero-Tolerance Policy
- 4- Anti-Money Laundering and Combating Terrorism Finance
- 5- Data Protection & Cybersecurity
- 6- Risk Management
- 7- Transparent Remuneration System

Governance

Through its cohesive governance policies, Banque Misr attains the highest levels of sustainable transparency and integrity. Moreover, accountability and disclosure have crucial importance to the effectiveness of the bank’s core operational strategy.

To ensure more sustainable excellence, Banque Misr has set an established corporate governance strategy to prudently maintain high standards of business ethics and integrity. Subsequently, Banque Misr is committed to fulfilling the highest standards of accountability and transparency to maintain our stakeholders’ trust and confidence.

Promoting balance between its stakeholders’ values and continuous high profitability rates is consolidated in the Board of Directors’ agenda within a crystal clear governance framework. Additionally, compliance to the best policies, system controls, and practices is a high priority, as a key element of its sustainable success.

The bank’s Corporate Governance Committee submits semi-annual reports to follow up on performance in line with global governance principles. Meanwhile, the Board of Directors’ annual report covers disclosures.

Our Sustainability Governance Structure is based on five key pillars

Clients

Banque Misr is fully compliant with confidentiality and transparency to leverage added value with our clients.

Stakeholders

A proactive approach is adopted in regularly engaging with a wide spectrum of stakeholders and employees to ensure professionalism in the best working environment.

As a fundamental asset to its success, Banque Misr’s employees always show a full commitment to the top standards of professionalism.

BM’s Goals for Sustainable Success

Banque Misr adopts a built-in strategy for sustainability, adhering to the best practices and standards, including the UN Global Compact standards for citizenship. It successfully adopts the UN’s SDGs, as well as Egypt’s Vision 2030.

Community Wellbeing

Banque Misr always ensures solid momentum in its efforts toward the prosperity of the community it serves. In line with corporate sustainability best practices, Banque Misr has placed a rising emphasis on CSR activities.

Reports and Follow-ups

The bank’s Corporate Governance Committee receives semiannual reports to ensure sustainability, in line with universal governance principles. These disclosures are also covered in the Board of Directors’ annual report.

Code of Conduct

Banque Misr’s code of conduct stipulates sound principles to safeguard its genuine reputation of success. It underpins the business ethics and morals, which represent the bank’s core values.

The code of conduct is a clear guidance to our staff, and is deeply embedded as a solid culture based on transparency and integrity, ensuring that our employees maintain the highest levels of professionalism and confidentiality in addition to avoiding any conflict of interests.

Further, the confidentiality of information is a top priority whether internally or externally, so as to avoid any conflicts of interests. Thus, confidential information can only be shared if it's essential for the performance of a job function. During FY 2018/2019, the Board members stated that no conflict of interest had occurred.

Whistleblowing ... Zero-Tolerance Policy

As a part of Banque Misr’s culture of responsibility and commitment, Banque Misr has zero tolerance for corruption, bribery, and all violations of laws or its documented code of conduct. Banque Misr strictly adopts whistleblowing, a GRI global standard, to ensure full compliance with all laws and regulations, in addition to mitigating any potential risks of noncompliance.

In this regard, the bank’s whistleblowing policy shows all employees’ commitment to integrity through positive action to strengthen the bank’s reputation. Thus, all the employees receive supplementary training programs, which cover BM’s regulations and policies.

Various whistleblowing channels are available to adequately address any concerns in terms of disclosing any sort of misconduct. The main reporting channels include written letters, emails and phone calls. whistleblowing cases may also be raised directly to senior executives and line managers, in

addition to human resources, security, and fraud departments. Whistleblowing allegations are investigated thoroughly to take preventive actions. Regardless of which reporting channel is used, confidentiality will be maintained to the fullest extent possible. Whistleblowers can select a different channel other than the main ones for reporting if the misconducts violate established standards of practice, or are improper behaviors, so as to ensure effective ways to act on such breaches.

Anti-Money Laundering and Combating Terrorism Finance

Banque Misr mitigates any potential risks, especially those related to money-laundering and terrorism financing, in order to promote peaceful and just societies, in compliance with the UN’s Sustainable Development Goal no. 16. In order to abide by the best possible compliance practices, the bank regularly takes key follow-up actions, including the periodical review of its strategies and policies. Banque Misr is FATCA compliant, which aligns the automated monitoring system applied by the bank to scrutinize clients and banking transactions.

Banque Misr’s branches in Egypt, the UAE and France successfully met all requirements of the FATCA through the collaborative efforts exerted by the bank’s staff and top-management. On the other hand, Banque Misr’s full compliance with both local and international anti-bribery and corruption acts is upheld and strengthened through its employees, who are strictly obliged to reinforce these laws.

Data Protection & Cybersecurity

Banque Misr always prioritizes a functional data privacy system. With technical and organizational measures, BM’s customers’ data cannot be accessed, altered, misused, lost, hacked, or otherwise used for unauthorized purposes. Banque Misr continuously improves the best cybersecurity practices. To ensure adequate data security, the bank regularly delivers training programs to increase awareness on data protection among employees. BM’s data protection office coordinates, assesses, and monitors

practices in this field, where complaints on data protection issues are investigated thoroughly. Banque Misr always ensures up-to date security controls for the big data it obtains. Banque Misr always adopts high-level security standards for reinforcing the highest level of data protection for its clients’ personal information.

Moreover, Banque Misr strengthens its cybersecurity position to avoid any cyber-attacks, data losses, leakage, or misuse. To leverage BM’s professional and safer banking services, Banque Misr successfully abides by the global data security standards of the payment cards industry, among which is the Industry Data Security Standard (PCI-DSS). The adherence to the global data security standards of payment cards has been reflected in offering safer banking services. All employees are strictly prohibited from receiving, accepting, offering, paying, or authorizing any bribe, or being involved in any other form of corruption.

Risk Management

Banque Misr’s risk management structure is managed by several departments, starting from board-level executives to various committees within the Executive Management purview, including Board Risk Committee, Executive Committee, Senior Credit Committee, and other committees down the spectrum with various delegated authorities. The Risk management sector manages the bank’s overall portfolios covering corporate, retail, non-performing loans, and investments. Dedicated teams are assigned to each field to ensure specialization and the acquisition of required market knowledge.

To achieve the above objectives, policies are formulated to setup (i) Risk appetite in terms of maximum exposure per industry and per client and (ii) Processes ensuring adequate controls are in place. Risk Management’s role is to guarantee the suitability of policies and periodically review them to meet market changes and business needs and to ensure the adequacy of control measures to mitigate the underlying risk at portfolio, client, and transaction levels. BM’s Board Risk Committee provides an

independent assessment of the adequacy and effectiveness of the overall risk management framework and risk governance structure in the bank.

The Risk Sector adopts effective risk management processes, along with efficient countermeasures, to secure constant compliance with the internal policies and the Central Bank of Egypt’s regulations. To manage any potential risks prudently, BM is strengthening collaborative management of risk diversification. It established disaster recovery centers, along with adopting business continuity and contingency plans, to respond effectively to potential serious incidents like natural disasters and technical breakdowns. BM’s risk management process continuously strikes a balance between productivity and security.

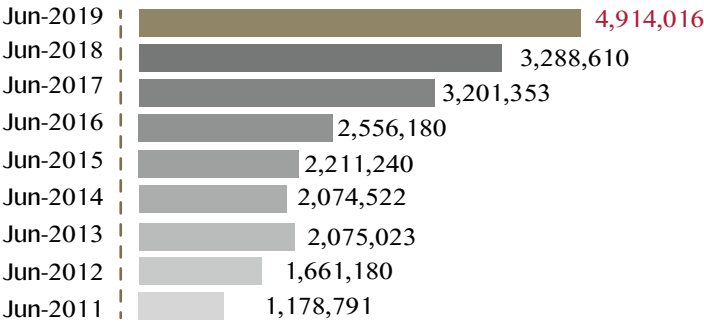
Transparent Remuneration System

BM sources talents and attracts and retains the best individuals to lead the bank in an increasingly competitive marketplace. BM adopts best-practice guidelines for the management of board remuneration. The bank implements a transparent remuneration system.

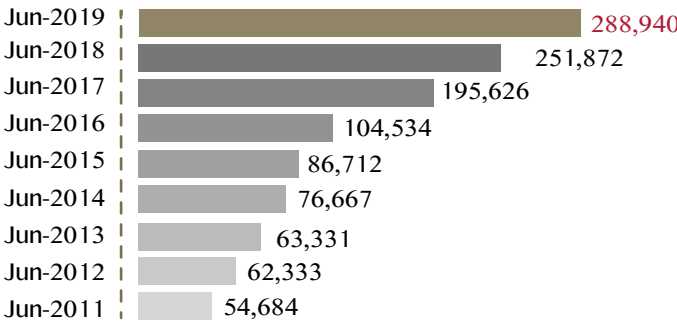
Performance-based compensation is at the heart of BM’s remuneration policy. The average monthly income of BM’s top 20 employees in Egypt is EGP 201.675 thousand. The executive directors’ salaries are benchmarked against comparable roles in peer banks. All employees’ salaries are determined based on their professional experience and market standards.

BM’s average monthly net income for entry-level employees stands at EGP 5,500. The average annual cost allocated for employees in terms of wages and benefits rose to EGP 289.1 thousand in 2019, up from EGP 100.89 thousand in 2011. BM abides by the Central Bank of Egypt’s regulations governing payrolls, which entitle employees and any third party contractor or service provider to be compensated on time for their work.

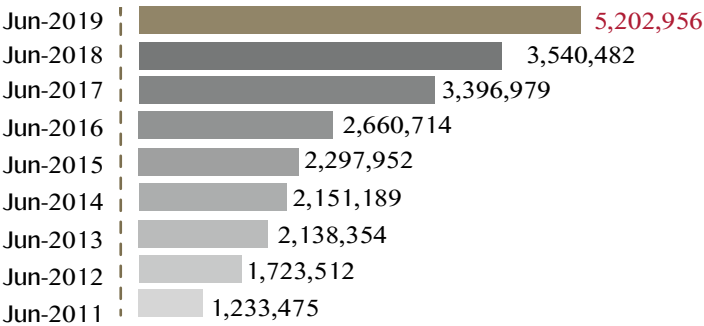
Total Salaries And Benefits For Local Branches
Amount in EGP thousand



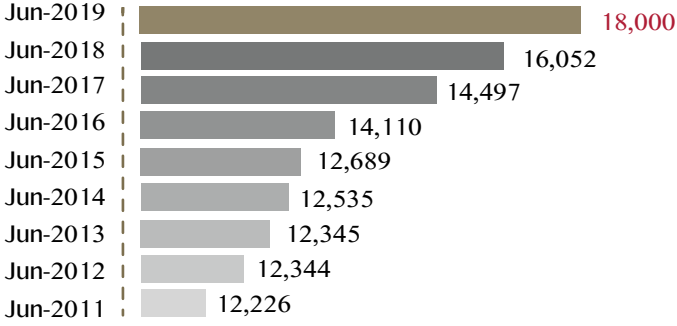
Total Salaries And Benefits For Foreign Branches
Amount in EGP thousand



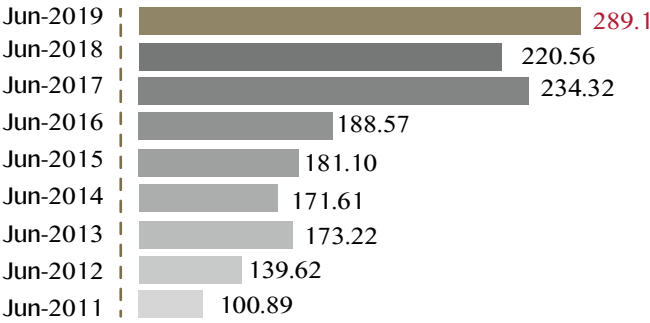
Total Salaries And Benefits For All Branches
Amount in EGP thousand



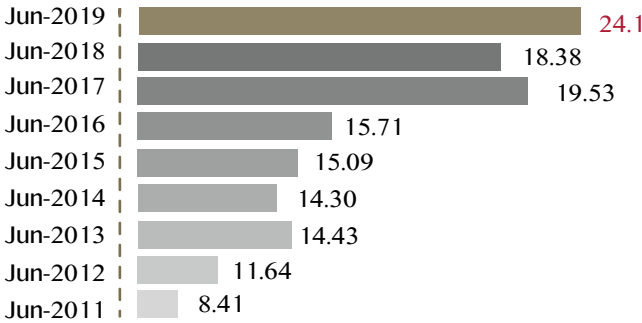
Number Of Employees



Average Yearly Cost Per Employee
Amount in EGP thousand



Average Monthly Cost Per Employee
Amount in EGP thousand



OUR PEOPLE

As employees represent the pillar of our success, Banque Misr retains and empowers its staff with the required skills, training programs, and incentives to fulfill their mission with loyalty and professionalism. This core value is deeply articulated in the bank’s strategy, which is centered on five core elements: adaptability, agile methodology, promoting diversity, career progression opportunities, and rewards. The bank is committed to attracting and retaining the best talents, developing their capabilities, ensuring their wellbeing, and affording them opportunities to achieve sustainable operational performance.

Sustainable Change... BM’s Valuable Commitment

Employees are the most valued asset for Banque Misr. Thus, it ensures an inclusive and healthy work environment to optimize their productivity and performance. Our employees always show a deep sense of loyalty through full compliance with the best practices and accountability standards.

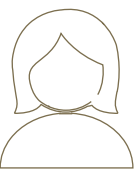
As a value-driven bank, BM instills its values and commitments through employee induction programs for the new hires to ensure that they abide by the highest standards of professionalism and integrity, in addition to various leadership training programs.

Diversity and global outreach are integrated into our operational excellence. To capitalize on these comparative advantages, Banque Misr catalyzes its employees’ engagement.

Moreover, Banque Misr is committed to its staff and their wellbeing, safety, and security, in recognition of the overwhelming importance of adequate occupational health and safety measures. BM always shows a full commitment to employees’ welfare and human rights pursuant to all applicable laws and binding standards, guidelines, and agreements. The bank abides by the below principles:

- BM refrains from child labor exploitation. The bank strictly prohibits the hiring of individuals less than 18 years old.
- BM offers decent and humane working conditions, where employees are treated with respect and dignity.
- BM curbs discrimination on the basis of race, religion, political convictions, gender/sex, or on any other basis.
- BM sustains a safe and healthy workspace for its employees.
- BM is committed to compensating employees in a timely manner in accordance with all applicable employment laws.
- BM respects the right to collective bargaining. Employees are entitled to join, form, or refrain from joining a labor union without fear of reprisal, intimidation, or harassment.

35.5%



Representation of Women

Inclusive Diversity ... Fostering Success

Supporting a positive and respectful work environment not only assists the bank in retaining the top talent, but it also allows the workforce to be more productive. BM strives for equality and diversity and works actively to eliminate discrimination based on aspects such as age, gender, sexual orientation, religion or ethnicity. BM is committed to respecting employees’ different backgrounds as part of its commitment to creating a diverse and inclusive society. Employees are encouraged to freely discuss their opinions and concerns.

The bank ensures fair recruitment practices through three key channels. The first channel comprised eight employment fairs that we participated in throughout the FY 2018/2019. BM employees fill vacancies internally, as the second channel encompasses 68 job announcements through 43 internal adverts. Meanwhile, the third channel was announcing 64 external adverts during the same fiscal year. Moreover, BM launched a cooperation protocol with Ain Shams University to establish an initiative for providing summer training and employment opportunities for students and fresh graduates. This is in addition to specialized credit courses, and training initiatives in cooperation with various entities, including the Egyptian Banking Institute (EBI).

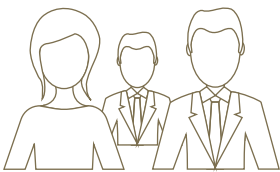
In 2018, the average age of employees in BM went down to 34 years, from 44 years in 2005. BM is also committed to empowering individuals with disabilities to thrive and be included in society. The bank is committed to hiring people with disabilities and developing their skills. The bank’s recruitment process takes into consideration the type of disability and the candidate’s abilities to meet the respective job requirements in order to tap into their unique talents.

As part of its role in reducing inequalities, Banque Misr made significant strides in reducing the gender gap and empowering women to reach their full potential. Greater female representation has been achieved this year. In this regard, the percentage of female workers rose to 35.5% in 2019, compared to 34.31% in 2018. The bank is also attentive to women’s needs in terms of maintaining balance between their careers and personal lives. In 2019, BM offered maternity leaves to 481 female employees, in addition to child care leaves for 555 female employees.

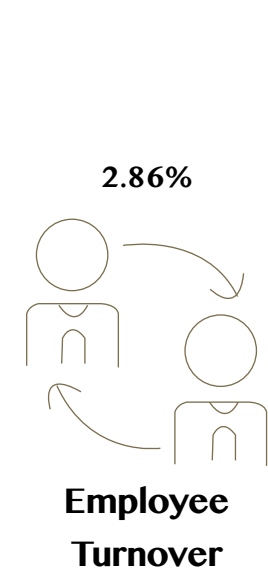
Employees’ Career Progress

Every stage in the employment process, from hiring and training to leadership development, generates more emphasis on making Banque Misr the employer of choice. The bank effectively balances and rebalances the skills of employees against strategic objectives and aligns individual goal plans with these objectives. BM constantly offers opportunities for career development and advancement, aiming to boost employees’ engagement rates. The bank encourages employees to build their own skills (technical and otherwise) in line with both their professional needs and aspirations. In total, BM offered 689 different training programs in 600,000 hours this year, with a total of 26,000 training opportunities for 16,200 employees. The bank launched many learning and developmental initiatives and programs this year, key among which are:

34 years



Average Age of Employees



1- BM Induction Program

BM launched a new upgraded induction program to ensure that new hires are given the latest and most comprehensive information to execute their jobs properly.

The new program offers an overview on the bank’s heritage, commitment and future endeavors. The program outlines the activities and training that new recruits will undergo, providing them with a valuable engagement channel that fosters a positive work environment.

2- Ta’alam Initiative

BM launched last year the learning Initiative “Ta’alam” (Learn), a self-teaching initiative, aiming to support employees in their career development and fulfill their aspirations toward their future career. The initiative inspires self-development through a number of online tools and programs. Moreover, it ensures the alignment between the strategic goals and objectives of the organization and the individual goals of its employees, in order to improve annual business results and to enhance employee satisfaction and engagement.



3- BM Learning Academy

BM Launched last year the first curriculum of its own learning academy, and seeks to continuously improve it by adding new schools that tailor in-house learning paths for all different divisions on a variety of banking and non-banking topics. The academies are divided into four layers, which span the career spectrum-from junior to senior management levels with specialized development tracks, programs and certifications for each stage that is linked directly with employee’s career paths and growth inside Banque Misr.

4- Harvard Business School Leadership Track

BM launched a major learning initiative affiliated with Harvard Business School to send a group of our senior executives to attend a comprehensive leadership program at Harvard Business School, with an aim of acquiring the best-in-class practices when it comes to leadership, planning and formulating strategies. This initiative is not a one-time event but will be held annually in a bid to invest in our top-tier executive level to improve organizational development and better achieve our objectives.

5- BM Knowledge League

BM introduced gamification as a training tool to drive employee engagement by offering prizes, awards, privileges, and recognition. The newly adopted tool enables employees to participate in individual and team-based competitions, which grow in their understanding of the bank’s regulations, code of conduct and technical banking processes.

6- Succession Planning & Talent Management Processes

BM continues to enhance its talent management initiatives annually. It also introduced a revamped talent and succession planning process to develop the next generation of leaders, emerging from the second and third lines of employees, who embody the bank’s values and guiding principles. This year, we built a steady and reliable pipeline of 67 senior management talents. The placement and career development phase will continue for the upcoming 18 months. As for Banque Misr’s Talent Hub, it was identified and launched to develop 204 potential talents of employees with a comprehensive development track for three years on three different phases. These phases will focus on equipping our talents with all relevant banking and non-banking topics that directly reflect our new strategy, to prepare them for future opportunities that align with BM’s corporate goals and their individual aspirations and career ambitions.

- BM Successors Academy

Designed to identify, develop and retain BM’s potential successors who can assume key and critical positions within the bank and are the bank’s future leaders. One of the high-tier programs that we used for our successors is the Future Leaders Program, devised in collaboration with the Egyptian Banking Institute (EBI), which helped enhance our future leaders’ knowledge through mixed learning methodologies, including in-class training, seminars, online training, case studies and study tours. The purpose of the program was to sufficiently prepare them for future roles. It is tailored around the participants’ individualities, experiences, aspirations and the understanding of how to apply their experience in this program on the job.

- Talent Management Hub

Designed to identify, develop and retain young stars in different divisions who differentiate themselves from their peer groups through their distinct ambition, eagerness to learn, independence, creativity and intelligence, and who demonstrate a clear growth potential. Candidates must show initiative, take responsibility, set and maintain high quality standards, demonstrate ownership, and exceed expectations, allowing them to become the leaders of Banque Misr in the long-term through fully customized development tracks within the BM Academy.

7- BM New Performance Management System (Management by Objectives - MBO)

BM launched its new performance management system based on the bank’s objectives. The new management model sets a revamped process for evaluating BM employee’s performance through a scientific approach, enabling any manager or employee to set the annual career objectives, according to BM’s strategy with crystal clear key performance indicators (KPIs). The employee’s numeric performance rating is linked with all targeted technical objectives, as well as another two relevant core corporate values. The system includes a managerial section for senior-level management. The model emphasizes transparency, planning and fair chances for all employees to perform their jobs better in line with a wide-scale evaluation process that ensures providing equal opportunities to learn and work through a clear vision toward the yearly objectives.

Building a Positive Work Environment... Bringing Out the Best

Banque Misr (BM) constantly ensures a positive and proactive work environment, which in return reflects a high rate of employee satisfaction and a low turnover rate. BM’s positive work environment is essential to developing a high-performance workforce. BM registered an employee turnover rate of 2.86% in the FY 2018/2019, mainly comprised of employees who had reached retirement age.

- Easing Financial Burdens

BM’s employees can easily deduct loans, which are offered as a support to enable them to bridge their financial gaps in times of emergency. Banque Misr provides various loan options tailored especially for its employees.

- Competitive Benefits

To retain the best talents, Banque Misr sets a competitive salary structure based on global standards. It also offers its employees performance-based incentives and benefits packages to optimize the best performance. Moreover, BM’s employees are eligible for medical care in addition to recreational and leisure options, such as traveling and sports activities.

- Corporate Wellness

As a part of a holistic approach to promote the health of employees and their families, Banque Misr offers premium health care coverage for them, which covers charges for in network and out-of-network health care providers. To ensure the best health care for them, Banque Misr also contracted with medical specialists, doctors, hospitals, laboratories, and pharmacies to cover the vast number of employees working in the bank’s different branches and offices. BM’s medical system is automatically updated to facilitate and expedite the process. The value of medical care coverage netted about EGP 250m for the FY 2018/2019. The bank holds seminars on various health-related issues to improve employees’ health and well-being various medical awareness seminars and campaigns are conducted by the bank for its employees on hepatitis C, the new Coronavirus, health problems related to smoking, and other health issues.

Safety Precautions amid Coronavirus Pandemic

Banque Misr always places a safe and healthy working environment for both its employees and customers at the top of its agenda. Thus, it swiftly took strict safety precautions amid the Coronavirus pandemic. As part of “Take Care of Your Health and Protect Your Country” initiative, Banque Misr issued internal standards and good hygiene practices to protect against infection and prevent the virus from spreading. Banque Misr strictly applies many protective measures against the new coronavirus, including:

- Safety measures related to the workplace

- Giving instructions for disinfecting surfaces using antiseptic solutions containing alcohol every two hours, in addition to installing hand sanitizer dispensers and periodical routine cleaning of the main elevators
- Banning unhealthy practices such as sharing reusable plates and cups, which are replaced with disposable cups
- Giving instructions for taking all proactive measures related to the transportation system to ensure the safety of the drivers
- Suspending fingerprint biometric attendance system
- Replacing onsite meetings and workshops with either videoconferencing or teleconferencing
- Talaat Harb Pasha museum has been closed to the public and the pre-booked group tours
- 24/7 availability of the bank’s medical care department and the physicians to ensure instant response to any question via e-mail or phone.

- Safety measures for all employees

- Reminding all the employees to wash their hands every hour and to wear gloves and face mask, especially the bank’s front-line employees and those who have to deal with cash at hospitals, airports, and hotels.
- Offering several Coronavirus awareness publications and videos to ensure the prevention of infection
- Providing temperature checks, as well as taking all the required procedures

- Securing Our Customers’ Safety

BM launched a campaign under the slogan “Stay Home.. Stay Connected”, aiming to promote online and mobile services. BM also decided to issue its new certificates of deposits through

electronic channels to ensure that customers and employees stay safe amid Coronavirus outbreak. BM issued various hygiene instructions while using ATMs, including:

- Using hand sanitizers and tissues in ATM stalls
- Standing at a minimum distance of 1-2 meters and avoiding overcrowding.

Furthermore, Banque Misr offers charge-free ATM transactions and BM Wallet services, as a step to encourage customers to use these channels to do their transactions instead of cash. Moreover, Banque Misr keen to receive clients in its premises fit the spaces and employees to avoid overcrowding.

- Improving Physical Wellness and Resourcefulness

BM’s employee wellbeing extends beyond health-related issues and safety. Banque Misr always acknowledges the importance of optimizing the health and wellbeing of all employees and their families. Thus, Banque Misr focuses on providing employees and their families with the opportunity to perform sports, social, and entertainment activities. The bank renovated Talaat Harb Club and established its New Cairo Leisure and Sports Club.

BM further funds employee sports tournaments and other activities, amounted to EGP 6.15m in the FY 2018/2019. The bank organizes football tournaments frequently during the Islamic holy month of Ramadan, as well as during Easter holidays, encouraging employees to take part. Similar tournaments are also organized for volleyball, table tennis, chess, basketball, swimming, squash, and futsal games. Banque Misr also takes part in all competitions organized by the Egyptian Companies Sports Federation through the involvement of sports teams in various sporting activities, whereby it achieved advanced positions led by bank’s sports coaches, with strong support of the senior management.

Banque Misr’s five-a-side football team has won the Inter-banks Football Tournament League, held on the football pitch of Talaat Harb Club under the patronage of Egypt’s Central Bank Governor, Mr. Tarek Amer. The football tournament witnessed the participation of a large number of Egyptian banks. BM team successfully won the tournament league after participating in 26 games without defeat.

- Optimizing Leisure Time to Promote Performance

Leisure trips and recreational activities inspire employees to do their best; as such activities harness the performance and deepen the employees’ loyalty during office hours. Banque Misr offers funding worth up to 70% of the value of recreational trips for employees and their families. The total cost of the leisure trips recorded EGP 37m in FY 2018/2019.

- Post-Retirement Benefits

Banque Misr seeks to reward the dedication of its employees after retirement. Thus, it conducts periodical actuarial studies in accordance with Egyptian accounting standards and the Central Bank of Egypt’s regulations to evaluate its post-retirement offerings. The post-retirement benefits offered by Banque Misr increased from EGP 34m in 2010 to EGP 890m in 2019.

- Solid Culture of Recognition

Banque Misr’s employees shape its sustainable success, whereas their contributions are recognized and appreciated. The recognition of hard work and Achievements motivates the employees and upholds BM’s values toward excellence.

- Commuter Benefits for Employees

To strengthen the productivity of employees, BM offers employee transportation services to reduce the commuting times.

- Freedom Of Association And Collective Bargaining

Banque Misr reinforces its commitment to respect personnel rights in accordance to the principles of the UN Global Compact and the rights regarding freedom of association and collective bargaining. Banque Misr’s employees are permitted to negotiate working conditions freely. The employees also have rights to join, form, or refrain from joining a labor union without fear of reprisal, intimidation, or harassment. This is in addition to their ability to carry out constructive dialogue with their freely chosen legal representatives. For employees who are represented by a legally recognized union, the bank remains committed to bargaining in good faith with all such representatives.

BM’s Employees Engagement in CSR

Banque Misr always seeks to inculcate corporate responsibility values to be an integral part of the employees' sense of loyalty toward the community. The bank firmly believes in the necessity of anchoring corporate social responsibility among employees. Employees’ CSR role, whether individually or collectively, acts as motivation for higher employee engagement and teamwork productivity.

BM’s employees are fully aware of that giving back to the community is considerably important. Giving back time and talent demonstrates BM employees' loyalty and commitment toward the community. A number of well-executed employee volunteer programs and philanthropic activities took place; among which are blood donation campaigns, school painting initiatives, distributing gifts to school students, frequent donation campaigns for the Egyptian Clothing Bank, annual orphan day celebrations, site visits for the bank’s CSR projects, and equipment donation campaigns for Abu El-Rish Pediatric Japanese Hospital and the hospital in Fayoum City.

TACKLING OUR CLIMATE FOOTPRINT

Action on Climate

The sense of community is a deeply rooted value for Banque Misr. The bank strives to lower its negative footprint on the environment without lowering the quality of the work environment. Banque Misr’s employees feel valued in this positive work environment, which positively impacts their performance and productivity. Banque Misr always ensures efficient resource allocation, including efficient energy usage.

To ensure food and water security, Banque Misr steps up various efforts to suspend the loss of biodiversity and protect the ecosystem, through participating in various initiatives and sponsoring several events, including the 14th UN Biological Diversity Conference (COP 14) in Sharm El-Sheikh.



Reducing Energy and Water Waste

Banque Misr seeks to ensure sustainable access to energy and water supplies. Electricity conservation is a national commitment. BM has substituted conventional power systems with energy-efficient LED and Variable Refrigerant Volume (VRV) technologies.

By the end of 2019, the LED lighting system was adopted in around 411 branches and 45 central departments. Further, the bank installed solar panels in the building located in its social club. The bank also installed VRV air conditioning systems in 239 branches, which resulted in up to 22% energy savings in each branch. The bank has further deployed occupancy sensors to lower its power and water consumption in its new administrative office in New Cairo. BM has massively contributed to the national initiative to rationalize water and power consumption rates. It also exerts contributory efforts to raise the awareness about the necessity of rationing electric consumption.



Prioritizing Safety

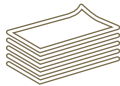
BM adopts a strategic focus on maintaining a safe and healthy workplace for employees. The bank oversees all issues related to safety, health and the environment and ensures that all provisions are in place and are working properly. All bank locations are equipped with early detection and fire extinguishing systems. The bank deploys a firefighting agent that is approved by the Central Bank of Egypt, the Civil Protection Associations, and the National Fire Protection Association (NFPA). Employees receive adequate training on fire safety, first aid and emergency evacuation. In addition, the bank provides blue-collar workers with safety boots, protective masks and other tools to protect them from any potential harm.

Additionally, BM deploys a robust video surveillance system connecting all bank branches, which can be loaded on the commercial off-the-shelf (COTS) hardware. The adopted system functions as a multi-site management software enabling users to control the multi Network Video Recorder (NVR) from a single computer. It also has enabled reporting functions and is integrated with other security and management systems across BM branches.



Expanding Responsible Recycling

BM ensures that recycling programs are in place to allow employees to dispose of and reuse materials. Simultaneously, BM continues its shift toward paperless operations. A total of 166.24 tons of papers were shredded for recycling during FY 2018/2019, compared with 210 tons during FY 2017/2018. The compared numerical figures also demonstrate the bank's success in significantly reducing paper use on a year-on-year basis (paper use is reduced by around 20%). The bank is keen on using more recycled and locally manufactured materials, as an effective environmental practice in support of national economic growth.



Going Paperless For a Better Environment

Banque Misr opted out of paper consumption, even before the digital transformation. Effective steps have been taken to cut paper usage in most in-office operations, online, and offline transactions. Double-sided printing and copying of internal reports and memos is also an effective step toward reducing paper consumption. This is in addition to further steps to reduce couriered printed materials, among which are monthly banking statements. Banque Misr has cut down on paper consumption by 43.76 tons.



Lower Carbon Footprint

Targeting more positive climate action, Banque Misr effectively contributes to reducing transport gas emissions through low-emission mobility, providing its employees with group transportation services. Indoor-smoking bans at the bank’s premises also effectively contribute to providing a better workplace and reducing the harms of passive smoking as well. On a larger scale, Banque Misr promoted the national efforts to decrease ambient air pollution and greenhouse gas concentrations. Banque Misr provided funds to relocate leather tanneries and furniture workshops to reduce pollution and greenhouse gas concentrations.

BM's

SERVICE PROVIDERS & SUPPLIERS

BM's commitment to sustainability extends to influencing its suppliers and providers to integrate into effective engagement with a full commitment toward the community. BM selects suppliers according to the highest standards. The bank seeks in them the qualities it stands for: long-term commitment, loyalty, ethics, and transparency. The bank also makes investigations and initial due diligence on suppliers before registering them, in addition to the bank's further plan for applying supplier risk assessment, targeting smooth business continuity, and avoiding business interruption.

Service providers must abide by all applicable laws, rules, regulations and policies and refrain from giving gifts to BM employees. Suppliers are not authorized to disclose any private or confidential information without previous consent from the bank. They are also required to report on actual or suspected cases of disclosure or loss of any private or confidential information related to Banque Misr, its clients, operations, or other suppliers the bank deals with.

Bringing the value of shared success, BM takes into account embedding sustainability in its responsible procurement approach. BM harnesses its worldwide presence through its diverse network of suppliers and service providers.

BM sets benchmarks and assessment criteria while building its geographically expanded base of suppliers and service providers adopting best practices and industry standards in order to ensure long-term environmental, social, and economic value while bringing its banking products and services to the market. BM considers its supply chain as an essential extension of its sustainable success. For harnessing a wide array of partnerships and supplier diversity in its supply chain, BM focuses mainly on event-based relations with its suppliers. This is in addition to establishing long-term and short-term relations with its supply chain.

As part of its leadership commitment, BM focuses on environmentally responsible strategy while identifying the required specifications for receiving eco-friendly products such as recyclable products and energy-efficient products, in order to mitigate any potential operational risks on the environment. Moreover, full consideration should be given to innovation, cost efficiency, and better quality. In line with its lasting legacy related to its social responsibility, BM fulfills its compliance toward community development through showing preference to locally manufactured products and services and the suppliers who mainly rely on local hires. Good labor conditions, child labor elimination, and workforce health and safety practices are also integrated into BM's procurement criteria. It is worth noting that BM gives due regard to confidentiality and other competitive concerns related to the information about its supply chain.

They should also treat their employees humanely and adhere to all relevant legislation and regulations. Suppliers should further apply sound environmental management principles.

Banque Misr reserves the right to verify the suppliers' compliance with the Supplier Professional and Ethical Code of Conduct introduced by the bank. Both the suppliers and their subcontractors are asked to maintain all records necessary to demonstrate compliance with the laws and principles specified in the code of conduct. In the event that a violation occurs, the bank has the right to take any action it deems appropriate to address the situation.

The Following Six Principles Guide BM Suppliers/Subcontractors To Operate Responsibly:

Child Labor:

Suppliers should not employ children.

Humane Treatment:

Suppliers should guarantee a workplace free of inhumane treatment.

Non-Discrimination on the Basis of Race and Religion:

Suppliers should guarantee a workplace free of harassment based on race or religion.

Environmental Protection:

Suppliers should reduce their carbon emissions and act in an environmentally-friendly manner to ensure sustainability.

Hazardous Substances:

Suppliers should ensure the safe handling and disposal of any hazardous substances.

Using Safe Technologies:

Suppliers should adopt the latest environmentally-friendly technologies.

Community Development

A Pathway to Shared Prosperity

Banque Misr’s first and top mission is to safeguard a sustainable future of shared prosperity in Egyptian society. To deliver on this priority, Banque Misr’s sustainability strategy, at its core, fully contributes to fostering shared prosperity for all individuals in the community. Thus, eradicating poverty, reducing inequality, and women's empowerment are enshrined among Banque Misr's solid commitments. As a responsible banking approach is rooted in its core values, Banque Misr is constantly scaling up its efforts to attain broader development goals toward a more inclusive growth.

In this regard, Banque Misr always pursues community-led solutions to overcome the challenges on a long-term basis and to fulfill the community’s ever-expanding needs as well. To better achieve this target, Banque Misr aligns philanthropy, volunteerism, and CSR initiatives with its core values in order to integrate the underprivileged segments of the community into the wave of prosperity and economic growth that Egypt is currently witnessing. Within the framework of financial inclusion, the bank thrives to promote indigenous community development through providing MSMEs with finances, supporting female breadwinners to ease their financial burdens, developing infrastructure, and improving access to quality education and health care to the underprivileged segments of the community.

The bank is always attentive to supporting the underprivileged in the rural areas. BM provides funds to develop schools and medical centers. Community development programs are executed directly by the bank, or indirectly through the Banque Misr Foundation for Community Development, in collaboration with non-profit organizations and development-oriented civil society institutions.

Community-Based Initiatives For a Better Future

Banque Misr sponsored and launched programs and initiatives aimed at funding micro-sized projects in the neediest villages across the country, in cooperation with NGOs such as Misr El-Kheir Foundation, Orman Charity Association, and Egypt Network for Integrated Development (ENID/El Nidaa). BM’s philanthropic approach, under the slogan “Citizen’s Right to a Decent Life,” is fully integrated in its strategy, which inspires its employees to give back to the communities in which it operates. It always encourages volunteering and fundraising efforts to support community welfare in Egypt.

As a major financial entity, BM collaborates with a number of non-profit organizations to support underprivileged households in launching income-generating projects. In line with its leading role in social responsibility, Banque Misr’s total expenditures on CSR activities amounted to almost EGP 760m in 2019, compared to EGP 600m in 2018.

Banque Misr Foundation for Community Development (BMFCD) A Step Further Toward Community Wellbeing

Banque Misr’s role in community development extends through philanthropy, volunteerism, and effective CSR activities. To ensure a wider scope of positive sustainable development practices that uplift our community, Banque Misr established a non-profit organization registered under the Ministry of Social Solidarity.

Banque Misr Foundation for Community Development (BMFCD) is a catalyst for effective corporate social responsibility. Working together for the good of our country is a deeply rooted commitment in the foundation. BMFCD collaboratively contributes to community empowerment through educational, health, and economic programs to enhance the lives of residents of slums and villages and empower female breadwinners.

The foundation accepts donations from inside and outside of Egypt and from all individuals who are willing to engage in charity and development initiatives. Contributions to the foundation can either be delivered to special accounts offered by Banque Misr’s branches across the country or mailed directly to the bank’s headquarters at 153 Mohamed Farid Street, Banque Misr Tower, Floor 22, Downtown, Cairo, Egypt.

Banque Misr allocates annual funds from its net profit to ensure shared prosperity. The foundation supports community-driven development initiatives in cooperation with a number of NGOs and universities, to foster social development, health, education, effective environmental activities, and economic development.

Banque Misr's


Goals For Sustainability



DECENT WORK AND ECONOMIC GROWTH

Economic Growth...Banque Misr's Top Mission


Since its inception, Banque Misr's first and top mission has been propelling Egypt's economic growth through investing the Egyptians' savings. Thus, Banque Misr's efforts remained a cornerstone for various national plans toward long-lasting developments, most recently in its adherence with Egypt's Vision 2030. Banque Misr always shows a full commitment toward each and every development-oriented effort to strengthen the state's economic growth.



PEACE, JUSTICE AND STRONG INSTITUTIONS

Peace, Justice, and Strong Institutions


To sustain a peaceful and inclusive society, Banque Misr plays a fundamental role, as an effective and accountable institution. Within such a framework, Banque Misr participated in Aswan Forum for Sustainable Peace and Development in Africa.



NO POVERTY

Alleviating All Forms of Poverty


Banque Misr always sets its targets for a promising future and sustainable livelihoods. In this regard, Banque Misr actively promotes the entrepreneurial ecosystem and enhances employability potentials as well. Its role also extends to supporting vulnerable groups, including the poor and underprivileged.



GOOD HEALTH AND WELL-BEING

Good Health & Well-Being For a Prosperous Society


Banque Misr shows a full commitment toward ensuring healthy lives and well-being for all. Banque Misr takes a part in national health campaigns to eliminate preventable diseases and ensure access to health care services. To achieve such goal in full, Banque Misr has also supported considerable voluntary efforts, in addition to supporting various sports activities.



QUALITY EDUCATION

Quality Education..An Essential Factor For Development


Banque Misr prioritizes ensuring inclusive and equitable quality education and financial literacy, as such a target is considered a prerequisite for sustainable development in the rapidly-evolving era of digital transformation. It has also achieved major efforts to ensure access to quality education for all.



RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible Consumption and Production


Banque Misr enforces a responsible consumption and production model through promoting resource and energy efficiency in its all aspects of its operations, as well as taking part in promoting relevant efforts and projects to sustain a viable way of life for future generations.



GENDER EQUALITY

Inclusive Society with No Inequalities


As gender equality is at the apex of national efforts, Banque Misr embraces empowering vulnerable groups, especially women, at a wide scale through its endeavors toward a more inclusive community. Banque Misr also has a leading role in supporting women-led MSMEs and leveraging female representation in all its departments.



CLIMATE ACTION

Climate Action and Responsible Consumption...A Better Future

To create a secure future for generations to come, Banque Misr has contributed in an outstanding manner to the enhancing the ecosystem and protecting the environment. Banque Misr has also played a contributory role in the international initiative for protecting environment, curbing climate change and sustaining biodiversity. This is in addition to the responsible resources consumption.



SUSTAINABLE CITIES AND COMMUNITIES

Sustainable Cities & Communities


Banque Misr is constantly working toward fostering the quality of life through its contributions at building up inclusive, safe, and sustainable cities. Banque Misr plays a leading role as a financial entity in providing affordable housing. This is in addition to promoting heritage through protecting cultural buildings.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Industry...Innovation...Infrastructure


Since its inception, Banque Misr has been leading innovative transition in banking sector. Banque Misr adopts the latest innovations to offer the best customer experience. It also contributed to, and established various mega infrastructure development projects in various segments.



ZERO HUNGER

No Hunger...Leaving No One Behind

BM works toward eliminating poverty through offering pathways to prosperity for slum and village inhabitants with incomes below the official poverty threshold. BM has framed its social impact to eliminate poverty. Such target extends far beyond to ensure a sustainable livelihood.



PARTNERSHIPS FOR THE GOALS

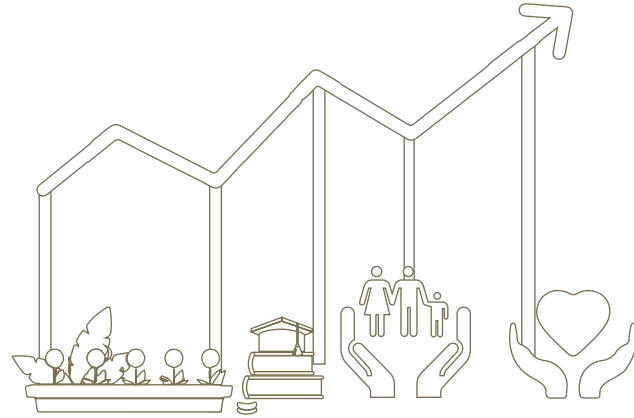
Partnership for the Goals

Banque Misr is committed to forging local and international partnerships to support community mobilization and socio-economic development.

Sustainable Community Welfare in Action

BM’s Long-Lasting Priority

Community welfare is BM’s resilient commitment, which is demonstrated through promoting financial inclusion and supporting MSMEs and women-led businesses to ensure economic growth with added value BM has undertaken efforts to create a local entrepreneurial ecosystem and drive sustainable development goals (SDGs) across the whole country.



A- Banque Misr is committed to building a balanced, knowledge-based, competitive inclusive economy that creates added value and generates productive job opportunities. BM adopts an approach based on the principle that all citizens have the right to a decent life, and plays a full part in supporting society to improve living standards and achieve economic prosperity.

BM aims to eliminate poverty through offering pathways to prosperity for slum and village inhabitants with incomes below the official poverty threshold, in accordance with its commitment to the twin goals of ending extreme poverty by 2030 and boosting community welfare.

Financial Inclusion

BM believes that financial inclusion features as a prominent enabler for sustainable development and social welfare. Financial inclusion has a major role in attaining many SDGs. Financial inclusion encompasses eliminating poverty, creating jobs, improving equity education, and better health. To this end, microfinance has been proven as a successful method to promote development through integrating marginalized communities and well-off communities; providing education to ensure a better understanding of financial products, along with efficient access to them; financial literacy etc.

• Youth Empowerment toward Financial Inclusion

Banque Misr always takes the lead in integrating more young adults to the inclusive cashless society through;

- Organizing tours, seminars, workshops to raise awareness on financial inclusion among youth and unbanked groups during the International Financial Inclusion Week

- Launching Youth programs, which offer various banking services for teenagers and young people, including Teens Card, BM Card, and Go-Card. Banque Misr launched a campaign to promote seamless end-to-end banking services

- Offering fee-free bank accounts within the framework of the CBE’s “Bank Account for Every Citizen” initiative
- Supporting small savers, BM launched a new savings account, namely the "Tahweesha Bezyada" account

- Participating in the Arab Financial Inclusion Day and Financial Inclusion Week (FIW) to reach the unbanked population

• Women Empowerment for Sustainable Development

Looking toward integrating women in the inclusive economy, Banque Misr signed an agreement with the International Finance

Corporation (IFC) to help increase the number of women-led businesses receiving financing from Banque Misr as part of its SMEs portfolio. The project is implemented in the framework of the “Champions of Women’s Banking Services” program introduced by the IFC in the MENA region, in collaboration with the financing arm of the State Secretariat for Economic Affairs of Switzerland, as well as the Global Women’s Banking Services program.

• MSMEs...The Pillar of Economic Development

Banque Misr has a pioneering role in promoting sustained, inclusive and sustainable growth. Hence, Banque Misr pays great attention to supporting MSMEs and startups, which represent a key asset for productive employment for all; thereby directly alleviating poverty, increasing income and positively impacting household investments in education and health over time. The bank facilitates MSMEs’ access to financial services. Banque Misr had increased its lending for small and medium-sized businesses many times in the past three years, in line with the Central Bank of Egypt’s orientation. BM has launched various initiatives and protocols to support MSMEs, including:

- CBE’s NilePreneurs Initiative

The NilePreneurs scheme was initiated as a national initiative for all entrepreneurial and innovative activities, collaboratively fostering an environment that is conducive to a culture of entrepreneurship.

As part of its leading role in harnessing the Egyptian entrepreneurial ecosystem, supporting promising young entrepreneurs, and unlocking their untapped potentials, Banque Misr has partaken in the NilePreneurs initiative via the two following streams:

1- Design House

Design Houses were established within a number of handpicked Universities (Nile University, Arab Academy for Science, Technology and Maritime Transport, Ain Shams University, Al Azhar University, Qena University).

The new design houses are the first of their kind in Egypt. Aiming to strengthen the link between universities and a wide range of industries, the houses offer consultancy, design, and prototyping services. The

houses also provide the latest simulation programs, interactive training sessions and practical workshops for startups and SMEs, providing them with a reliable foundation for cost estimation and quality assurance.

2- Business Development Services (BDSs)

These are services offered in support of small, medium and micro projects and entrepreneurs, providing them with non-financial services that enable them to obtain funding and to communicate with all service and business development providers. Banque Misr has activated BDSs in three branches (Sadat City branch, Minoufiya Governorate; New Damietta branch, Damietta Governorate; Aton branch, Luxor Governorate), these BDSs provide many services including; generating ideas for new businesses, registration and licensing service, feasibility study services, facilitating access to funding, financial analysis and assessment services, networking with vendors and targeted markets, exchange of products and services, publishing available data and knowledge on SMEs via Egypt’s project platform, training, capacity building and workshop services.

- "Develop Your Project, Support Your Country" Initiative

The bank launched “Develop Your Project, Support Your Country” initiative to support its clients in the SMEs sector through organizing training programs in cooperation with the Egyptian Banking Institute in various governorates of Egypt. The first phase began in Cairo Governorate. The initiative aims to encourage young people to establish small and medium-sized projects, deepening the culture of entrepreneurship, introducing effective methods in dealing with banks to meet their financing needs, developing the technical skills required for business leaders, and discussing the problems facing customers in their existing projects, leading to the maximum possible utilization of invested capital and reduced risks.

- Promoting Handicrafts

As an integral part of the SMEs sector, handicraft industries majorly contribute to economic growth and environmental sustainability. Therefore, Banque Misr always takes the initiative to back these industries. Supporting the national efforts toward MSMEs development, Banque Misr has sponsored many exhibitions that support developing the entrepreneurial ecosystem in Egypt. Such exhibitions provide a unique gateway to the exhibitors, offering them new opportunities to showcase their talents, in addition to sustaining heritage, such as;

1- Banque Misr sponsored Diarna exhibition, the largest display of handicrafts and traditional crafts held under the auspices of the Ministry of Social Solidarity.

2- Banque Misr organized, in cooperation with Banque Misr Foundation for Community Development, a monthly handicraft exhibition for its employees to support the handicraft industry.

3- Banque Misr sponsored one of the most prestigious art exhibitions in the world, the “L’Artigiano in Fiera”, which is held in Milan, Italy. As Egypt was the country of honor at this exhibition, the sponsorship of this exhibition broadened the values anchored in BM’s mission; which is supporting the Egyptian handcrafters through a global gateway.

- Strengthening Entrepreneurial Spirit

For the third consecutive year, Banque Misr pursues to translate its ideology into its advertising campaigns to glorify its legacy while spreading hope, optimism and enthusiasm.

In 2017, BM launched a full-fledged cause-based marketing campaign under the title, "Talaat Harb Ragaa" (Talaat Harb is Coming Back). The campaign’s message goes beyond the normal operational objectives. It encourages the youth to set up small and medium enterprises (SMEs) to support the economy and contribute to the nation’s overall progress. The campaign succeeded in increasing youth involvement in the entrepreneurial ecosystem, promoting employment opportunities and combating illegal migration. In recognition of BM’s efforts, the Ministry of Foreign Affairs issued a press statement acknowledging the bank’s significant implied role in fighting illegal migration.

In 2018, the bank decided to take this campaign to the next level, through the launch of the "You Can" campaign. The campaign was a major hit during the Ramadan season, building on the year’s triumphs.

In 2019, the bank decided to take its ad “I am the son of Egypt” (Ana Ebn Masr), which is quite a literal translation of the bank itself; the first Egyptian bank. The ad illustrated BM’s mission of empowering various segments of society through the scenes.

- Partnership for Development

The bank has also participated in many initiatives and programs to support MSMEs, in cooperation with a number of international and governmental entities, including:

- Egyptian Manufacturers Association

The program aims to support SMEs and promote exports. In line with Central Bank of Egypt’s initiative, BM offers members of the Egyptian Manufacturers Association financing with a small diminishing interest rate ranging between 5% and 7%.

- Ministry of Local Development (Mashrouak)

BM has participated with the Ministry of Local Development in the “Mashrouak” program for financing small and micro enterprises through the single-window system available at local units all over Egypt. The number of local units has reached 308 units. Banque Misr’s presence extended to 238 units (77%) as of March 26th, 2015. The number of customers in the SMEs portfolio increased to about 121,000 customers in June 2019, compared to 85,000 customers in June 2018, marking a 41% increase.

- Ministry of Trade and Industry (Al Robeky Industrial Zone)

The program aims to support owners of small and medium tanneries, specifically those located in the Magra El Oyouun district. BM facilitated the tanneries’ access to a better and healthier working environment. Tanneries in Magra El Oyouun district suffered from deteriorating facilities, including accumulating garbage and lack of hygiene, and frequent gas and electricity cuts.

- Damietta Furniture City Company (Damietta Furniture City - DFC)

The program aims to support the development of DFC and SMEs operating in the furniture industry. The national project is expected to create over 25,000 direct and indirect employment opportunities. BM arranged an EGP 1.5bn loans to develop the city and signed a cooperation protocol to finance workshops to develop and modernize Egypt’s furniture industry.

- Egyptian Pharmacists Syndicate

The program aims to support pharmacy-based projects. In line with the CBE’s initiative, BM funds pharmacists in support of the right to healthcare, at a low-interest rate of 5% on granted loans.

- General Electric Healthcare

The program seeks to fund hospitals and clinics to purchase modern medical equipment from General Electric Healthcare. BM provides

innovative financing solutions that help emerging clinics and hospitals develop and expand their business, thereby providing better healthcare to more patients across Egypt.

- Beyti Egypt

The program finances the purchase of refrigerated vehicles for young people who have signed contracts with Beyti Egypt. In line with the CBE’s initiative, BM offers financing schemes at a 5% interest rate.

- Misr El-Kheir Foundation

BM supported young handicraftsmen and female breadwinners’ projects in four towns in Minya Governorate, namely Maghagha, Bani Mazar, Malawi and Al-Adwa. BM allocated about EGP 18 m to develop villages through financing 50 micro-enterprises, 300 female breadwinners’ projects, 500 greenhouses, the cultivation of 200 feddans and the revival of two agricultural cooperative associations. The bank also funded vocational training programs for 300 individuals and hospitality training programs for 150 individuals.

- Orman Charity Association

BM extended support to villagers in Minya Governorate, specifically in Ashrob, Abaza, Abgag Al Hatab and Al Souby. BM offered funds to improve the villagers’ standard of living. The initial funds amounted to EGP 4m, with soft loans amounted to EGP 21,000 for each beneficiary.

- The Egypt Network for Integrated Development (ENID/EI Nidaa)

BM allocated EGP 3.244m to host brass and kilim rug workshops in Qena Governorate, specifically in El Maana, Al Gazairia and Sheikh Eissa.

B. Banque Misr Foundation for Community Development (BMFCD) directs its activities toward inclusive community development to achieve sustainability in light of Egypt2030 vision. In 2019, the BMFCD developed 26 villages in 12 governorates. Currently, BMFCD is improving 13 villages in various facets across eight governorates, in support of the government's initiative, Decent Life, through collaborative efforts with several civil institutions, associations, and universities to economically empower and provide better living conditions for individuals living in these villages.

The foundation also promotes youth participation and directs their energies to overcome social hurdles, and improve their broad-based life skills and scientific skills.

1- “Made in Egypt” Initiative for Women and youth Empowerment

Banque Misr Foundation for Community Development funded the establishment of handicrafts projects under the “Made in Egypt” initiative and collaborated with a number of non-profit organizations to support Egypt’s low income rural and remote areas. The foundation aims to raise the standard of living and improve the quality of life in villages and informal areas, especially for female breadwinners and youth; and encourage them within the framework of financial inclusion to increase the size of their projects funded by the foundation through the bank’s facilities.

Under the initiative, the foundation established 3,770 micro-projects and provided vocational training for 1,240 young people across Upper Egypt villages and the slums of Greater Cairo. In collaboration with several NGOs, the foundation established various service and production-based projects, including alternative fodder crops, manufacturing/packaging of Ajwa dates and honey bees, mobile maintenance, sewing/rolling mill, computer maintenance, and glass/Alumetal installation.

2- "You Can Make Your Country Better" Initiative

Banque Misr Foundation for Community Development (BMFCD) funded three new projects and entirely developed 8 villages in Sohag and Aswan, in collaboration with Masr Elmahrousa Balady Association, Omar Bin Abd El Aziz Association, and Sonaa al-Hayat.

3- Preservation of Heritage Crafts

In collaboration with the Handicraft Industry Chamber, Banque Misr Foundation for Community Development (BMFCD) served the inhabitants of Garagos village, a small village 30 km from Qena Governorate. In line with the government's public policy to increase rural areas' productivity and sustain handicraft industries, the foundation revived Garagos pottery factory. It furnished two ceramic workspaces, facilitated 25 youths training by industry gurus, provided employment opportunities to youth upon completion of the training program, promoted the export of handcrafted ceramic and pottery products, and preserved the handicraft industry. Also, the foundation coordinated with a specialized company to create an online platform

for Garagos pottery through a dedicated Facebook page, Instagram page, and product page. It is worth noting that the craft was initiated by French monk Estefan Damon and constructed by the renowned architect Hassan Fathi to be a museum, offering world-class pottery and porcelain artifacts that firmly maintain Egypt's position on the global maps of tourism.

4. Comprehensive Village Development

Banque Misr Foundation for Community Development (BMFCD) fully developed neediest villages in Egypt in collaboration with a number of civil society organizations, including:

• Masr Elmahrousa Balady Association

Serving the inhabitants of Tafnees, Asfoun, Al-Gharyera, and Kiman villages - Isna City, Luxor Governorate through:

- Offering two carpentry workshops and providing carpentry courses to 30 young people, among which 10 trainees received the required support to establish their own projects
- Establishing 198 livestock farming projects for cattle, goats, and poultry breeding
- Training and funding 300 economic and social solidarity projects aimed at youth and women
- Raising awareness among a total of 150 farmers on the latest techniques in the fields of agriculture, breeding, and agricultural rationalization
- Improving the standard of living of 40 farmers through the supply of Berhi palm dates produce (seeds)

Serving the inhabitants of Al Raghamah, Adwa, and Iqlit Villages – Kom Ombo City in Aswan Governorate through:

- Funding six farms with new palm offspring
- Providing technical support for 100 villagers to set up their own projects
- Improving the standard of living of 200 villagers
- Establishing 5 collective poultry farm projects

Serving the inhabitants of Al-Basateen District, Dar Al Salam and Arab Maadi in Cairo Governorate through:

- Organizing sewing workshops
- Supporting several women in establishing their own projects

Association of Upper Egypt for Education and Development

Serving the inhabitants of Juhayna and Al Maraghah cities in Sohag Governorate through:

- Organizing workshops for youth and female households in sewing, electricity, craftsmanship, patisserie production, and farming projects for cattle, goats, and poultry breeding
- Organizing exhibitions for their products
- Funding 110 micro-projects

• Omar Bin Abd El Aziz Association

Serving the inhabitants of Juhayna city in Sohag Governorate through:

- Organizing workshops for 380 young trainees in sewing, electricity, apiaries and the maintenance of photocopying machines and motorcycles
- Supporting 330 veterinary and feed projects
- Funding 200 micro-projects and providing kit for each craftsman

• Fayoum Agro Organic Development Association

Serving the inhabitants of Hawara, Disya, Senofar, Demashkin and Manshiet Demour villages in Fayoum Governorate through:

- Establishing livestock projects for 480 families
- Providing 20 biogas units for 20 low and middle-income households
- Developing the capacities of 150 individuals and providing employment for 75% of them

• Kheir Wa Baraka NGO

Serving the inhabitants of Haradna village in Sakulta city in Sohag Governorate through:

- Conducting vocational training for young people to establish startups (plumbing - maintenance of household appliances, electricity in households) and providing Kit for each craftsman
- Training members of production units, young people on project management and marketing
- Establishing a clothing production center for women and providing them with sewing machines

- Providing craftsmanship training, tools and equipment - fabrics for training and production)
- Setting up village-based breeding program for goat herd improvement
- Generating projects and veterinary care training for families, in addition to providing them with goats, goat vaccinations, vet care, feed, and insurance programs

• The Egyptian Association for Marketing and Development

Serving the inhabitants of Zawyat Sultan village in Minya Governorate through:

- Organizing workshops for 250 young male/ female trainees on managing projects (patchwork, mobile maintenance training, air conditioner maintenance training, electricity, and dairy production)
- Funding 140 micro and small projects

• Gannat Elkhulood Charity Association

The foundation funded handicraft workshops for 350 individuals in textiles, leather, and handicrafts (crochet knitting) in Dewei’a, Cairo Governorate. It also organized positive parenting workshops and sponsored a behavioral adjustment program for 300 mothers in Dewei’a.

• The Handicraft Industry Chamber, Federation of Egyptian Industries

Serving the inhabitants of Garagos village in Qena Governorate through:

- Completing the first phase of reviving Garagos pottery factory
- Furnishing two ceramic workspaces
- Offering 25 youths training by industry gurus
- Providing employment opportunities to youth upon completion of the training program
- Promoting the export of handcrafted ceramic and pottery products
- Preserving the handicraft industry

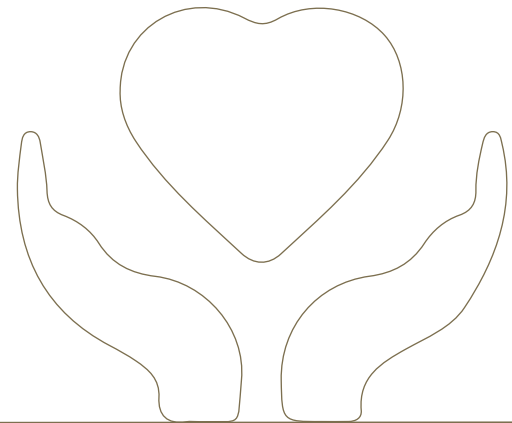
• Sonaa al-Hayat Egypt

- Establishing micro-economic projects, in addition to providing a soft skill, professional, and project management training for

114 families (carpentry - plumbing - electricity - sewing, etc...) through specialized training centers
-Developing the capabilities of 25 on ground volunteers who follow up and support the daily needs of the families

Promoting Good Health And Well-Being For Sustainable Future

BM holds a bold commitment toward better health and well-being for all. In line with the national efforts to promote healthy living among Egyptians, BM supported various initiatives for accessible health care services and sports participation for youth and adults. BM is also committed to taking part in promoting the national health care system and combating and emerging health issues.



Facilitating access to medical care

A- The bank aims to facilitate access to medical care to improve health conditions through early intervention and preventive coverage. The bank collaborated with a number of entities to extend medical care to all Egyptians, namely:

• Orman Charity Association

The bank allocated EGP 300m to support the development of the third stage of Shefaa Al-Orman Hospital, so as to ease the financial and emotional burdens on the patients and their relatives who must often travel long distances to Cairo to receive treatment.

• Tahya Misr Fund’s “Nour Hayah” Initiative

Banque Misr cooperates with "Tahya Misr" Fund in its "Nour Hayah" initiative that addresses avoidable vision impairment by allocating EGP 80m for the initiative. The Nour Hayah initiative aims to provide 2m citizens with eye care services and perform more than 200,000 surgeries in addition to treatment and follow ups. The initiative seeks to offer affordable access to quality inclusive clinical and surgical eye care for the underprivileged and to reduce the rates of vision impairment and vision loss. Nour Hayah’s agenda encompasses reintegrating and empowering the visually impaired, as well as raising awareness among Egyptians, targeting Egypt to be free of avoidable vision impairment.

Throughout the past year, the bank has allocated many donations to support blood and heart research, treatment of patients and the purchase of necessary medical equipment.

• Mansoura University’s Hospitals

BM donated EGP5.5 m to the Urology and Nephrology Center to equip it with 10 kidney dialysis machines, and to support a research project for cell therapy for diabetes mellitus, in a continuous support for scientific research on this health issue, as BM allocated EGP 6 m in 2017/2018.

• Cairo University’s Hospitals

The bank donated EGP 10m for financing an advertising campaign on behalf of Al Kasr Al Aini Hospitals, promoting its crucial role in providing various free healthcare services to all citizens across Egypt.

B- Banque Misr Foundation focuses on promoting health care and medical services provided for the Egyptian citizens through various axes:

1- Promoting the healthcare facilities at public and University hospitals

During FY 2018/2019, Banque Misr Foundation contributed to developing medical units and facilities through providing the required medical supplies at a value of EGP 62m.

Hospital	Contribution (Unit/ Dep.)
1- Mansoura University Children’s Hospital	Renovating and expanding Neonatal Intensive Care Unit (NICU)
2- Sohag University Hospital- Pediatrics Unit	Intensive Care Unit (ICU)
3- South Egypt Cancer Institute	Surgery Department
4- Beni Suef University	Surgical Intensive Care Unit (SICU)
5- Sohag Educational Hospital	Gastroenterology Unit
6- Sohag University Hospital	Artificial Kidney Unit
7- Sahel Teaching Hospital	General Surgery Department
8- Health Affairs Directorate (Asyut General Hospital- Obstetrics and Gynecology Hospital- Iman Hospital)	Medical supplies for Surgery Department and Obstetrics and Gynecology Unit
9- Egyptian Liver Hospital- Al Mansoura	Gastrointestinal Endoscopy Unit
10- Assiut University Hospitals	Gastrointestinal Endoscopy Unit
11- Assiut Cardiothoracic Surgery	Surgical instruments and supplies

2- Surgeries for needy patients

The foundation allocated supporting funds to cover the surgery and treatment costs of a number of patients who were unable to pay.

- Covering the expenses of heart surgeries in Abu El-Rish Pediatric Japanese Hospital
- Covering the expenses of eye surgeries in cooperation with the National Association of Rotary Clubs for the second consecutive year
- Supporting the “Right to Vision for All and Combating Blindness project in collaboration with Fayoum University Hospital for the fifth consecutive year
- Cochlear implant programs in cooperation with Fayoum University Hospital for underprivileged children

3- Promoting healthcare in the Upper Egyptian villages and the slums of Cairo

Banque Misr Foundation cooperated with a number of NGOs to promote the healthcare system at 10 Upper Egyptian villages and four slum areas in Cairo through:

- Developing and providing facilities for the health units in villages
- Developing kidney dialysis units and dental clinics in the health units
- Launching awareness campaigns about hepatitis C, breast cancer and disease prevention methods
- Launching campaigns to detect conjunctivitis and anemia blood tests for school students
- Nursing training in villages
- Providing health care services and treatment for chronic diseases
- Sponsoring medical convoys and sending referral requests to hospitals to carry out the required surgeries

4- Supporting Health Care Initiative

Sponsoring medical convoys and sending referral requests to hospitals to carry out the required surgeries.

- Covering nursing costs for the fifth consecutive year at the emergency Care Unit - Abu El-Rish Pediatric Japanese Hospital and the Intensive Care Unit-Ain Shams University Surgery Hospital– Ain Shams University Surgery Hospital

- Ongoing support for the national hepatitis C treatment program for children in cooperation with the National Hepatology and Tropical Medicine Research Institute
- Covering the expenses of the required facilities for the Intensive Care Unit at the National Cancer Institute
- Sponsoring the annual medical convoys launched by Faculty of Medicine-Ain Shams University in Beni Suef and Al Fayoum governorates
- Contributing to Sonaa El Kheir Foundation initiative “Your Eye Is Our Care”
- Ongoing support for the third consecutive year to Ahl Misr Association for Development’s project for burn prevention and treatment
- Covering the expenses of physical therapy sessions for the rehabilitation of disabled children at the Special Needs Center, Faculty of Graduate Studies for Childhood, Ain Shams University

Sports... A Step Toward Prosperity

A- Aiming to boost community wellbeing, Banque Misr is keen on turning athletes’ dreams into reality through:

• Tokyo Summer Olympics

BM supports athletes who will participate in the upcoming Tokyo Summer Olympics in collaboration with the Egyptian Ministry of Youth and Sports.

• Egyptian Tennis Federation - Davis Cup

As part of its leading role in supporting sports, Banque Misr signed an agreement with the Egyptian Tennis Federation for sponsoring the upcoming Davis Cup, the premier international team event in men's tennis.

• Women’s International Tennis Championship in Sharm El-Sheikh

The Women's International Tennis Championship was held in SOHO Square, in Sharm El-Sheikh during the period from October 17th to 24th , 2019. A total of 64 players from more than 25 countries, including Russia, Spain, Italy, England, France, Belgium, United States, Belarus, Germany, Sweden, China, Argentina and Mexico took part in the championship.

• Egyptian Sports Fund

BM launched the Egyptian Sports Fund, the first charitable investment fund to support a renaissance in Egyptian sports under the management of Beltone Egypt S.A.E. Up to 70 Egyptian athletes will benefit from the fund over the course of the first three years.

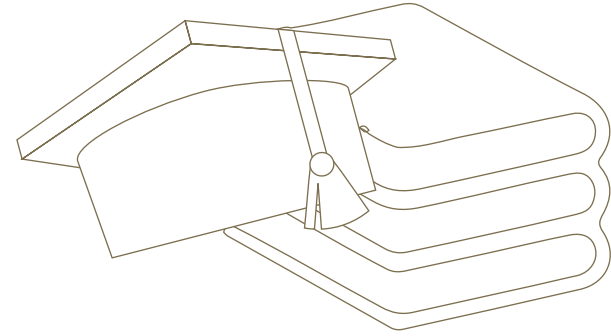
• Promoting Youth Sports Centers

BM contributes to equipping and refurbishing sports youth Clubs, as youth engagement in sports has a positive impact on both their emotional and physical health. BM provides funds to cooperate at establishing new centers, as well as developing the required facilities.

B- Banque Misr Foundation for Community Development has collaboratively promoted sports in Egypt’s underprivileged rural and remote areas. The foundation equipped and developed three youth sports centers.

Sustainable Education For A Better Future

BM focuses on financing inclusive education initiatives and promoting equitable education, with a focus on individuals with learning and physical disabilities. These efforts aim to create a positive impact on society in terms of overall social cohesion and in particular shaping a better future in terms of sustainable economic development.



A- Banque Misr has a solid belief that civilization can only be sustained through inclusive equitable education. BM plays a significant role in ensuring access to education, which extends to bridging the education-to-employment gap through offering internship opportunities, including:

• Zewail City of Science and Technology

Banque Misr supports 11 senior students at Zewail City of Science and Technology, through fully-funded scholarships. This is in addition to its continuous support for the university through allocating EGP 25 m for the development of a student service center.

The new building provides a centralized location for all strategic studies. The building represents a real breakthrough in terms of vocational guidance and training, by helping students to navigate their academic journey.

• Ministry of Planning, Monitoring and Administrative Reform

BM participated in allocating EGP 200m over two years to finance educational programs and training to raise the efficiency of the government's administrative sector.

• Ministry of Higher Education and Scientific Research

BM participates in financing research and scientific study missions with EGP 300m on an annual basis.

• Dar El-Maaref

Banque Misr cooperated with Dar El-Maaref Printing and Publishing House in enriching the culture of reading among school-age children. The bank aims to encourage reading and to expand children's cultural knowledge by offering them stories and books.

• INJAZ Egypt

Banque Misr sponsored the “Sanaaety” training program that aims to create a new generation of young entrepreneurs. Under the cooperation agreement signed with INJAZ Egypt, the program aims to provide training for students in various vocational schools.

B- Banque Misr Foundation for Community Development collaborates with a number of NGOs to develop and educate youth in an effort to ensure better lives for the underprivileged, including:

• Nile University

Banque Misr Foundation offers 56 annual fully-funded scholarships to the unique talents among engineering and business administration students at Nile University. This is in addition to offering 10 masters scholarships for research assistants.

- Vocational Internship Program

Banque Misr Foundation for Community Development offers 35 annual training programs for preparatory students at the Automotive Vocational Centers in Imbaba – Giza, Moharam Bek – Alexandria, and Kafr El-Zayat City, Gharbia Governorate. After completing the training program in three years, the student receives two certificates: a vocational education diploma from the Productivity & Vocational Training Department and a certificate from Saxony International Schools.

- Developing educational environment in Upper Egypt

As promoting the educational environment remarks a gateway for development, BMFCD cooperated with NGOs to develop the educational environment in some of the neediest villages in Upper Egypt (Fayoum, Minya, Assiut , Sohag, Luxor, Aswan) through educational and cultural programs in order to fulfill the demands of the target groups. Such cooperative efforts resulted in:

- Renovating five primary and preparatory schools
- Furnishing and providing kindergarten classrooms with the required teaching tools
- Establishing kids' play areas and providing them with the required supplies
- Holding literacy classes in 10 villages for female breadwinners and drop-out students
- Providing specialized training programs for kindergarten teachers
- Establishing computer and science labs
- Holding classes for students with academic difficulties in primary and preparatory schools
- Providing scholarships and uniform fees for the neediest students
- Providing supplies for the computer lab in the Faculty of Medicine Al-Azhar University for Girls

Talent Program

The foundation further developed an integrated program to support talented individuals. The program supports poets, writers, artists, innovators, scientists and gifted individuals in the field of information technology.

The Literacy Initiative

In collaboration with Sonaa al-Hayat, Banque Misr Foundation for Community Development established 36 mobile literacy classes in Rawafia Al-Issawiya villages in Sohag to reach the largest number of beneficiaries and facilitate their participation.

- Teaching with Technology Program

Derived by a firm belief that an educated population is a critical requisite for social and economic change, Banque Misr Foundation for Community Development sponsored programs to enhance teachers' professional qualifications with a focus on integrating technology in the teaching process, in partnership with, Fayoum Agro Organic Development Association(FAODA), Masr Elmahrousa Balady Association, Kheir Wa Baraka NGO, and Sonaa al-Hayat Egypt.

The Microsoft "Teaching with Technology" program is designed specifically for teachers to bridge the gap between technology skills and innovative teaching and increase their knowledge of how technology can boost peer interaction and increase productivity in the classroom.

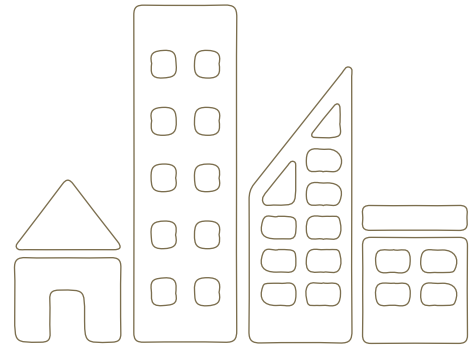
In addition, it provides educators with an opportunity to obtain a Microsoft Certified Educator certification to provide rich, customized learning experiences for their students that incorporate critical skills using Microsoft tools.

- Schools Computer Lab and Science Lab Initiative

Banque Misr Foundation for Community Development equipped 20 computer labs in schools in Fayoum, Minya, Sohag, Luxor, Aswan, and Cairo. The foundation also provided internet connection in laboratories, allowing teachers to integrate technology in the curricula to make it more effective.

Promoting Adequate Housing For Better Living Standards

BM has a major role in building resilient societies and economies. It participates in the state's investments in developing public transport and improving urban planning and management. BM substantially contributes to national socio-economic development through reducing the urban population living in slums. BM ensures access to adequate and affordable housing and basic services and developing informal settlement.



A- Banque Misr's firm commitment -as a leading banking institution- is to contribute to promoting long-term standards of living. Banque Misr signed various protocols to ensure convenient housing, in an effort to contribute to livelihoods enhancement through safe and secure housing.

• Central Bank of Egypt (Mortgage Initiative)

The program aims to support low, middle, and upper-middle-income citizens' right to housing. BM offered long-term mortgage financing with simple procedures. Within the framework of the CBE's initiative, BM provided long-term loans at a value of about EGP 5bn to more than 46,000 customers as of June 2019.

• Tahya Misr Fund- Al Asmarat

BM supported the Al Asmarat project to enhance the living standards for the slum inhabitants. BM donated 200 m to finance Al Asmarat housing project and furnishing the residential units.

• The Egyptian Ministry of Defense

BM supported the Bashayer El Kheir Housing Project to ensure decent living conditions for the underprivileged residents of slum areas in Al Asmarat project, Manshiat Naser and Ezbet khairallah. Hence, BM allocated EGP 300m to develop these projects.

• New Valley Governorate- Model Village

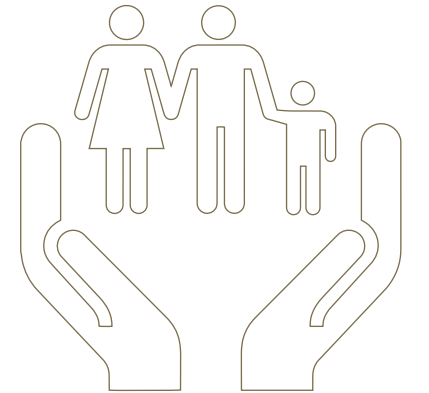
Banque Misr signed a protocol with New Valley Governorate for developing Upper Egypt through establishing a model village in Kharga. Banque Misr allocated investments worth EGP 35 m for establishing a model village on an area of 1000 feddans in Kharga, New Valley. The protocol targets at establishing 100 country houses equipped with all the required facilities, as well

as allocating space for various activities, including livestock and rabbit farming.

B- Banque Misr Foundation for Community Development was keen to develop 310 houses for 1850 beneficiaries and supply water to more than 70 houses serving around 420 beneficiaries to improve safe and healthy home environments. Banque Misr Foundation for Community Development served Egypt's low income rural and remote areas in Fayoum, Minya, Sohag, and Aswan in collaboration with several non-profit organizations including, Fayoum Agro Organic Development Association (FAODA), Masr Elmahrousa Balady Association, Sonaa al-Hayat and Kheir Wa Baraka. Recently, the foundation funded the installation and supply of clean water to the main road located in Iqlit village, Aswan.

Sustaining Social Welfare For Shaping Better Future

Banque Misr continues to promote social solidarity in order to improve quality of life by adopting a core principle of "Decent Life for all" as most highly valued commitment. BM is committed to raising living standards for the poor and the underprivileged.



A- Banque Misr is committed to promoting young orphans' social inclusion and wellbeing through tackling the issues of exclusion and discrimination. Social solidarity emphasizes the interdependence between individuals in a society, giving them the ability to enhance others' lives. BM's core principle of collective action is founded on shared values and beliefs.

• Supporting Orphans

BM and its foundation hold annual celebrations for orphans. The celebrations are held in several governorates: Cairo, Alexandria, Minya, Qena, Luxor, Aswan, Beni Suef, Beheira, Sharqiya, New valley, and Red Sea (Qusair and Hurghada).

• Talaat Harb Retired Employees Association

BM allocated EGP 55,000 to support retired employees.

• Ramadan Bags

The bank donated 1000 Ramadan bags in cooperation with Misr El Kheir Foundation, in addition to distributing Ramadan boxes to the neediest.

B- Banque Misr Foundation for Community Development is also committed to embracing young orphans' social inclusion and wellbeing through collaborating with a number of non-profit organizations to support Egypt's low-income rural and remote areas.

• Material Aid

Throughout the year, Banque Misr Foundation for Community Development not only helps children through every phase of their growth into self-reliant adults, but also strives to ease the burden of poverty on their families and improves their communities. The foundation accomplishes this by providing material support in the following categories:

- Welcome Back to School

Banque Misr Foundation for Community Development strives to support underserved children by providing essential school supplies. The foundation delivered nearly 2,600 bags to some of the most under-resourced children across the country. Besides, the foundation covers tuition of low-income students.

- Spread Winter Warmth

Banque Misr Foundation for Community Development delivers 1,900 warm clothes to cope with the cold, biting wind and relentless winter weather that is closing under deserved individuals who are completely unprepared. Furthermore, the foundation distributed 1,300 blankets to underprivileged households.

- Spread Eid Joy

Banque Misr Foundation for Community Development delivered 2,700 Eid outfits to orphans, poor and needy families.

- Sponsoring Impoverished Families

Banque Misr Foundation for Community Development sponsors struggling families through a monthly aid serving 125 families in collaboration with 30 NGOs.

Menkaura

c.2532–2503 BC; Fourth Dynasty


The last king who situated his monument at Giza was Menkaura. His pyramid measures 104.6 meters in ground plan, is 65 meters high, and has a volume 235,183 cubic meters (Verner 2002, Bárta 2005).

The Menkaura pyramid is built at the far southern end of the Giza diagonal on the edge of the Mokattam formation. The pyramid’s base lies 2.5 meters higher than Khafra’s pyramid but occupies only a quarter of the area used by the Khafra and Khufu pyramids. With its original height of 66 meters, Menkaura’s pyramid represents only about a tenth of the mass (235,183 cubic meters) in comparison to Khufu’s (2,583,283 cubic meters). The core consists of locally quarried limestone blocks. The bottom-most approximately 15 meters of the pyramid’s sides were cased with granite blocks from Aswan. Further up, the casing was made of fine limestone. The final dressing of the granite casing was not completed until the end of the construction process (Bárta 2005, Klemm and Klemm 2010).

Menkaura began a new trend leading to distinctly smaller pyramids. Nevertheless, the decrease in monumentality was to be compensated for, since it is also during his reign that the pyramid substructure was enriched by a complex of storerooms. At Menkaura’s pyramid there were six, indicating a shift in the philosophy behind the mortuary complex (Bárta 2005). It is also starting his reign that the trend, which started with Khafra, became more pronounced, namely, the shrinking in size of the pyramid, and the expansion of the of the mortuary temple and its decoration. This would continue throughout the rest of the Old Kingdom (Lehner 1997).

An entrance on the north side provided original access to the inner chambers, about 4 meters above ground level. An inclined passage, more than 30 meters long, leads to the subterranean chambers. One of them, the proper burial chamber, was constructed entirely with granite, and housed a dark grey sarcophagus, which was found to be empty. After its discovery, the sarcophagus was lost when the ship transporting it to Europe sank (Klemm and Klemm 2010).



 The Pyramid of Menkaura in Giza


Menkaura

c.2532–2503 BC; Fourth Dynasty

Three small pyramids stand to the south of Menkaure’s monument. The eastern one was probably the true satellite pyramid. It was partly cased with red granite, and a sarcophagus of the same material was sunk into the floor of the burial chamber (Klemm and Klemm 2010).

The pyramid complex of Menkaura differs from the complexes of Khufu and Khafra in many ways. It was not finished during his reign, but was instead completed by his son and successor, Shepseskaf. Other architectural additions were made during the Fifth and Sixth Dynasties. And intact artifacts from various periods were found in the upper and lower temples and the chapels of the subsidiary pyramids (Petrie with update Hawass 1990).



 The Pyramid of Menkaura in Giza

Userkaf

c.2494–2487 BC; Fifth Dynasty

Userkaf built his pyramid, 87,906 cubic meters in volume, in central Saqqara outside the northeastern corner of the enclosure of Djoser’s Step Pyramid complex (Bárta 2005). Its base is 73.3 meters on each side, and the height is 49 meters (Verner 2002). Shepseskaf, the son of the powerful Queen Khentkaus I, was the first king of the Fifth Dynasty.

Although the pyramid of Userkaf was once encased in fine limestone, its core masonry was built hastily and carelessly. As a result, when the casing blocks were removed some time later, the core masonry collapsed, and the pyramid lost its perfect pyramidal shape.

Userkaf’s pyramid complex exhibits some unique features: the mortuary temple is on the south, rather than east, side of the pyramid, and in place of it is a small offering chapel. Also, the mortuary temple is not oriented toward the pyramid, but toward the south. The reasons behind these changes are unknown, but it has been suggested that this was due to a lack of space toward the east of the pyramid. Another explanation involves the pyramid complex of Djoser, which is oriented north-south. It is therefore also possible that Userkaf desired a pyramid complex that incorporated elements from the older, Third Dynasty type (Lehner 1997).

One of the principal innovations of his time was the construction of a so-called sun temple, dedicated to the cult of the sun god Ra, in Abu Ghurab, north of Abusir, a distance of some 3 kilometers to the north of his pyramid.

One of the most important officials of the Fifth Dynasty was Ptahshepses (not to be confused with the Ptahshepses who served as vizier later in the dynasty), who married Userkaf’s daughter Khamaat (Dorman 2002). He is, in fact, the first official known to have married a king’s daughter (Bárta 2005, 2017).



 The Pyramid of Userkaf in central Saqqara

Sahura

c.2487–2475 BC; Fifth Dynasty


Sahura built his pyramid, 96,542 cubic meters in volume and 48 meters high with each side of the base 78.5 meters long, at Abusir (Verner 2002, Bárta 2005). With Sahura, the son of Userkaf and second king of the Fifth Dynasty, the trend that had begun with Khafre continued. Hand in hand with the decrease in pyramid size there went a tendency to emphasize the decoration program of the complex, thus favoring a symbolism of the royal tomb set not by its sheer size and monumental impression, but by the elaborate and much more thoughtful and extensive wall decoration program (Lehner 1997, Bárta 2005).

Sahura’s mortuary complex, one of the best preserved of the Old Kingdom, thus displayed some 370 running meters of decoration, whereas several of the most important kings of the Fourth Dynasty seem to have paid little attention to this component: Snefru, the biggest pyramid builder, reserved only 64 running meters for the decoration of his complex, his son Khufu 100 meters, and the direct predecessor of Sahure, Userkaf, only about 120 meters of relief decoration (Arnold 1999, Bárta 2005).

Sahura’s royal reliefs form the largest collection known from the third millennium BC. They include not only traditional religious and symbolic scenes, but also representations of historical events, including an expedition to Punt, and gatherings of the royal family, listing the names of a number of family members and representatives of the state elite (Bárta 2005, 2017, El-Awady 2009).

Generally, starting with the reign of Sahura, there was a strong tendency toward increasing the area reserved for storerooms within the mortuary complexes. This indicates that the daily funerary cult for the king carried out in them rose in importance. In the case of the Sahura complex, the storerooms take up 916 square meters of the whole 4,246 square meters of the mortuary temple’s area. This policy stands in marked contrast to the previous Fourth Dynasty (Bárta 2005).



 The Pyramid of Sahura in Abusir

Djedkara Isesi

c.2414–2375 BC; Fifth Dynasty

Djedkara Isesi abandoned the royal cemetery at Abusir, and built his pyramid, 107,835 cubic meters in volume, at South Saqqara (Bárta 2005). It is 52 meters high and each side of the base is 78.5 meters long (Verner 2002). Because of its position on high ground above Saqqara, this pyramid is known as el-Shawaf “The Sentinel” (Lehner 1997).

As a consequence of the serious centrifugal trends experienced by the previous Fifth Dynasty central administration, Djedkara was compelled to introduce significant reforms (Kanawati 1980). These included a new policy stipulating that each nomarch (provincial governor) was now responsible exclusively for his own nome (province). Previously, an official had held responsibility for several nomes simultaneously (Martin-Pardey 1976). Moreover, the king established three administrative centers for the control of the most economically important nomes of Upper Egypt: numbers 10, 15, and 20 (Kanawati 1980).

It was also in Djedkara’s reign that high administrative officials began to be buried in their hometowns, rather than at the royal residence (Kanawati 1980). There are indications that, from this time on, there were two viziers at the same time, one of them only titular, a probable indication of conflict between the king and powerful courtiers.

Djedkara’s funerary complex was built at South Saqqara and is known for its unique representations, such as the royal birth scene (Bárta 2005, 2017, Megahed 2016). Another new feature is that his queen’s pyramid now had its own, smaller-scale, version of the elements of the king’s pyramid complex. Thus, in addition to her pyramid and mortuary temple, there was a small satellite pyramid, and the whole was surrounded by its own enclosure wall. The mortuary temple of the queen herself also had components like her husband’s: an offering hall, storerooms, a room with niches for her statues, and a columned court (Lehner 1997).



 The Pyramid of Djedkara Isesi in Abusir

TECHNOLOGY

To gain a competitive edge in today's ever-evolving market, Banque Misr embarks on the digital transformation of the banking industry. One of BM's priorities is deploying technology to level up the efficiency of its line-of-business operations, which in return enhances BM's added value to its stakeholders. Banque Misr always ensures that the operating system is functioning as smoothly and efficiently as it should be, even during the upgrades. For high-quality, innovative and integrated customer experience, the cutting-edge technologies are always assimilated into the bank's operating systems to ensure that all inputs to the system are complete and accurate and all transactions are valid and properly authorized. In order to be future-ready, Banque Misr also applies emerging technologies to optimize backend operations, data management, cybersecurity, payment platforms, IT infrastructure, and risk management. To this end, the bank offers its customers innovative banking services with optimal standards of accuracy and security.

Developing IT Infrastructure

Banque Misr's rich legacy extended locally and regionally over a century. BM employs an integrated perspective to sustain this legacy. Therefore, it continues with a steady pace toward the digital transformation at full potential through the systematic updating of its infrastructure.

Banque Misr is the first bank in Egypt and North Africa to become compliant with PCI data security standards, upon which obtaining version 3.2.1 of PCI-DSS certification for the eighth consecutive year.

Further, the bank has upgraded its core systems. The cost effective core banking system opts to streamline a full spectrum of banking operations. In return, BM rolls out new innovative products while seamlessly integrating multiple channels to ensure availability for its customers.

Further, BM inked the Oracle Unlimited License Agreement (ULA) to ensure unlimited use of a subset of Oracle products. The bank also upgraded critical databases to the latest versions using Oracle Enterprise Manager. One of the eco-friendly business practices adopted by Banque Misr is applying the Building Management Systems (BMS).

This is in addition to implementing server virtualization technology at the main data center and disaster recovery sites. The server consolidation model enables faster server provisioning and improved desktop application deployment. Applying this technology, BM achieves significant cost and time

saving benefits for the best customer experience. It enhanced its operational flexibility, security, business continuity, and disaster recovery. Additionally, the third phase of upgrading, robust fiber-optic internet cables across BM's network of branches improved the bank's productivity with high-speed internet connectivity and maximum uptime. The first two phases of upgrading copper cables to fiber-optic cables have been implemented at 208 branches.

In line with the customer-centric approach, the bank also applies Middleware to connect network-based requests generated by a client to the back-end data the client is requesting for better and faster transaction management. Middleware seamlessly integrates the bank's core banking system with internet banking services.

The software supports the bank's open banking Application Programming Interface (API).The bank has also upgraded the IT Infrastructure of its branch network, comprising switches, routers, personal computers, printers, scanners, IP telephony and surveillance cameras. This is in addition to applying the Data Mart platform for financial reporting. Thus, BM stays ahead of the competition during the digital transformation era through applying state-of-the-art technologies.

Advanced Information systems

Banque Misr continuously develops and upgrades its information systems, so as to provide a wide array of world-class banking

services to a wide range of customer segments. The bank seeks to offer its customers the best banking experience ever. As such, BM was the first bank in Egypt to implement a number of projects during the FY 2018/2019 including, the Mobile Wallet to allow users to withdraw and deposit via all mobile wallets through ATMs.

It was the first Egyptian bank to release the BM Chatbot on the bank's website to support current and potential customers. In support of national efforts toward financial inclusion, BM was the first bank in Egypt to issue Meeza prepaid card to facilitate electronic payments and boost the transition to a cashless society. Further, BM launched a new banking product, "Salary in Advance," enabling its customers to withdraw cash in advance from their payroll accounts to be repaid later.

Banque Misr consistently outpaces the evolving digital transformations in retail banking through embracing cutting-edge technologies to introduce innovative banking products and services. During the year, BM introduced a variety of prepaid cards, either for existing or virtual accounts. BM implemented cash monitoring system, as a direct corporate connection that allows companies to instantly track their deposits, accounts, transactions, and the status of checks, bills and commercial papers provided for collection.

Corporate customers can search their business transaction history onsite via laptops or mobiles with the highest degree of security and confidentiality. During the FY 2018/2019, BM applied the latest version of the 3D Secure program for fraud prevention to secure digital transactions using all types of cards (credit, debit, prepaid cards). Further, Banque Misr upgraded the core banking system (FLEXCUBS) at its branches in the United Arab Emirates in order to fulfill all the business market requirements in UAE. The updated system enabled the bank to launch new service and products (fast cash, retail loans). This is in addition to establishing an online link with the Central Bank of the UAE, in order to facilitate instant activation of customers' balances and automate loan services to reduce loan-processing time.

Business Continuity

BM's operational continuity has been empowered through applying the latest recovery technology in order to ensure a full-fledged recovery process. Banque Misr established a disaster recovery site, in addition to carrying out an interruption test to examine the shortest timing for system restoration (credit, debit, prepaid cards).

Aiming to minimize the time consumed in granting loans to clients while reducing administrative fees, BM has adopted an automated workflow for MSMEs during the current FY.

Moreover, in order to minimize the time required for currency requests at BM's branches, the bank has applied a system for the Treasury Department for that purpose. The system enables the prompt monitoring of the status of each phase of the currency management request. Further, to manage VIP clients' products and services; Banque Misr has inaugurated the BMVIP Plus service. BM also seeks to employ a pioneering internet and mobile omnichannel solution for retail and corporate clients.

FOREWORD

BM
APPROACH

HOW BM
OPERATES

BM
DIVISIONS

FINANCIAL
PERFORMANCE

CORPORATE BANKING

Since its inception, Banque Misr has been a fundamental asset to Egypt's economy with its leading role in economic development. The bank's first mission is to stimulate savings into channels to finance various public and private projects, either locally or internationally, to ensure economic stability, social equity, and sustainable economic growth. Banque Misr holds a position of a strategic importance in propelling the national economy through providing an essential banking service, namely the corporate banking service through its Corporate Banking Division.

The Group offers a comprehensive range of tailored corporate banking products and services, supporting different business activities while fulfilling a wide spectrum of corporate clients' demands and requirements. Various corporate banking services provided by Banque Misr include facilities on the short, medium, or long term, as well as project/structured/syndicated financing packages and other corporate finance services.

Loan Portfolio

EGP
271.7bn

Financing for a Better Future

Banque Misr offers integrated corporate banking services and products of a high quality to leverage corporate investments and megaprojects, so as to inject added value into the national economy and accelerate the state's inclusive development. The bank retains solid expertise to ensure the delivery of end-to-end services with regard to structuring, arranging, and syndicating large-scale finance transactions within very tight time frames. Banque Misr plays a vital role in promoting the wellness of the national economy through its vital support to the government in advancing the petroleum, energy, electricity, gas, telecommunication, real estate and construction sectors.

The bank has facilitated funds for the development of the New Administrative Capital, national developmental projects in Sinai, constructing and renovating Egypt's road network, electric network projects, affordable

housing projects, along with participating in other initiatives. The Corporate Banking and Syndicated Loans Department managed to sustain a sufficient credit rating portfolio. By the end of the FY 2018/2019, BM's total loan portfolio surged to EGP 271.7bn. BM concluded 8 syndicated finance facilities during the period from July 1st, 2018 till June 30th, 2019, with a total finance volume worth EGP 20.45bn. With a share worth EGP 10.1bn, the portfolio's facilities were concentrated in various sectors, including real estate investments, building materials, oil and gas, financial services, and general contracting. BM also targets to conclude other 20 finance facilities with finance volume of EGP 16.7bn.

Generating Green Investments

BM's sustainability strategy entails mobilizing green finance, as BM's commitment to climate action is of the utmost importance. From renewable energy to energy efficiency projects, BM directs funds to

address the challenges of climate change and serve a wider segment of society. BM runs comprehensive environmental compliance check-ups to ensure that financed projects adhere to the Ministry of Environment's regulations. Moreover, BM finances projects that address resource scarcity, with the aim of achieving economically inclusive, resilient and sustainable development. BM always integrates an effective environmental footprint in its financial performance, along with sustainable investing.

Sustaining Excellence

Banque Misr has been awarded by several national, regional, and international prestigious institutions in recognition of its remarkable achievements in corporate banking, driven by its professional team.

In 2019, the reputable publications and magazines acknowledged BM's efforts in this Division across Africa. BM also led and participated in various transactions, which are internationally recognized as the best deals of the year by different financial publications and magazines, including Euromoney & EMEA Finance.

Banque Misr has been honored to receive various awards for its efforts in corporate banking and project finance:

Bloomberg's League Tables on Global Syndicated Loans ranked BM as Egypt's top Mandated Lead Arranger and Book Runner among the top 20 financial institutions across Africa for 2019. BM was ranked as:

- The fifth among Book Runners for Syndicated Loans and Project Finance across Africa.
- The sixth Mandated Lead Arranger For Syndicated Loans and Project Finance across Africa.

Driven by a strategy that capitalizes on youth, BM will offer its seventh round of training programs in credit certification courses during 2020. The bank previously provided six training courses since 2009.

RETAIL BANKING

Banque Misr strives to meet and exceed the expectations of several customer segments, not only by providing advanced banking products and services, but also by offering a wide variety of tailored financial solutions to ensure fulfilling its customers’ demands. In this regard, BM’s new retail banking strategy firmly reflects its adopted customer-centric approach. BM’s retail portfolio successfully surged at 41% year-over-year, indicating strong consumer demand. Compared to EGP 22.9bn a year earlier, the portfolio increased to EGP 32.4bn by June 30th, 2019, marking a rise of EGP 9.5bn. BM's deposits portfolio rose by EGP 76.2bn, recording EGP 745.8bn in June 2019, compared to EGP 669.6bn in June 2018, with a growth rate of 11.4%.

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Initiatives for Promoting Financial Inclusion

Within the framework of the CBE’s initiatives for financial inclusion, BM’s Retail Banking Division has also launched two new products:

a. Tahweesha Bezeyada Account:

"Tahweesha Bezeyada" (extra savings) is a special savings account that enables the customer to deposit a fixed amount of savings on a monthly basis over a period of a year. This saving account is offered with administrative charges' exemption. The account holder will redeem the full amount of savings in case of regular payment process. During the last five months of the saving program, the customer will be required to pay only 25% of the total value of fixed savings and the bank will cover the remaining 75%. The minimum opening balance is EGP100 and its multiples. The customer shall not receive any further returns on the savings if he wishes to withdraw the savings prior to the first six months of the program.

b. Debit Cards for Minors:

As a part of the bank’s role in financial inclusion, BM’s “Debit Cards for Minors” product is offered for the youth to gain the new generation loyalty and expanding the customer base. BM always targets to increase the number of minors' saving accounts to facilitate the access of the banking services to the minors.

Social Initiatives

Aman El Masreen Certificate of Deposit

BM launched the “Aman El Masreen” Certificate of Deposit, a three-year local currency certificate- in partnership with Misr Life Insurance Company, the National Bank of Egypt, Agricultural Bank of Egypt, and Banque Du Caire. The Aman El Masreen certificate mainly targets temporary and seasonal workers, farmers and low-income society segments. The certificate is offered along with a life insurance policy. The certificate’s return is disbursed via prepaid cards or the Mobile Wallet payment card. The certificate also offers customers a quarterly EGP 10,000 prize draw after tax exemption. By June 30th, 2019, the Aman El Masreen Certificate’s assets value amounted to EGP 417m.

CBE Mortgage Initiative (low and middle-income individuals)

Since mortgage is a crucial catalyst for promoting the national economy, Banque Misr has a vital role in the government’s initiatives to promote adequate housing. Within the framework of the CBE’s initiative, BM provided long- term loans at a value of about EGP 5bn to more than 46,000 customers as of June 2019. These loans enabled them to purchase affordable residential housing units provided by the government.

Further, Banque Misr seeks to attract local and foreign investments for the real-estate sector. It offers a variety of mortgage programs for housing and furnishing for all the segments of the Egyptian society and the Egyptian expatriates living in the UAE as well.

Bancassurance

Banque Misr has been one of Egypt’s leading banks that offer the bancassurance services. In the last two years, BM has promoted its productive partnership with Allianz Egypt, insurance Co., to be among the top life insurance providers in Egypt, issuing more than 220,000 policies at the end of June 2019 . Moreover, BM mulls to offer non-life insurance products to its customers within the next few months.

Credit Insurance

To ensure the optimum safety for customer lending process, BM has reached deals with both types of insurance companies to mitigate any associated risks. BM offers its customers a variety of insurance coverage programs: life, total permanent disability, and default coverage for 27 banking products, including retail loans, Islamic retail – Murabaha, and SMEs according to the relevant terms and conditions of each banking product in order to collect Claims when it is valid to BM as a primary beneficiary. The total value of BM’s insurance coverage portfolio reached about EGP28.2bn for 376,000 clients.

Takaful Bancassurance

Offering the best banking services is BM’s top priority. Thus, it is keen on constantly introducing competitive banking products and services. As for strengthening its the Islamic banking portfolio, BM offers “Takaful Life Bancassurance service to fulfill its customers’ demands and highest expectations at the same time. Therefore, the bank launched a

partnership with the Egyptian Life Takaful Company, one of the biggest Takaful insurance companies in Egypt. According to this cooperation, BM facilitates a variety of advanced insurance services and programs throughout its Islamic branches, including integrated Life Takaful insurance products.

Meeza Debit/Prepaid cards

In support of the national financial inclusion strategy, BM has been the first bank in Egypt to issue Meeza debit and prepaid cards, as a part of the National Payment Scheme to integrate the unbanked segments of society into the formal banking sector. BM issued 270,000 Meeza cards in June 2019. It also targets to replace the payroll cards offered for the employees working at public entities to Meeza cards to enable them to enjoy the contactless features of Meeza platform.

Cashless Services on the Rise

Banque Misr opts for cashless services to ensure the best for its customers. Driven by the digital transformation, Banque Misr seeks to deliver numerous financial and banking services that will attract new customers from the community’s nonbanking segments, fulfilling the Egypt's strategies for financial inclusion and the transition to a cashless society.

E-Payment Services

BM has a vital role in spreading out acceptance of electronic payments across the country through its broader e-payment scheme. The bank also upgraded its e-payment services with innovative features for its customer. This is in addition to e-payment services for taxes, customs, and various billers, e.g., social insurance. Furthermore, BM has signed cooperation agreements with many organizations to expand electronic payment acceptance across the nation. Banque Misr has also implemented e-payment services in 406 branches, including 401 branches across the state and the other five branches in the UAE. The bank ranks first in offering customs tariffs and government payment services, collecting over EGP 39bn during FY2018/2019. BM issued more than 8.6m cards in December 2019, which mostly operate on a smart chip system, ranking the bank as the second-largest card issuer amongst its Egyptian counterparts.

Corporate Payment Services

Aiming to assist its customers, Banque Misr has also provided Corporate Payment Services (CPS) in order to make it easier for customers to pay their taxes, tariffs, social insurance, and other government dues from their offices.

E-Commerce

Amid the rise of the e-commerce sector in the 20th century, Banque Misr is the first bank in Egypt to launch a payment gateway for e-commerce transactions. This gateway has been upgraded to facilitate online sales and other types of online commercial transactions.

BM Mobile Wallet

In February 2017, Banque Misr unveiled the BM Wallet service to promote financial inclusion by providing a mobile application that offers a variety of banking services to customers. BM Wallet empowers users to transfer money directly to other wallet holders, pay their bills, and receive foreign remittances using the most secure and efficient process, as well as to send and receive money directly from their mobile phones anywhere in the world 24/7. Moreover, Banque Misr has taken leading steps in promoting digital payments through QR Code payment system. It was the first bank to roll out this system on POS and e-commerce services. It also gives its customers the advantage to use the QR code in their e-payments for charities purpose. It also offers them the self-registration option for the service via online application.

Dynamic Currency Conversion System

BM launched the Dynamic Currency Conversion System (DCC) program as part of the bank’s strategy to foster e-commerce and tourism. This advanced financial service offers money transfers for overseas purchases by credit cardholders into local currency at the point of sale.

Automating Payroll Transfers

In order to turn Egypt into a cashless society, Banque Misr possesses 48% of the total market share in automating the

wages of employees working for governmental entities. For the past 14 consecutive years, the bank has maintained its first place in this regard. In the FY2018/2019, Banque Misr carried out annual automated payroll transfers amounted to more than EGP 87.2bn, covering 59,222 payroll accounts for workers in both the public and private sectors via 3.6m cards.

E-Payment Facilities

Banque Misr runs one of Egypt’s largest networks of branches, ATMs and Point of Sale (POS) terminals.

ATMs

Coinciding with its strategy of expansion, Banque Misr has inaugurated new branches all across Egypt and expanded its advanced ATM network to reach about 2,800 machines. In addition to conventional cash withdrawal, cash deposit and foreign exchange facilities, BM fitted its ATMs with new features. In cooperation with Fawry, an e-payment solutions company, new services are being provided. Such services include cardless cash transfers, wallet to wallet transfers, deposits, bill payments, donations, I-score inquiries, and various subscription fee payments.

Point of Sale – POS

With regard to merchant outlets, Banque Misr has been operating the second largest network of about 18,700 POS terminals nationwide in December 2019 (17,066 POS terminals in June 2019). During the FY2018/2019, the bank operated at a trading value of EGP 18.45bn.

Supporting Customers and Data Protection

Banque Misr is the first Egyptian bank to be certified for complying with the Payment Card Industry Data Security Standard (PCI DSS 3.2.1); leveling up its customers’ security against any potential e-piracy threats. Moreover, BM is committed to advancing its infrastructure with state-of-the-art technologies. BM plans to launch cheaper, safer and more affordable internet banking services in the near future. The new service would significantly reduce paper use in offline transactions.

SMEs AND MICROFINANCE

BM views MSMEs as an untapped catalyst for propelling the Egyptian economy and a key pillar of sustainable development. The MSMEs sector represents a cornerstone for stimulating modern economies. Considering one of the UN’s Sustainable Development Goals, BM invests in the SMEs sector, as it holds the lion’s share of new job opportunities, thereby eliminating poverty, increasing incomes and boosting exports. Thus, the Egyptian government and the CBE have set on an ambitious plan to create thousands of job opportunities in line with supporting growth in the SMEs sector as a strategic pillar to meet these targets.

MSMEs Portfolio

EGP 23.3bn
120% YOY Growth

SME initiatives and protocols as a prerequisite to achieving sustainable development and community for prosperity

As access to finance still represents a challenge for SMEs sector’s capacity and growth in Egypt, the Central Bank of Egypt has carried out a number of initiatives and efforts, which are:

- Banque Misr not only shows a full support to the state’s agenda for economic development, but also acts in a proactive manner toward fulfilling the community’s demands for a better inclusive ecosystem. Since 2015, BM has been leveraging the SMEs footprint with almost 16-fold increase at its portfolio size and tripling its customer base.

By the end of June 2019, BM had reached an exposure of around EGP 4bn to micro-scale projects, EGP 11.5bn to small-scale projects and EGP 7.7bn to medium-scale projects. Thus, BM’s SMEs portfolio witnessed a compound annual growth rate to almost 120%. The bank’s MSMEs portfolio has reached EGP 23.3bn in June 2019, compared to 10.6bn in June 2018.

- BM’s supporting role for the MSMEs sector has been demonstrated through its strategic alignment with supporting initiatives to promote lending to SMEs at preferential rates of 5%, 7% and 12%. The

loan portfolio directed to the sector, has reached more than 20% of the bank's total credit portfolio. BM provides banking solutions through 238 one-window units across Egypt, creating more than 12,000 job opportunities through the program. Meanwhile, the customer base for SMEs portfolio increased by 35,000 to about 121,000 customers, recording a 41% growth rate as of June 2019.

Expanding Geographical Outreach for Accessible Banking Services to Entrepreneurs

Banque Misr’s leading role in supporting MSMEs is driven by our efforts toward internal restructuring, and attracting the right calibers. BM targets a faster and smoother decision-making process and growing its geographic reach, with lending authority decentralization. We have invested a lot in promoting our internal capabilities. We started by restructuring the department and then increased our workforce to reach more than 1,100 professionals specialized in serving MSMEs.

Aiming to expand our geographical outreach nationwide, BM’s SME hubs currently reached more than 280 micro-scale lending hubs, more than 282 small-scale lending hubs, and 17 medium-scale lending hubs. This expansion is coupled with decentralization in the decision-making process and automation to reach our SME customers and offer them tailored banking services.

The NilePreneurs Initiative

Promoting the entrepreneurship eco-system in Egypt is a prime focus for Banque Misr. As part of its efforts, BM jointly launched the NilePreneurs Initiative in cooperation with the Central Bank of Egypt. The initiative contributes to integrating SMEs sector into the formal economy.

1- Design House

Design House is a first of its kind program in Egyptian universities to train young calibers, university students, entrepreneurs, startups, and small industrial institutions, enabling them to innovate and develop new and existing products through utilizing the latest design technologies and capitalizing on available resources offered through design and simulation services, as well as training courses and workshops held for start-ups and SMEs entrepreneurs. Banque Misr launched Design Houses at Nile University, the Arab Academy for Science, Technology and Maritime Transport, Ain Shams University and Al Azhar University in Qena Governorate.

2- Banque Misr’s Business Development Centers

Banque Misr launched three Business Development Centers (BDCs) in the following governorates: Menoufiya Governorate – Sadat City branch, Damietta Governorate – New Damietta branch, and Luxor Governorate – Aton branch. BM’s BDCs offer nonfinancial services to support young and potential entrepreneurs in adopting well-studied plans for their potential projects and identifying investment opportunities.

Supporting Egyptian Industries

In order to support the national manufacturing sector, BM signed various protocols with several chambers, companies and entities, to automate payments, fulfill socio-environmental needs and promote exports. Key protocols signed by BM are listed below.

- A cooperation protocol with the Ministry of Local Development to finance small and micro-enterprises. Under this protocol, BM financed 77,367 clients with a value of EGP 6.3bn
- Cooperation protocols with Leasing Companies to fund their clients' fixed assets
- A cooperation protocol with the Egyptian Pharmacists Syndication to finance working capital, transportation, and equipment for syndication members. Under this protocol, BM funded 334 pharmacies with a value of EGP 151m
- A cooperation protocol with the Industrial Development Authority to finance industrial companies that apply and obtain IDA's specified industrial units.
- A cooperation protocol with the Renewal energy (Egypt -PV) to fund small and medium enterprises implementing integrated solar energy units
- A cooperation protocol with the Federation of Chambers of Commerce Protocol to provide small retailers with E-payment systems (hardware & software)
- A cooperation protocol with the Exporters' Council to finance the council members to participate in international exhibitions. Granted loans cover accommodation, flight tickets and booth setup costs
- A cooperation protocol with E-Finance company to extend its agriculture lending capacities for small and medium enterprises (SMEs) operating in the sector via an e-agriculture platform operated by the company. The move comes as part of the bank’s strategy to increase financial inclusion and its range of digital financial services
- A cooperation protocol with the Damietta Furniture City company to finance, develop, and modernize SMEs involved in Egypt’s furniture production and stimulate exports. So far, the bank funded 149 projects value at EGP 82.5m

Awards and Recognitions

Acknowledging its superior efforts in supporting SMEs, Banque Misr has received high acclaim through various awards from several international organizations for FY 2018/2019, including:

- The SME Bank in Africa for the year 2019 from Corporate Live Wire Magazine
- Best SME Bank in Egypt for the year 2018 from International Business Magazine
- Best SME Bank in Egypt for the year 2018 from the European Magazine
- Most Outstanding SME bank in the Middle East and North Africa for the year 2018 from Wealth & Finance International Magazine
- Fastest Growing SME Bank in Egypt for the year 2018 from International Finance Magazine

CAPITAL MARKETS AND INVESTMENT

To retain Banque Misr’s pre-eminent role in the Egyptian market, BM’s Capital Markets and Investment Division assures its position as the foremost choice for investors, whether individuals or companies, in terms of specialized investment services. This is in addition to optimizing the bank’s returns on its investments. At the end of June 2019, the Division reached assets under management worth EGP 58bn, up from EGP 56.5bn, with a 3% growth rate. Furthermore, the total revenues generated from the Division’s activities stood at EGP4.4bn.

Therefore, the average annual growth rate produced by the Division’s revenue over the past five years was 33%. In the meantime, the Division’s fair value reserves of assets registered EGP 4.7bn as of June 30th, 2019.

<div>Capital Markets Total Revenues</div> <div>EGP 4.4bn</div>	<div>Well Established Expertise</div> <p>The capital Markets and Investment Division has a pool of in-house talented professionals to offer a wide range of integrated financial services, including managing the proprietary, listed equities and bonds portfolio of the bank. They are also fully equipped to offer corporate advisory and transaction banking businesses (trustee and securities services), sales and security trading, and distribution of various mutual funds.</p>
	<div>Capital Markets and Investment Services</div>
	<div>Mutual Funds</div> <p>In 1994, Banque Misr’s mutual funds business was initiated as one of the largest funds in the Middle East. Currently, the bank manages eight mutual funds: money market funds, balanced funds, equity funds, capital guaranteed funds, and Islamic funds. These funds are designed to cater to clients’ various needs, whether they are individuals or corporations.</p> <p>Banque Misr was granted an award by the Global Finance Magazine as the Best Provider of Money Market Funds in Africa and the Middle East for the years 2009 and 2010 and Best Provider of Money Market Funds in the Middle East for 2008, 2012, 2013,</p>
<div>Assets Under Management</div> <div>EGP 58bn</div>	

2014, and 2015, and Best Provider of Short-Term Investments/Money Market Funds in the Middle East for the years 2015, 2016, 2017, 2018, and 2019. The bank was also named Best Provider of Short-Term Investments/Money Market Funds in Africa and the Middle East for 2019.

Portfolio Management

Banque Misr’s proprietary trading securities, worth around EGP 4.1bn, at the end of June 2019, have been managed by the Capital Markets and Investment Division, yielding revenues of around EGP 317m.

The Capital Markets and Investment Division also manages and tracks the bank’s fixed income corporate instruments, which amounted to approximately EGP 3bn at the end of June 2019. This is in addition to overseeing the management of mutual funds issued by the bank as well as the bank’s proprietary investments in such funds, which amounted to about EGP 851m.

Equity Participation and Direct Investments

Banque Misr was founded to support the Egyptian economy and, until this day, BM constantly strives to contribute directly to companies operating in critical economic sectors, serving as one of Egypt’s largest and most active private equity investors.

The Capital Markets and Investment Division of Banque Misr has a diversified portfolio of direct equities across different sectors, including tourism and services, building and housing, agriculture and food, IT and communications, and more. Furthermore, as of June 30th, 2019, the Division holds shares in 154 companies with a total book value of EGP 26.1bn.

In an effort to strengthen their capital, the bank injected EGP 943m into the capital structure of eight companies within its direct equities portfolio. Meanwhile, during the fiscal year 2018/2019, the capital gains achieved through divestment of equity stakes in some companies amounted to EGP 2bn.

Managing 8
Securitized
Bond
Issuances
worth EGP 6.3bn

Investment Banking Services

Based on the bank’s leading role in boosting the Egyptian economy, Banque Misr plays a key role in supporting the market’s debt instruments. It also funds the state projects and its initiatives to provide investors with a one-stop-shop. Furthermore, Banque Misr works with the Egyptian state within an integrated and accurate framework, acting as a key player on both the macro and microeconomic levels. The Capital Markets and Investment Division also offers a wide array of comprehensive and creative financial services to businesses, institutions, and the government, allowing them to meet their financial goals and execute their short- and long-term strategies.

In this regard, the Capital Market and Investment Division also include mergers and acquisitions, transfers, bonds (both corporate and securitized), privatization deals, initial public offerings (IPOs), and divestments, in addition to serving as a business restructuring financial advisory entity.

While our organization is committed to collaboration and partnership, the Capital Markets and Investment Division is working side by side with numerous sectors of the bank to aid to the development and provision of innovative and fully integrated financial approaches to our clients’ most difficult issues.

In addition, the Capital Markets and Investment Division participates in both the Equity Capital Markets (ECM) and Debt Capital Markets (DCM). Thus, fulfilling the role of Banque Misr in transactions and concentrating on the origination, structuring, pricing, execution, underwriting and fundraising of the basic corporate fixed-income securities. As well, the Division has been active in handling eight securitized bond issuances worth EGP 6.3bn issued in Egypt during FY 2018/2019. Further, BM covered and underwritten other issues worth about EGP 2.9bn.

Real Estate Services

A dedicated team within the Capital Markets and Investment Division assumes responsibility for managing the proprietary portfolio of real estate assets of the bank as well as being responsible for the purchase and sale of different types of real estate on behalf of our clients. As well, the team carries out marketing auctions for real estates, in addition to promoting industrial and touristic projects.

Banque Misr has divested some of its non-earning assets i.e. those not generating any revenues, with a value of EGP 904m in FY 2018/2019, realizing capital gains of EGP 460m from the disposal of such assets, compared to EGP 794m in capital gains the previous year.

Custody and Trustees Services

The custodians of Banque Misr’s Capital Markets and Investment Division provide a wide array of services to meet all of our valuable customers’ demands and targets. These services include buying and selling stocks on behalf of clients, subscribing to publicly-owned shares and bonds on behalf of clients, issuing account statements, collecting stock coupons, and providing all corporate actions to individual and institutional customers, in addition to sub-custodial services.

ISLAMIC BANKING

Banque Misr has successfully positioned itself as the first bank to establish full-fledged Islamic banking branches in Egypt, known as “Kenana” branches, with a range of Shariah-compliant services and products to offer so as to meet customer preferences related to the Islamic banking.

BM’s “Kenana” branches comply with Islamic banking principles of accountability under the supervision of the Shariah Committee, composed of qualified professors from respectable organizations, including Al Azhar, Dar Al-Ifta and the Islamic Research Council. BM’s Islamic branch offers a host of diligently developed, Sharia-compliant products and services, as well as trading activities with a proactive approach to hedge against any potential risks.

Credit Portfolio

EGP 8.7bn

Customer Experience... A Prime Focus

Banque Misr is proud to expand its range of products and services to include Shariah-compliant banking solutions through a network of 44 branches and offices across Egypt. Our Islamic banking branches are fully equipped to offer all services required to fulfill any of the customers’ demands in this area. BM has managed to maintain its position as a leading Shariah-compliant bank in Egypt through integrating its distinctive heritage and tradition with the latest technologies and digital innovations.

Our Islamic banking branches provide innovative banking services, keeping up with the evolving market without compromising on Sharia compliance. Our Islamic banking portfolio increased to EGP 8.7bn, as of June 30th, 2019, up from EGP 7.5bn compared in previous year.

Furthermore, the bank’s portfolio for government treasury bills was estimated at EGP 12.5bn by the end of June 2019, compared to EGP 14.2bn by the end of June 2018.

Portfolio of Government T-Bills

EGP 12.5bn

Living Up to Customers’ Expectations

Murabaha – Kenana

Our Islamic banking units continue to offer a diverse range of products, including Auto Murabaha, Durable Murabaha and other products, in accordance with Shariah requirements. Hence, the bank’s Islamic retail department applies the Islamic Murabaha concept to finance customers’ pilgrimage (Hajj and Omrah Murabaha) and tourism (Tourism Murabaha) trips.

It also delivers alternative products, such as Education Murabaha, the Shariah-compliant Kenana Islamic credit card based on Murabaha through the Islamic Wekala concept, which offers an emergency cash withdrawal option. Islamic credit cards were launched to fulfill our customer’s requirements and needs along with extending Murabaha’s tenure up to 24-36 months. Additionally, the bank also issued a new Islamic retail product (Wakala Murabaha) to accommodate all the customers’ demands.

Further, Banque Misr signed a cooperation protocol with the Arab Academy for Banking & Financial Sciences on October 31st, 2018 to finance the tuition fees for the students of the academy through the Education Murabaha product.

Stimulating National Economy

BM stimulates the national sustainable development through financing major projects in various sectors. As such, BM’s Islamic branches took a part in promoting Egypt’s economy though financing national projects in fiscal year 2018/2019, such as:

- Roads and Transportation, at a total value of EGP 580m
- Housing, at a total value of EGP 212m
- The New Administrative Capital, at total value of EGP 797m
- Water and wastewater solutions, at total value of EGP 176m
- Productive national projects, at total value of EGP 900m

5 Products for Corporate and Syndicated Loans

This is in addition to leading a consortium of Egyptian banks to provide financing of EGP 1.6bn with a share of EGP 800m in the form of Musharakah to a major real estate company to construct a residential and commercial compound in New Cairo. The project will be developed through five phases with an expected total construction period of 7.5 years starting in 2018.

Additionally, leading another consortium of Egyptian banks, BM acted as a facilitator to provide financing of EGP 940m with a share of EGP 100m to provide a direct financing for a contracting project assigned to construct the first stage in a residential compound in the New Administrative Capital, which will cost about EGP 4.1bn.

Banque Misr’s Islamic Banking Division led a banking alliance to sign a contract increasing the value of the fund for a sugar manufacturing company to refinancing the investment cost for the company’s plant and funding its working capital. The total finance will increase by EGP 1.35bn to EGP 3.1bn, to be allocated for resuming the establishment of a beet sugar plant, with a crushing capacity of up to 12,000 tons of beet per day, and a refining capacity of 1,700 tons of sugar, whereby the annual capacity rates will reach 235,000 tons in crushing, and 318,000 tons for refining.

19 Products for MSMEs

This project bridges the gap between the supply and demand rates for white sugar, currently estimated at 1m tons, which will in turn reduce imports and increase foreign exchange reserves.

Islamic Banking Services For MSMEs

BM offers Islamic financing for small and medium-sized enterprises with an annual sales turnover of up to EGP 200m. The bank also offers other micro financing products based on its initiative to finance the MSME sector and support the country’s strategic objectives and BM’s national role in boosting the Egyptian economy. A variety of Islamic banking products was offered for MSMEs, including:

- Micro-financing Murabaha up to EGP 250,000
- Small financing Murabaha up to EGP 6m

- Financing Murabaha for working capital for companies and factories up to EGP 15m
- Financing Murabaha up to EGP 5m for medical equipment and machinery, factory machinery and equipment, private schools and universities, and transportation for business activity

Takaful Bancassurance

To ensure the highest standard of service quality, new competitive products and services were added to our Islamic banking portfolio, such as the Takaful bancassurance service.

Takaful bancassurance services contribute to achieving additional revenues while accommodating customers’ demands. BM launched a Takaful bancassurance service in partnership with Egyptian Life Takaful Company, one of the biggest Takaful insurance companies.

BM provides a variety of insurance and investment products throughout its Islamic branches. Life Takaful insurance products are also fully integrated into the bank’s range of savings and investment products.

Additionally, BM developed a new investment product, namely the Islamic Treasury Product, in collaboration with its Islamic Banking Division and under the provisions of the Islamic Shariah to meet the increasing demands of customers.

BM’s Islamic Banking Division has received several awards in FY 2018/2019, including:

- Best Islamic Bank in Egypt for the years 2018 and 2019 from Global Business Outlook Magazine
- Best Islamic Bank in Egypt for the years 2018 and 2019 from International Finance Magazine
- Best Islamic Bank in Egypt for the year 2019 from International Business Magazine
- Best Islamic Corporate Bank for the year 2019 from Global Banking and Finance Review Magazine

TREASURY AND CORRESPONDENT BANKING

Banque Misr’s global foothold has been manifested through its extensive network of branches, subsidiaries, and correspondent banks. With a wide network of correspondent banks, BM ensures smooth cash flows between its clients and their international counterparts. It also brings value to its clients through proximity. In collaboration with its correspondent banks, BM successfully provides funding sources for foreign currency through short-term loans, medium-term loans and business operation funding schemes.

Correspondingly, Banque Misr’s Treasury Department plays a crucial role in managing liquidity through various tools to meet the retail and corporate financing needs, investing surplus to maximize returns, and managing risk levels. Moreover, the department provides tailored solutions, not restricted to products and services, using different financial and engineering tools. It is also one of the top active dealers in covering issuances of public debt auctions and maintaining a high rank in the secondary market.

Network of Correspondent Banks	Correspondent Banking
411	Correspondent banking plays a crucial role in the rapidly evolving banking ecosystem. Banque Misr’s robust position in the banking industry is driven by its widespread network of branches, subsidiaries, and correspondent banks. BM assures a seamless corporate cashflow for business between customers and their counterparts with a large network of around 411 correspondent banks serving 75 countries, with a focus on creating value through proximity. Our global presence across international branches, subsidiaries and associated banks enables us to provide our customers with the quickest and most effective services to meet their current demands and expectations.
Foreign Currency Exchange Service	Banque Misr offers short-term loans, medium-term loans and business operation funding schemes, in cooperation with its correspondent banks, achieving foreign currency funding worth \$3.9bn for fiscal year 2018/2019. Adding to this, BM reinforces both public and private import trade of strategic goods, including petroleum and foodstuff.
\$36.4bn	

Treasury
Banque Misr is rated as one of the biggest and most reliable banks in Egypt. BM’s Treasury provides retail and corporate clients with domestic and international cash management, including business finance and foreign exchange solutions. It provides a full array of solutions, helping customers achieve their cross border goals. It is renowned as pre-eminent provider of global treasury management and correspondent banking services. BM provides inventive time-saving methods, which also ensures cost efficiency.
BM always stays ahead of the competition in our evolving industry. BM’s Treasury has an essential role within the bank’s structure, offering solutions for liquidity management, payments and foreign exchange (FX), as well as for the management of receivables and trade.
Banque Misr’s Treasury aids the bank’s role in supporting the nation’s economy through providing distinguishing liquidity management solutions. Its prominent role is vital, whether in funding public debt on both the primary and secondary markets, or

in playing a remarkable role in alleviating the consequences of the 2008 global financial crisis, and later on in Egypt’s economic recession following the 2011 uprising, which resulted in a sharp drop in the country’s economy. It holds a share of 18.34% of the government security auctions announced by the Egyptian Ministry of Finance. On the local currency front, we held an average portfolio of EGP 446bn during FY 2018/2019, achieving revenues totaling EGP 72.12bn. Furthermore, BM’s Treasury effectively manages the bank’s investments, aiming at the highest returns and lowest risk rate. In the trade, payments and foreign exchange sectors, BM is always committed to facilitating the mobilization of imports, especially strategic goods and services.

The bank allocated foreign currency for letters of credit and documentary collection transactions amounted to \$8.24bn during fiscal year 2018/2019. Foreign currency exchange services through fiscal year 2018/2019 amounted to a total of \$36.4bn.

Combining our core values with a strategic vision of the Egyptian banking sector, BM’s Treasury offers creative solutions, cutting-edge technologies, and extensive industry expertise to assist clients in staying well ahead of the curve. It took the lead in investing in structural products, such as 'Credit Linked Note' (CLN) and 'First to Default' (FTD) services, contributing to the overall profits of the bank.

Moreover, Banque Misr always capitalizes on the untapped potentials at the industry, becoming one of the first banks to adopt the US dollar interbank mechanism introduced in 2004, with the aim of enhancing foreign currency liquidity management. In addition, we reintroduced the banknote exporting services in 2017 and have continued to grow them ever since. We recorded a total volume of \$1.93bn through fiscal year 2018/2019. As a pillar of Egypt’s economic development, Banque Misr and its Treasury and Correspondent Banking Division uphold a tradition of trust and excellence offered to our partners nationally and internationally.

GLOBAL TRANSACTION BANKING

Global Transaction Banking (GTB) is a new business department launched by Banque Misr in October 2017, focused on corporate customers and governmental institutions through offering advanced digital banking solutions to ensure maximum security and facilitate operations.

Main Pillars

• Cash Management

Cash Management provides a full range of solutions to meet any cash cycle needs, such as receivables, payables, liquidity management, and information reporting. Whether globally or locally, it offers a series of superior-quality products that efficiently manage banking transactions and align with our nation-wide approach to digitize all transactions and shift to cashless using state-of-the-art technology.

• Trade Finance and Working Capital (TWC)

The Division offers products and services that respond effectively to the financial requirements of international trade including, documentary collections, letters of credit, letters of guarantees, working capital products/solutions, structural trade, and tailor-made solutions.

Our GTB trade finance relationship managers provided ongoing support to our branch network team in terms of new-to-bank client acquisition, technical solutions, and consultancy. BM served around 5000 customers in trade products within this fiscal year. The TWC team increased BM's market share in terms of importation by 62% compared to last year.

• Relationship with Governmental Institutions

In line with the Egyptian government strategy to improve and digitize the public sector, Banque Misr has a dedicated desk to manage relationships with governmental institutions. The

main aim is to offer and implement digital solutions to automate payments and collections. As a result, the GTB Division extended all its banking services to the public sector, as well as tailor-made solutions whenever needed.

• Business Development and Digital Solutions

GTB Division a team of professionals striving to manage all corporate and consumer digital channels to fully integrate the bank into digital channels that meet customer needs. The Division has introduced Cash Management Solutions, Digital Payments, and Receivable Management.

Corporate Customer Service Desk

The GTB Division always strives to improve efficiency across our operations to excel in presenting service excellence. As such, GTB has completed Corporate Customer Services in 270 branches. Also, the bank established its second GTB Hub in South Egypt in its quest to continuously improve and deliver services with efficiency for its wide range of corporate customers.

Employees Learning and Development

The bank has overhauled the scope of employee learning through developing a special-designed training plan for the GTB team. The training comprises both technical courses provided by national and international accredited organizations, as well as soft skills courses taught by the best local training consultants to ensure maximum benefit.

The training plan aims to fully equip the team with the best tools and knowledge to position BM as the house of expertise in GTB Products, attracting the best calibers in the market. The training also focuses on creating qualified successors and team diversity.

International Awards and Recognitions

Due to the major achievement for the GTB Division which was established only a year and a half ago, BM is positioned as the fastest growing bank in terms of GTB products. In 2019, BM has successfully become Egypt's leading bank for cash services, solutions, and cash management.

BM has received various awards,

1- Euromoney Magazine namely:

- Market leader Egypt 2019 for non-financial institutions in the cash management survey
- Best Service Egypt 2019 for non-financial institutions in the cash management survey

2-Global Banking and finance review magazine namely:

- Fastest Growing Cash Management Bank Egypt 2018
- Fastest Growing Trade Finance Bank Egypt 2018 & 2019

Unas

c.2375–2345 BC; Fifth Dynasty


Djedkara’s successor, Unas, the last king of the Fifth Dynasty, built his pyramid in central Saqqara. It is 47,390 cubic meters in volume, each side having a length 57.75 meters, and stood 43 meters tall (Bárta 2005, Verner 2002). It is the first pyramid to have any significant decoration in its interior since Djoser’s, and the very first to feature Pyramid Texts, Egypt’s and the world’s oldest religious literature, carved in the underground rooms. They include laments, offering rituals, statue rituals, glorification spells, and protection spells for charming snakes and other dangerous beings (Lehner 1997). The primary function of these spells was to ensure the king’s resurrection and his safe journey to, and acceptance into, the realm of the gods (Allen 2005).

The south face of Unas’ pyramid bears a fascinating inscription. It was carved over a thousand years its construction, during the reign of the Nineteenth Dynasty king Ramesses II (c.1279–1213 BC). The inscription was written by his son, Khaemwaset, who says that he undertook restoration work on the complex.

Little is known about Unas’s political activities, except for his presence at Elephantine, trade contacts with Byblos, possible clashes with bedouins of the Sinai, and limited military incursions into Syria and Palestine, as reflected in two reliefs showing besieged Asiatic settlements. He temporarily tightened his control over the central administration; no nobles are known to have been buried in the provinces (Kanawati 1980). Unas also continued the policy of employing two viziers, both of them now residing in Memphis.

Simultaneously, he significantly cut the number of mortuary priests officiating in the royal funerary complexes, likely as a consequence of the introduction of the Pyramid Texts in his pyramid (Bárta 2017). It is believed the reason why Unas included these texts in his pyramid was because of a growing uncertainty regarding the continuity of priests coming to pyramid complexes, praying for the soul of the king, and bringing him offerings. By having the Pyramid Texts carved in his pyramid, Unas thus ensured their beneficial results for all eternity.



 The Pyramid of Unas in central Saqqara

Teti

c.2345–2323 BC; Sixth Dynasty

Teti built his pyramid, 52.5 meters high, each side of the base 78.5 meters long, and 107,835 cubic meters in volume, in central Saqqara (Verner 2002). The pyramid was poorly constructed, its core masonry partially consisting of debris fill. As a result, when its outer casing of fine limestone was removed, it lost its perfect pyramidal shape, and today looks like a hillock.

The interior of the pyramid is nearly identical to Unas’. The walls are decorated with beautifully carved Pyramid Texts. By now, the pyramid complex was becoming standardized, and Teti’s follows the same guidelines as those of Djedkara Isesi and Unas (Lehner 1997).

Teti was the first king of the Sixth Dynasty. That a degree of instability marked the early stage of his reign is suggested by the names of a number of contemporary dignitaries being erased in their tombs and by one his royal names, Sehetepawy, meaning “He Who Pacifies the Two Lands” (Bárta 2017).

Teti ruled for no more than twelve years (Baud and Dobrev 1995). According to Manetho, who wrote a history of Egypt in the 3rd century BC, the king was assassinated (Kanawati 2003). Teti’s principal wives included Iput I, daughter of Unas and mother of Pepy I (one can observe here the continuity between the Fifth and the Sixth Dynasties), and Khuit, evidently the mother of his ephemeral successor, Userkara. His reign saw the careers of two notable viziers, Kagemni and Mereruka. Both were his sons-in-law, Kagemni having married the king’s daughter Sesheshet Nubkhetnebtî and Mereruka the king’s daughter Sesheshet Waatetkhethor; thus, in evidence here is a continuation of the Fifth Dynasty policy in which kings married their daughters to influential courtiers of the period (Bárta 2017).



 The Pyramid of Teti in central Saqqara

Pepy I

c.2321–2287 BC; Sixth Dynasty

Pepy I built his pyramid at South Saqqara. The standardization of the pyramid complex continued: with 107,835 cubic meters in volume, a height of 52 meters and 78 by 78 meters in surface area (Verner 2002), it is identical to his predecessor Teti's. Their interiors are very similar as well, the primary difference being that more of Pepy I's walls are covered with beautiful Pyramid Texts, with their hieroglyphs painted green, the fresh color of vegetation, and thus life and rebirth.

Pepy I's pyramid complex at South Saqqara, Men-nefer-Pepy, “Enduring is the Beauty of Pepy,” gave its name to the capital of Egypt, Men-nefer (Greek Memphis), which at that time existed east of the complex (Lehner 1997, Bárta 2017). It is in Pepy I's reign that the official titulary of the Egyptian king finally assumed its standard form. The king took in marriage two daughters of the Abydos dignitary Khui, evidently as a strategy to retain (or regain) control over southern Egypt. They are known, respectively, by their royal names, Ankhenespepy I and II (Bárta 2017).

Pepy I is known to have taken at least six other wives, as eight pyramid complexes of royal wives stand close to his own mortuary complex (Legros 2016). It is at this point that the Pyramid Texts lose their exclusivity, no longer being the sole prerogative of the king but now also appearing in the queens' pyramids (Bárta 2017).

Pepy I's long reign witnessed significant changes, one of these being the replacement of one of his royal names, Nefersahor, with “Meryra” (“Beloved of Ra”), a change that was applied even to his Pyramid Texts. Moreover, Pepy I emphatically expressed his veneration for Atum of Heliopolis and Hathor of Dendera, labeling himself as their son (Bárta 2005, 2017).



 The Pyramid of Pepy I in South Saqqara

Merenra

c.2287–2278 BC; Sixth Dynasty

Pepy I’s successor, Merenra Nemtyemsaf I, was the son of Queen Ankhnespepy I. After his succession to the throne, Merenra married Ankhnespepy II, former wife of Pepy I. She was to become the mother of King Pepy II.

Following the pattern of the standardization of the pyramid complex, Merenra’s pyramid in South Saqqara, had it been completed, would have likely been originally 52.5 meters high with a 78.5 meter square base, and had a volume of 107,835 cubic meters, the same as Teti’s and Pepy I’s (Lehner 1997, Baines and Malek 2000, Bárta 2005). The interior of the pyramid, also lavishly decorated with Pyramid Texts, is nearly identical as well.

Merenra’s short reign of around nine years is marked by the emergence and development of numerous local cemeteries of high officials in the provinces south of Memphis, the most important of which were Elephantine, Qubbet el-Hawa, Edfu, Hierakonpolis, Dendera, Abydos, el-Hagarsa, el-Hawawish, el-Hammamiyeh, Deir el-Gebrawi, Meir, Quseir el-Amarna, Sheikh Said, and also Balat in Dakhla Oasis. These provincial tombs (with the exception of those at Balat) were rock-cut and architecturally very different from the mastabas in the residential cemeteries (Elsner 2004). Their abundance reflects the fact that many local centers were politically active in Egypt during Merenra’s reign (Bárta 2005, 2017).



 The Pyramid of Merenra in South Saqqara

Pepy II

c.2278–2184 BC; Sixth Dynasty


Pepy II was the last king of the Sixth Dynasty, and of the Old Kingdom overall. His standard pyramid in South Saqqara is 107,835 cubic meters in volume, 52.5 meters high, and has a base of 78.5 meters square (Lehner 1997, Baines and Malek 2000, Bárta 2005). The pyramid's substructure is very similar to those of his predecessors in layout and also in the fact that its walls are covered with Pyramid Texts.

Pepy II ascended the throne at the young age of six years, and, with a reign of around ninety years, has traditionally been considered the longest-reigning monarch in Egyptian history. More recent studies have begun to question this figure, however, lowering it to—the still lengthy—rule of over sixty years (Hornung, Krauss, and Warburton 2006).

The reign of Pepy II was marked by administrative reforms, which can tentatively be divided into three stages. During the first half of his rule the office of the vizier was held by members of the dignitary Khui's family in Abydos. This was clearly a continuation of the policy put in effect under Pepy I, who married two daughters of that family. In years 25–35 of Pepy II's reign, the office of Overseer of Upper Egypt, held by a single individual, was abolished. From then on, the title was applicable to all the nomarchs (provincial governors) of southern Egypt, who were now subordinated to a Vizier of the South. In the final stage of Pepy II's rule, the nomarchs also assumed the office of Overseer of Priests, which indicates that they had succeeded in combining the powers of both the administration and the priesthood under their control (Bárta 2017).

Significantly, at the end of Pepy II's reign and probably earlier, Khui, the local chief of Abydos (the 13th Upper Egyptian nome), began to insert his name in a royal cartouche (the oval shape in which kings and queens wrote their names), indicating that he considered himself an autocratic ruler. Moreover, he had himself buried at the site of present-day Dara in a tomb that conspicuously resembles a pyramid. Khui brought under his authority the provincial administrative and religious centers at Meir and Deir el-Gebrawi, formerly governed by local noble families. If the duration of Khui's career is correctly dated, this constitutes proof that the royal office—its symbolism and its incontestability—was already unprecedentedly challenged already during the reign of Pepy II himself (Kanawati and McFarlane 1992, Bárta 2005), and that the breakdown of the central government's authority, which would signal the end of the Old Kingdom and the beginning of the First Intermediate Period, began before the king's death.



 The Pyramid of Pepy II in South Saqqara

CHAIRMAN'S REMARKS

Improving Margins and Financial Results

Banque Misr (BM) has come a long way with a rich heritage and proven track of excellence. It has been a remarkable year, as Banque Misr retained its outstanding performance in continuous pursuit of sustainable success. Acknowledging a milestone centennial, we will always attain leadership that secures our country's welfare.

Banque Misr's financial indicators showed significant growth. BM deposits portfolio increased by EGP 76.2bn, reaching EGP 745.8bn at the end of June 2019, compared to EGP 669.6bn in June 2018, with a growth rate of 11.4%. The net loan portfolio provided to the bank's customers increased to EGP 271.7bn, compared to EGP 221bn last year, recording a 23% growth.

The bank's non-performing loans ratio compared to total loan portfolio recorded 2.08%, with coverage of 104.8% on the grounds of settlements with a large number of customers, as well as concluding new settlements amounted to EGP 3.7bn. The bank succeeded in collecting irregular debts from clients amounted to approximately EGP 1.9bn, despite the current economic challenges and their consequences on the banking system as a whole. BM's retail portfolio successfully surged to 41% year-over-year, indicating strong consumer demand. Compared to EGP 22.9bn a year earlier, the portfolio increased to EGP 32.4bn by June 30th, 2019, marking a rise of EGP 9.5bn.

The number of issued cards exceeded 8.7m cards this year, compared to 6.32m cards by end of June 2018; the majority of which operate on a smart chip system, ranking the Bank in second place amongst its Egyptian counterparts for the number of issued electronic payment cards.

Equally remarkable, Banque Misr maintained its first ranking in the government's payroll automation for the 14th consecutive year, with 48% of the total market share. Banque Misr always puts forward SMEs finance as attributed to its commitment. The bank's MSMEs portfolio reached EGP 23.3bn in June 2019, compared to EGP 10.6bn in June 2018, with a 120% growth rate.

As part of its leading role nationally, Banque Misr has managed to arrange, fund, and participate in eight operations, with a total of EGP 20.45bn during FY 2018/2019. The bank also targets to conclude 20 funding operations at a total value of EGP 49.2bn with a share of EGP 16.7bn.

With customer-centric approach, BM's banking services and products are usually compatible with the demands of various society segments. It is worth noting that the value of the Islamic banking credit portfolio increased to EGP 8.7bn in June 2019.

With a bold commitment to our community, Banque Misr carried out prominent corporate social responsibility activities, allocating about EGP 760m to them. This year has been a rewarding year for Banque Misr driven by its tireless efforts and rich legacy. We are proudly capitalizing on our 100-year success to sustain our leading position in the banking sector.



FINANCIAL
PERFORMANCE

BM
DIVISIONS

HOW BM
OPERATES

BM
APPROACH

FOREWORD

FINANCIAL
STATEMENTS

For the financial year ended on June 30th, 2019

Translation of Auditor’s Report
Originally Issued in Arabic

MAZARS - Mostafa Shawki
Chartered Accountants & Consultants

Mohamed Hany Fouad Ismaiel
Accountability State Authority (ASA)

AUDITORS’ REPORT

ON THE SUMMARIZED FINANCIAL STATEMENTS

OF BANQUE MISR FOR THE YEAR ENDED ON JUNE 30TH, 2019

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To: The Shareholders of Banque Misr (S.A.E.)

We have audited the separate financial statements of Banque Misr (S.A.E) as of June 30th, 2019 from which the financial information set forth in the accompanying separate summarized financial statements have been derived. We conducted our audit according to the Egyptian Standards on Auditing and the requirements of applicable Egyptian laws and regulations. In our report dated February 19th, 2020, we expressed an unqualified opinion on the complete separate financial statements as of June 2019 from which the financial information presented in the accompanying summarized financial statements has been derived.

In our opinion, the information in the accompanying separate summarized financial statements is fairly stated, in all material respects, in relation to the separate complete financial statements of the bank as of June 30th, 2019. For a complete understanding of the financial position of the bank as of June 30th, 2019 and its performance and cash flows of the year then ended, in addition to the scope of our audit, the summarized separate financial statements should be read in conjunction with the bank’s separate complete financial statements of the bank as of June 30th, 2019 and our audit report thereon.

Cairo: March 31 ,2020

AUDITORS

MAZARS - Mostafa Shawki

Chartered Accountants & Auditors

Acc. Mohamed Hany Fouad Ismaiel

Accountability State Authority (ASA)

Summary of Banque Misr separate financial statements

Extracted from Banque Misr financial statements for the year ended on June 30th, 2019

Separate balance sheet as of June 30th, 2019

Translated from Arabic
Amounts in EGP thousand

Assets	Note no	June30 th ,2019	June30 th ,2018
Cash and balances with central banks		33,518,815	62,484,692
Due from banks		233,361,747	280,288,925
Treasury bills		122,358,445	141,507,908
Financial assets held for trading	5	8,776,365	3,558,755
Loans and advances to banks	6	5,712,186	3,345,476
Loans and advances to customers	7	271,724,106	220,992,425
Financial derivatives		4,540,696	-
Financial investments			
- Available for sale	8	53,333,769	34,572,705
- Held to maturity	8	182,348,357	91,757,978
Investments in subsidiaries and associates		18,041,479	17,614,194
Intangible assets		314,182	299,168
Other assets		29,540,170	25,441,532
Property,Plants,and Equipment		3,725,141	2,203,355
Total Assets		967,295,458	884,067,113
Liabilities and Shareholders' Equity			
Liabilities			
Due to banks		61,392,000	81,681,324
Customers' deposits	9	745,774,837	669,592,542
Financial derivatives		-	179,120
Other loans	10	70,476,669	46,704,066
Other liabilities		18,332,941	15,917,822
Other provisions	11	1,102,289	913,622
Deferred tax liabilities		882,727	923,240
Post retirement benefits liabilities	12	3,729,848	3,121,363
Total Liabilities		901,691,311	819,033,099
Shareholders' equity			
Paid in capital	13	15,000,000	15,000,000
Reserves	14	42,002,631	45,971,440
Retained earnings		8,601,516	4,062,574
Total shareholders' equity		65,604,147	65,034,014
Total liabilities and shareholders' equity		967,295,458	884,067,113
Contingent liabilities and commitments			
Liabilities for letters of guarantee, letters of credit and other commitments.		64,400,541	49,814,659

The accompanying notes are an integral part of the financial statements

Chief Financial Officer



Mohamed Sherif

Vice Chairman



Hossam El Din Abdel Wahab

Vice Chairman



Akef El Maghraby

Chairman



Mohamed Mahmoud Eletreby

Auditors

Dr.Ahmed Mostafa Shawki



MAZARS Mostafa Shawki

Mohamed Hany Fouad Ismael



Accountability State Authority (ASA)

Banque Misr

Separate Income Statement

For the financial year ended on June 30th, 2019

Translated from Arabic
Amounts in EGP thousand

	Note no	June 30 th , 2019	June 30 th , 2018
Interest on loans and similar income		98,789,027	82,831,934
Interest on deposits and similar expense		(81,133,768)	(76,751,695)
Net interest income		17,655,259	6,080,239
Fee and commission income		4,647,894	4,223,311
Fee and commission expense		(319,656)	(226,301)
Net fee and commission income		4,328,238	3,997,010
Dividend income		1,771,182	3,437,004
Net trading income		968,076	356,608
Gains from financial investments		1,717,911	3,066,455
Impairment (charge) for credit losses		(864,439)	(1,090,329)
Administrative expenses		(9,722,480)	(6,611,791)
Other operating revenue		1,433,660	1,140,127
Profit before income tax		17,287,407	10,375,323
Income tax expense		(8,685,891)	(6,312,749)
Net profit for the year		8,601,516	4,062,574
Earnings per share (EGP/Share)	15	2.59	1.16

Banque Misr

Separate Statement of Changes in Shareholders' Equity

For the financial year ending June 30th, 2019

Translated from Arabic
Amounts in EGP thousand

	Note no	Paid in capital	Legal reserve	General reserve	Capital reserve	Fair value reserve	Special reserve	Banking risks reserve	Supportive reserve	Differences between nominal value and fair value of subordinated deposits	F.C translation differences reserve	Cash flow risk reserve	IFRS 9 risk reserve	Retained earnings	Total
Balance as of July 1 st , 2017		15,000,000	915,142	675,607	968,122	7,052,731	6,927	1,682,920	3,710,839	25,283,404	1,472,552	-	-	8,176,950	64,945,194
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	(2,090,757)	(2,090,757)
Transferred to reserves		-	830,441	662,110	(127,458)	-	-	852,863	3,868,237	-	-	-	-	(6,086,193)	-
Net change in fair value of available for sale investments (net of tax)		-	-	-	-	(429,039)	-	-	-	-	-	-	-	-	(429,039)
Foreign currency translation differences		-	-	-	-	-	-	-	-	-	4,050	-	-	-	4,050
Change between nominal value and present value of subordinated deposit		-	-	-	-	-	-	-	-	(1,420,227)	-	-	-	-	(1,420,227)
Change in cash flow		-	-	-	-	-	-	-	-	-	-	(37,781)	-	-	(37,781)
Net profit for the year		-	-	-	-	-	-	-	-	-	-	-	-	4,062,574	4,062,574
Balance as of June 30 th , 2018		15,000,000	1,745,583	1,337,717	840,664	6,623,692	6,927	2,535,783	7,579,076	23,863,177	1,476,602	(37,781)	-	4,062,574	65,034,014
Balance as of July 1 st , 2018		15,000,000	1,745,583	1,337,717	840,664	6,623,692	6,927	2,535,783	7,579,076	23,863,177	1,476,602	(37,781)	-	4,062,574	65,034,014
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	(2,499,943)	(2,499,943)
Transferred to reserves		-	397,422	277,772	88,350	-	-	799,087	-	-	-	-	-	(1,562,631)	-
Transfers		-	-	-	-	-	-	-	(2,905,650)	-	-	-	2,905,650	-	-
Net change in fair value of available for sale investments (net of tax)		-	-	-	-	(3,517,157)	-	-	-	-	-	-	-	-	(3,517,157)
Foreign currency translation differences		-	-	-	-	-	-	-	-	-	(421,555)	-	-	-	(421,555)
Change between nominal value and present value of subordinated deposit		-	-	-	-	-	-	-	-	(1,627,814)	-	-	-	-	(1,627,814)
Change in cash flow		-	-	-	-	-	-	-	-	-	-	35,086	-	-	35,086
Net profit for the year		-	-	-	-	-	-	-	-	-	-	-	-	8,601,516	8,601,516
Balance as of June 30 th , 2019	13, 14	15,000,000	2,143,005	1,615,489	929,014	3,106,535	6,927	3,334,870	4,673,426	22,235,363	1,055,047	(2,695)	2,905,650	8,601,516	65,604,147

Banque Misr

Summarized separate statement of cash flows
For the financial year ending June 30th, 2019

Translated from Arabic
Amounts in EGP thousand

	June 30 th ,2019	June 30 th ,2018
Net cash provided from (used in) operating activities	30,109,226	(51,190,041)
Net cash (used in) provided from investing activities	(114,696,646)	12,660,129
Net cash provided from financing activities	19,644,846	13,330,463
Net (decrease) in cash and cash equivalents during the year	(64,942,574)	(25,199,449)
Cash and cash equivalents at the beginning of the year	248,599,272	273,798,721
Cash and cash equivalents at the end of the year	183,656,698	248,599,272
Cash and cash equivalents are represented in:		
Cash and balances with central banks	33,518,815	62,484,692
Due from banks	233,361,747	280,288,925
Treasury bills	122,358,445	141,507,908
Obligatory reserve balance with CBE	(22,797,613)	(55,054,438)
Due from banks (more than three months maturity)	(63,366,671)	(46,207,498)
Treasury bills (more than three months maturity)	(119,418,025)	(134,420,317)
Cash and cash equivalents	183,656,698	248,599,272

Banque Misr

Summarized statement of approved separate profit appropriation
For the financial year ending June 30th, 2019

Translated from Arabic
Amounts in EGP thousand

	June 30 th , 2019	June 30 th , 2018
Net profit for the year	8,601,516	4,062,574
Deduct		
Gains on sale of property,plant,and equipment transferred to capital reserve	(88,000)	(88,350)
General banking risk reserve	(1,517,963)	(799,087)
Net Distributable Profit	6,995,553	3,175,137
Distributed as follows		
Legal reserve	851,352	397,422
General reserve	614,420	277,772
Supportive reserve	2,160,284	-
State share in profits	2,523,709	1,912,400
Employees’ share in profits	845,788	587,543
Total Distributable Profit	6,995,553	3,175,137

BANQUE MISR - S.A.E

Summarized notes to the separate financial statements for the financial year ending June 30th, 2019

1. General Information

Banque Misr (S.A.E.) was established on April 3, 1920 as a commercial bank. The head office is located at 151, Mohamed Farid Street, Cairo.

The bank carries out corporate, retail and investment banking, in addition to Islamic banking through 652 branches in Arab Republic of Egypt, five branches in U.A.E, one branch in France and representative offices in Russia, China and South Korea. The number of employees at the balance sheet date is 18,142 employees.

These financial statements were approved by the general assembly meeting on April 16, 2020

2. Summary of Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all years presented unless stated otherwise.

A- Basis of Preparation

These separate financial statements have been prepared in accordance with Egyptian Financial Accounting Standards issued in 2006 and subsequent amendments and in accordance with the Central Bank of Egypt's regulations approved by the CBE Board of Directors on December 16, 2008 under the historical cost, as modified by the revaluation of financial assets held for trading and available for sale investments. According to the bank's statute, the financial year begins on the 1st of July and ends on June 30th and the financial statements are presented close to the nearest thousand pounds.

B- Foreign Currency Translation

B/1 Functional and Presentation Currency

The separate financial statements are presented in Egyptian pounds. Items included in the financial statements of each of the bank's foreign branches are measured using their functional currency, being the basic currency of the economic environment in which the foreign branch operates.

B/2 Transaction and Balances in Foreign Currencies

Each branch maintains its accounting records in its functional currency and transactions in other currencies are recorded during the financial year using the prevailing exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated on the balance sheet date at the prevailing exchange rates. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following items:

- Net trading income. (Case of held-for-trading financial assets)
- Other operating revenues (expenses) for the remaining items

Changes in the fair value of investments in debt instruments which represent monetary financial instruments, denominated in foreign currencies and classified as available for sale assets, are analyzed into valuation differences resulting from changes in the amortized cost of the instrument, differences resulting from changes in the applicable exchange rates and differences resulting from changes in the fair value of the instrument.

- Valuation differences arising on the measurement of non-monetary items at fair value include gains or losses resulting from changes in foreign currency exchange rates used to translate those items. Total fair value changes arising on the measurement of equity instruments classified as at fair value through profit or loss are recognized in the income statement, whereas total fair value changes arising on the measurement of equity instruments classified as available-for-sale financial assets are recognized directly in equity in the 'revaluation reserve of available-for-sale investments'.

B/3 Foreign Branches

For the purpose of translation into Egyptian pounds, assets and liabilities of foreign branches are translated using the closing rate at the balance sheet date while items of income and expense are translated into Egyptian pounds at the rates prevailing on the dates of the transactions or average rates of exchange where these are approximate to actual rates. Resulting valuation differences are recognized as (foreign currency valuation differences) under the equity caption.

C- Revenue Recognition

C/1 Interest Income and Expense

Interest income and expense for all financial instruments except for those classified as held-for-trading or designated at fair value are recognized in 'Interest income' and 'Interest expense' in the income statement using the effective interest method.

The calculation includes all fees and points paid or received between parties to the contract that represents an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

C/2 Fee and Commission Income

Income Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off the balance sheet. These are recognized as revenue, on a cash basis, only when interest income on those loans is recognized in profit and loss, at that time. Fees and commissions that represent an integral part of the effective interest rate of a financial asset are treated as an adjustment to the effective interest rate of that financial asset.

Fees are recognized on the debt instruments that are measured at fair value through profit and loss on initial recognition and syndicated loan fees received by the bank are recognized when the syndication has been completed and the bank does not hold any portion of it or holds a part at the same effective interest rate used for the other participants' portions.

Fees and Commissions resulting from negotiating, or participating in the negotiation of, a transaction for a third party – such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognized on completion of the underlying transaction in the income statement. Administrative and other service fees are recognized as income on a time proportionate basis over the lifetime of the service.

Fees charged for custodian services provided over long periods are recognized as income over the period during which the service is rendered.

C/3 Dividends Income

Dividends are recognized in the income statement when the right to collect it is declared.

D- Treasury Bills

Treasury bills are recorded at par value while discount (un-earned interest) is included in Credit Balances and Other Liabilities. Treasury bills are presented on the balance sheet net of unearned interest.

E- Purchase and Resale Agreements and Sale and Repurchase Agreements

Securities may be lent or sold subject to a commitment to repurchase (repos) are reclassified in the financial statements and deducted from the treasury bills balance. Securities borrowed or purchased subject to a commitment to resell them (reverse repos) are reclassified in the financial statements and added to the treasury bills balance. The difference between purchase and resale price is treated as interest and accrued over the life of the agreements using the effective interest method.

F- Loans and Advances to Banks and Customers

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

G- Financial Assets Held for Trading

A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the near future or if it is a part of a portfolio of identified financial instruments that are managed together for short-term profit taking. Financial assets held for trading are measured at fair value. Unrealized holding gains and losses are recognized in the income statement.

H- Available for Sale Investments

Available for sale investments are non-derivative financial assets that are either designated as available for sale or do not fit into any other category of financial assets. Available for sale investments are measured at fair value. Unrealized holding gains and losses are included in a separate component of equity until the financial asset is sold or impaired. At this time, the cumulative gain or loss previously recognized in equity is recognized in the income statement.

I- Held to Maturity Investments

Investments held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the bank management has the positive intent and ability to hold to maturity. Debt investments held to maturity are measured at amortized cost using the effective interest method, which represent the nominal value of bonds plus the premium or minus the discount. The premium is amortized by deduction on the income statement or the discount is amortized by addition to the income statement on the (interest on treasury bills and bonds) item by using the effective interest rate method. Thus, the nominal value and the nominal recoverable value become the same on the maturity date. Banque Misr mutual funds certificates, which the bank is required by law to hold until fund liquidation, are included in held to maturity investments according to Central Bank of Egypt rules and are measured at cost. Any decrease in redemption value below cost is recognized as impairment in the income statement. Impairment loss previously recognized is reversed in case of subsequent increase. The reversal cannot result in a carrying value greater than original cost.

J- Investments in Subsidiaries and Associates

Subsidiaries are entities (including special purpose entities) in which Banque Misr exercises direct or indirect control over their financial and operating policies and in which the bank usually has an ownership share of more than half of its voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the bank has the ability

to control the entity. Associates are entities over which Banque Misr exercises significant influence directly or indirectly, but without exercising control. Generally, the bank owns between 20% and 50% of the voting rights. The purchase method is used to account for the acquisitions of subsidiaries by the bank.

The cost of an acquisition is measured as the fair value of the assets, and/or asset given and/or equity instruments issued and loans assumed at the date of exchange, plus cost directly attributable to the acquisition. Net assets including contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the minority interest.

The excess of acquisition cost over the bank’s share fair value in the net assets acquired is recorded as goodwill. If the acquisition cost is less than the fair value of the net assets, the difference is recognized directly in the income statement under the item “Other operating income (expenses)”.

Accounting for subsidiaries and associates in these separate financial statements is recorded using cost method. According to this method, investments recorded at cost of acquisition including goodwill if any and impairment losses are deducted. Dividends are recorded in the separate income statement when they are declared and the bank has the right to collect them.

K- Impairment of Financial Assets

K-1 Financial Assets Carried at Amortized Cost

• The bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

• If the bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment according to historical default ratios.

• If the bank determines that objective evidence of financial asset impairment exists that are individually assessed for impairment and for which an impairment loss is or continues to be recognized the assets are not included in a collective assessment of impairment

• If the bank determines that there is not an impairment loss based on the previous study, the asset is added to the group.

• The amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

K-2 Available-for-sale Investments

The bank assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets classify under available for sale is impaired. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired.

The decline is considered significant when it reaches 10% of the book value of the financial instrument and is considered to be extended if it continues for a period of more than nine months. The mentioned evidence become available, then the accumulated loss is to be posted from the equity and disclosed in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

L- Derivative Financial Instruments and Hedge Accounting

Derivatives are recognized initially and subsequently, at fair value. Fair values of exchange traded derivatives are obtained from quoted market price. Fair value of over-the-counter derivatives is obtained for using valuation techniques, including discounted cash flow models and option pricing models. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

M- Intangible Assets

Intangible assets represent the cost of acquiring computer software and the licenses for using it. Intangible assets appear at historical cost after deducting accumulated amortization and provision of impairment losses. Intangible assets are amortized using the straight-line method and using amortization rates from 20% to 100% or the duration of licenses for programs, whichever is less.

N- Fixed Assets and Depreciation

Fixed assets are recorded at historical cost minus depreciation and impairment losses. Depreciation of fixed assets is calculated using the straight-line method to allocate their residual values over estimated useful lives, as follows:

Buildings and constructions	%2.5
Equipment	From %10 To %20
Furniture	From %10 To %25
Vehicles	From %20 To %25
IT equipment	From %14.5 To %25
Fixtures	From %6.5 To %33.5
Lease hold improvement	12.5% or lease period, whichever is less

O- Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash and balances due from the Central Bank of Egypt, excluding the CBE's obligatory reserve current accounts with banks, and treasury bills maturing within three months of the acquisition date.

P- Post-Retirement Benefits Liabilities

Banque Misr granted its employees who work in local branches some benefits after they retired. This benefits considered one of other benefits that have been charged to expenses through employee's years of service and recognized in the liability according to Egyptian Accounting Standards prevailed in 2006 and central bank rules prevailed in 2008.

Liabilities resulting from specified system benefits which employees have obtained at the end of the financial year are evaluated on the basis of the present value of expected future cash flows by the actuarial using the "projected unit credit method" which contains assumptions related to population sciences, employee turnover, interest rate, and inflation rates.

Banque Misr granted its employees in foreign branches post-retirement benefit according to their labor laws in these countries.

Q- Other Provisions

Other provisions are recognized when the bank has present legal or constructive obligations as a result of past events, where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated. In case of similar obligations, the related cash outflow should be determined in order to settle these obligations as a group. The provision is

recognized even in case of minor probability that cash outflow will occur for an item of these obligations. When a provision is wholly or partially no longer required, it is reversed through profit or loss under other operating income (expenses). Provisions are measured at the present value of the expected required expenditures to settle obligations one year from the financial statement date using the appropriate rate in accordance with the terms of settlement, which reflects the time value of money. If the settlement term is less than one year, the estimated value of obligation is calculated.

R- Income Tax

Income tax on the profit or loss for the year and deferred tax are recognized in the income statement except for income tax relating to unearned gain, which was recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable at the date of the balance sheet in addition to tax adjustments for previous years.

Deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and valued according to the foundations of the tax. This determines the value of deferred tax on the expected manner to realize or settle the values of assets and liabilities, using tax rates applicable at the date of the balance sheet. Deferred tax assets of the bank are recognized when they are likely to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

3- Financial risk management

The bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the bank's financial performance. The most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also, market risk includes exchange rate risk, rate of return risk and other price risks. The bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices. Risk management is carried out by a risk department under policies approved by the Board of Directors. The risk department identifies, evaluates and hedges against financial risks in close co-operation with the bank's operating units. In addition, the risk department is responsible for the independent review of risk management and the control environment.

Capital Management

Capital adequacy and the use of regulatory capital are monitored periodically by the bank’s management through employing techniques based on the guidelines developed by the Basel Committee on Banking Supervision. The required data is submitted to the Central Bank of Egypt on a quarterly basis.

Central Bank of Egypt requires the following:

- Maintaining EGP 500m as a minimum requirement for the issued and paid-in capital.
- Maintaining a minimum capital adequacy ratio of 11.875%, calculated as the ratio between the total value of the capital elements, and the risk-weighted average of the bank’s assets and contingent liabilities. Overseas branches are subject to the supervision rules regulating banking business in the countries where they operate. The bank has complied with all local capital requirements and in countries where its oversea branches work during the last two years. The Board of the Central Bank of Egypt held on December 18th, 2012 decided to approve instructions of minimum capital adequacy in the context of applying Basel II. The following table summarizes the components of tier one capital, subordinated capital and capital adequacy ratio for the financial statements of the banking group as of the end of the year ended on June 30th, 2019 and comparative year according to CBE regulations issued on Basle II applications:

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Capital		
Tier 1 Capital	49,396,908	42,294,398
Tier 2 Capital	24,815,318	23,848,560
Total Capital	74,212,226	66,142,958
Total risk weighted assets and contingent liabilities	509,767,734	431,067,703
Capital Adequacy Ratio	14.56%	15.34%

The financial leverage ratio according to the summarized financial statements of the banking group as of June 30th, 2019 recorded 4.03% against 3.85% in the comparative year.

4- Critical Accounting Estimates and Judgments

The bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and available information.

A. Impairment of Loans and Advances

The bank reviews its loans and advances portfolio, at least on a quarterly basis to assess impairment. The bank uses its discretionary judgment in determining whether it is necessary to recognize impairment loss in the income statement. This requires it to identify any reliable evidence indicating measurable decline in the expected future cash flows from the loans portfolio before identifying any decline for each individual loan.

This evidence includes data indicating negative change in the ability of a portfolio of borrowers to repay the bank, or local and economic circumstances related to defaulting.

On scheduling future cash flows, the management uses estimates based on previous experience related to impairment of assets with similar credit risks. Such experience refers to impairment similar to that of the portfolio in question. The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on expertise.

B. Impairment of Available for Sale Equity Investments

The bank determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, operational and financing cash flows, industry and sector performance and changes in technology.

5- Financial Assets Held for Trading

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Debt instruments		
Other debt securities	8,475,611	3,318,957
Total debt instruments	8,475,611	3,318,957
Equity instruments		
Local shares	291,571	228,847
Mutual fund certificates	9,183	10,951
Total equity instruments	300,754	239,798
Total financial assets held for trading	8,776,365	3,558,755

6- Loans and Advances to Banks

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Term loans	5,732,077	3,367,577
Deduct: provision for loan losses	(19,891)	(22,101)
Total	5,712,186	3,345,476

7- Loans and Advances to Customers

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
(1) Retail		
Over draft	1,931,046	1,891,665
Credit card loans	592,175	435,664
Personal loans	30,237,462	21,678,337
Mortgage loans	4,999,440	2,975,857
Total retail (1)	37,760,123	26,981,523
(2) Corporate loans (including loans to small businesses)		
Over draft	34,291,391	46,546,769
Direct loans	159,067,547	108,137,365
Syndicated loans	45,926,831	46,989,348
Other loans	739,682	842,916
Total corporate (2)	240,025,451	202,516,398
Total loans and advances to customers (1+2)	277,785,574	229,497,921
Deduct: provision for loan losses	(5,587,937)	(8,104,047)
Deduct: interest in suspense	(331,497)	(324,554)
Deduct: unearned discount	(142,034)	(76,895)
Net loans and advances to customers	271,724,106	220,992,425
Gross loans distributed to:		
Current	76,634,320	62,812,527
Non-Current	201,151,254	166,685,394
Total	277,785,574	229,497,921

Impairment from loans provision for customers

Movement analysis of the impairment provision of loans and advances for customers during the year:-

Amounts in EGP thousand						
	June 30 th , 2019			June 30 th , 2018		
Item	Non-Performing Loans	Performing Loans	Total	Non-Performing Loans	Performing Loans	Total
Balance at the beginning of the year	4,856,608	3,247,439	8,104,047	5,945,277	1,812,283	7,757,560
Transfers	(9,009)	-	(9,009)	76	5,991	6,067
Charge (release)of impairment during the year	1,099,596	(407,612)	691,984	(193,143)	1,423,015	1,229,872
Recoveries of loans previously written off	1,113,307	-	1,113,307	494,889	-	494,889
Foreign currency revaluation differences	(314,988)	(121,735)	(436,723)	(48,049)	6,150	(41,899)
Write off during the year	(3,873,308)	(2 361)	(3,875,669)	(1,342,442)	-	(1,342,442)
Balance at the end of the year	2,872,206	2,715,731	5,587,937	4,856,608	3,247,439	8,104,047

Analysis of the Impairment provision of loans and advances for individual:-

Amounts in EGP thousand					
Item	Individual				
	Overdrafts	Credit Cards	Personal Loans	Mortgages	Total
June 30 th , 2019	38,972	7,664	451,947	115,544	614,127
June 30 th , 2018	50,099	10,029	365,470	74,339	499,937

Analysis of the Impairment provision of loans and advances for corporate:-

Amounts in EGP thousand					
Item	Corporate				
	Overdrafts	Direct Loans	Syndicated Loans	Other Loans	Total
June 30 th , 2019	2,549,859	683,474	1,730,194	10,283	4,973,810
June 30 th , 2018	2,072,280	1,744,534	3,566,317	220,979	7,604,110

8) Financial investments

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
(A) Available for sale investments		
Debt instruments - listed	26,066,419	1,882,982
Equity instruments - listed	6,438,844	10,505,960
Debt instruments - unlisted	15,035,130	16,099,020
Equity instruments - unlisted	5,793,376	6,084,743
Total available for sale investments (1)	53,333,769	34,572,705
(B) Held to maturity investment		
Debt instruments - listed	165,899,818	75,403,133
Debt instruments - unlisted	16,071,384	16,071,384
Equity instruments - unlisted	377,155	283,461
Total held to maturity investments (2)	182,348,357	91,757,978
Total financial investments (2+1)	235,682,126	126,330,683

The following table analyzes movements on financial investments during the year:

Amounts in EGP thousand		
	Available for Sale Investments	Held to Maturity Investments
Beginning balance on July 1 st , 2018	34,572,705	91,757,978
Additions	27,814,805	107,770,143
Deductions	(3,815,317)	(17,313,726)
Transfers	(123,962)	133,962
Revaluation differences resulting from monetary foreign currency assets	(1,482,436)	-
Gains (losses) from fair value difference	(3,557,670)	-
Impairment charges	(74,356)	-
End Balance on June 30 th , 2019	53,333,769	182,348,357
Beginning balance on July 1 st , 2017	37,163,514	99,041,285
Addition	3,914,402	3,633,059
Deduction	(5,720,756)	(11,072,545)
Transfers	(181,273)	156,179
Revaluation differences resulting from monetary foreign currency assets	(247,311)	-
Gains (losses) from fair value difference	(303,953)	-
Impairment release (charge)	(51,918)	-
End Balance on June 30 th , 2018	34,572,705	91,757,978

9- Customers’ Deposits

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Demand deposits	90,854,778	63,801,364
Call and time deposits	87,734,518	117,869,439
Saving certificates	362,545,660	311,684,403
Saving deposits	196,554,597	168,105,421
Other deposits	8,085,284	8,131,915
Total	745,774,837	669,592,542
Corporate deposits	153,368,769	162,094,425
Retail deposits	592,406,068	507,498,117
Total	745,774,837	669,592,542
Non-interest bearing balances	84,166,199	54,715,183
Variable interest rate balances	346,132,016	321,441,563
Fixed interest rate balances	315,476,622	293,435,796
Total	745,774,837	669,592,542

10- Other Loans

Amounts in EGP thousand				
Items	Interest Rate	Matured Through Current Year	Balance as of June 30 th , 2019	Balance as of June 30 th , 2018
Subordinated deposit	Nil	-	12,764,637	11,136,823
Social fund loans-Bright Future	8.50%	-	-	8,438
Long-term loans - Egyptian Company for Refinancing	10.25%	1,333	12,111	13,444
Social fund loans- Enterprise Development Project	8.50%	-	-	10,000
Social fund loans- agriculture projects support	8.50%	11,000	11,000	33,000
Social fund loans- Bedaia SMEs Loan	8.50%	3,750	3,750	11,250
Social fund loans- Bedayti (1)	7.75%	80,000	200,000	260,000
Social fund loans- bedayti (2)	9.50%	106,800	400,000	240,000
Long-term loans from foreign banks	with interest	113 839	29,627,643	18,022,674
Short-term loans from foreign banks	with interest	27,457,528	27,457,528	16,968,437
Total Other Loans			70,476,669	46,704,066
Current			27,774,250	21,570,992
Non-current			42,702,419	25,133,074
Total Other Loans			70,476,669	46,704,066

11- Other Provisions

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Provision for legal claims and taxes	352,382	274,507
Provision for contingent liabilities	738,613	627,992
Other	11,294	11,123
Total	1,102,289	913,622

12- Post-Retirement Benefits Liabilities

Amounts recognized in the balance sheet

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Post-retirement medical benefits	3,078,832	2,478,404
End of service benefits	651,016	642,959
Total	3,729,848	3,121,363

Amounts recognized in the income statement

Liabilities for post-retirement medical benefits	786,000	327,024
Liabilities for end of service benefits	108,579	138,970
Balances at the end of the year	894,579	465,994

13- Paid in Capital and Reserves

A. Authorized Capital

Based on the extraordinary general assembly meeting on March 22th, 2015, the authorized capital has been increased from EGP 15000 million to EGP 30000 million.

B. Issued and Paid-in Capital

The Issued and paid-in capital reached EGP 15000 million divided into 3000 million shares of EGP 5 per share wholly owned by the Egyptian Ministry of Finance.

14- Reserves

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Legal reserve	2,143,005	1,745,583
General reserve	1,615,489	1,337,717
Capital reserve	929,014	840,664
Supportive reserve	4,673,426	7,579,076
Fair value reserve	3,106,535	6,623,692
Special reserve	6,927	6,927
General banking risk reserve	3,334,870	2,535,783
Cash flow risk reserve	(2 695)	(37 781)
Financial statements translation differences	1,055,047	1,476,602
Differences between nominal value and fair value of subordinated deposits	22,235,363	23,863,177
IFRS 9 reserve	2,905,650	-
Total reserves	42,002,631	45,971,440

- According to the bank status 10% of net profit is allocated to increase legal reserve until it reaches 100% of paid-in capital

- According to the central bank rules, it is not permitted to use the special reserve balance unless approval is obtained

15- Earnings per Share

Earnings per share are calculated by dividing the net profit attributable to shareholders of the bank by the weighted average of shares outstanding during the year.

Amounts in EGP thousand		
	June 30 th , 2019	June 30 th , 2018
Shareholders' share from net profit of the year (1)	7,755,728	3,475,031
Divided by weighted average number of shares (2)	3,000,000	3,000,000
Earnings per share (EGP) (1:2)	2.59	1.16

16- Comparative figures

Comparative figures were reclassified for the year ended on June 30th, 2018 to be consistent with current year presentation.























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- Zalka
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