



# CARBON FOOTPRINT REPORT 2023

**Driving Sustainable Change**  
Managing our Carbon Impact



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## ABOUT THIS REPORT

This report details the carbon footprint generated by **Banque Misr's** operations in Egypt in 2023 and covers Scope 1, 2 and relevant activities in Scope 3. The comparison is made against the base year of 2022, which marked the first year the bank calculated its complete carbon footprint across all facilities. All the data collected and analyzed within this report follow the World Resources Institute Greenhouse Gas Protocol principles of relevance, completeness, consistency, transparency, and accuracy.



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# ABBREVIATIONS

<b>ATM</b>	Automated Teller Machine
<b>BY</b>	Base Year
<b>CDP</b>	Disclosure Insight Action (Previously named: Carbon Disclosure Project)
<b>CFP</b>	Carbon Footprint
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>CO<sub>2</sub>e</b>	Carbon Dioxide Equivalent
<b>DEFRA</b>	Department for Environment, Food & Rural Affairs
<b>EF</b>	Emission Factor
<b>EGP</b>	Egyptian Pound
<b>EPA</b>	United States Environmental Protection Agency
<b>ERA</b>	Egyptian Electric Utility and Consumer Protection Regulatory Agency
<b>FTE</b>	Full-time Equivalent
<b>GHG</b>	Greenhouse Gases
<b>GWP</b>	Global Warming Potential
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>ISO</b>	International Standard Organization
<b>kg</b>	Kilograms
<b>kWh</b>	Kilowatt Hour
<b>L</b>	Litre
<b>LED</b>	Light-emitting Diode
<b>m<sup>2</sup></b>	Square Meter
<b>m<sup>3</sup></b>	Cubic Meter
<b>MWh</b>	Megawatt Hour
<b>mtCO<sub>2</sub>e</b>	Metric Tons Carbon Dioxide Equivalent
<b>t</b>	Tons
<b>Scp</b>	Scope
<b>WBCSD</b>	World Business Council for Sustainable Development
<b>WRI</b>	World Resources Institute
<b>WTT</b>	Well-to-Tank





# EXECUTIVE SUMMARY





# EXECUTIVE SUMMARY

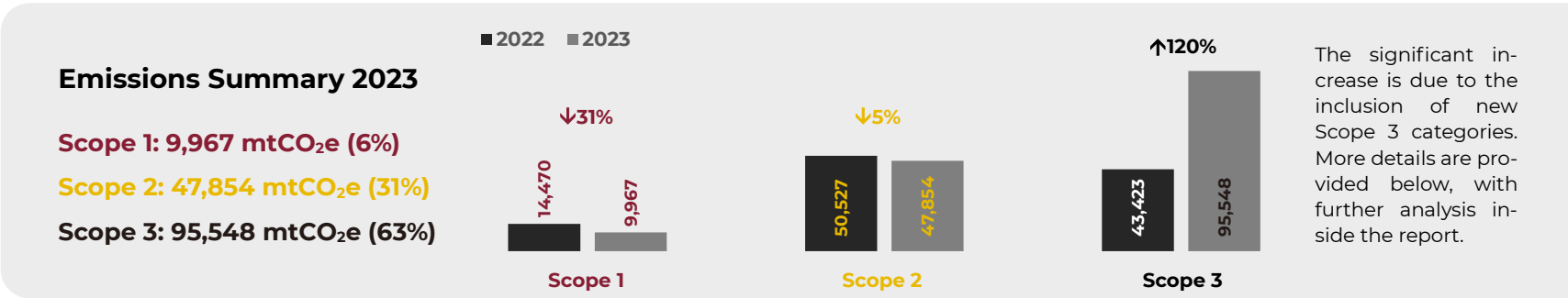
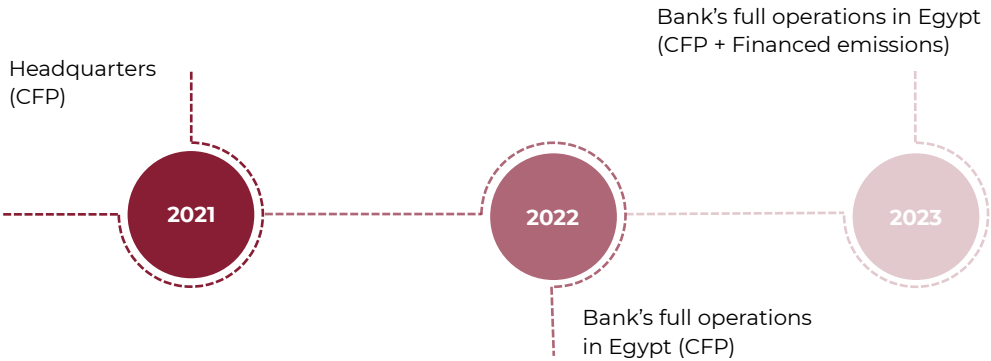
Climate change stands as one of the most pressing global challenges, with rising temperatures, extreme weather events, and ecosystem disruptions emphasizing the urgent need for collective action. As the world edges closer to the critical 1.5°C warming threshold, the impacts of climate change are becoming increasingly evident, including in Egypt, where July 2024 marked the highest temperatures ever recorded. Addressing this crisis requires active engagement across all sectors, with the banking industry playing a vital role in driving sustainable development and financing solutions that align with climate goals.

In this context, **Banque Misr** is demonstrating its commitment to environmental stewardship by proactively managing its carbon footprint and embracing transparency in its operations. The bank has completed its carbon footprint assessment for all operations for the second consecutive year, using 2022 as the baseline. This assessment follows internationally recognized standards, including the Greenhouse Gas Protocol Guidelines, the 2006 IPCC Guidelines for Greenhouse Gas Inventories (updated in 2019), and ISO 14064-1:2018 standards.

Through comprehensive carbon footprint reporting, **Banque Misr** not only quantifies and evaluates its greenhouse gas (GHG) emissions but also identifies key emission sources and assesses the effectiveness of its mitigation efforts. This data-driven approach enables the bank to develop targeted strategies to minimize its environmental impact, ensuring that it remains at the forefront of sustainability and climate action within Egypt's financial sector.

As of 2023, the bank is proud to have reached the **third** phase of its GHG reporting journey. This phase encompasses the calculation of the carbon footprint for all its operations, alongside the assessment of its financed emissions. The findings on financed emissions will be detailed in a dedicated report, further reinforcing **Banque Misr's** commitment to environmental transparency and sustainability.

This report covers all operational facilities within **Banque Misr's** organizational boundaries in Egypt, including branches, headquarters, administrative offices, and training centers. According to the GHG protocol, GHG emissions are categorized into three scopes: **Scope 1** encompasses direct emissions, **Scope 2** includes indirect emissions resulting from purchased energy, and **Scope 3** covers indirect emissions arising from various activities throughout the value chain.



Compared to the base year (2022)\*, **Scope 1** emissions have **decreased** by **31%**, driven by the Bank's transition from using owned vehicles for employees' business trips to a car rental service, which allocated these emissions to Scope 3. **Scope 2** emissions also **declined**, though more modestly, by **5.3%**. In contrast, **Scope 3** emissions **increased** by **120%**. This rise in Scope 3 emissions is attributed to the inclusion of emissions from purchased capital goods (category 2), as well as the expansion of boundaries within the purchased goods and services (category 3). Given the sheer size of **Banque Misr** as an institution, with its extensive operations and wide range of activities, it is relatively normal to observe such an increase when additional activities are incorporated into Scope 3. Furthermore, as Scope 3 emissions largely depend on external factors beyond the bank's direct control, this increase underscores **Banque Misr's** ongoing efforts to enhance its data recording system and ensure the comprehensive inclusion of all relevant Scope 3 categories.

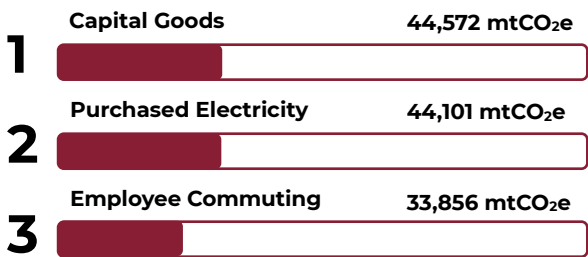
In 2023, **Banque Misr's** total emissions amounted to **153,369 mtCO<sub>2</sub>e**. The largest contributors were emissions from capital goods and purchased electricity, followed by employee commuting related emissions.

Moreover, the carbon intensity of **Banque Misr**, calculated as **2.57 mtCO<sub>2</sub>e per full-time equivalent (FTE)**, represents a **15.7% reduction** compared to the 2022 intensity level. This decrease is attributed to the decrease in owned vehicles emissions. This intensity metric plays a pivotal role in continuously assessing and comparing **Banque Misr's** performance in emissions reduction over time, driving the bank towards more sustainable practices.

On an international scale, electricity consumption intensity per area is used to assess the performance of office spaces. Among Banque Misr's 661 reported facilities, 520 with actual data were assessed based on this criterion. Notably, **98** facilities achieved an **A+** rating, demonstrating exceptional efficiency. The remaining branches scored between A and E, and these results will help the bank prioritize locations for improvement and identify areas needing targeted actions.

Employing the insights collected from the carbon footprint report, **Banque Misr** has formulated a robust decarbonization strategy aimed at effectively mitigating its overall carbon footprint and further diminishing GHG emissions. This comprehensive plan adheres to industry best practices and firmly establishes **Banque Misr** as a proactive leader in driving the transition toward a low-carbon economy. Progress made against this plan is presented in this report.

## Top Emitting Activities 2023

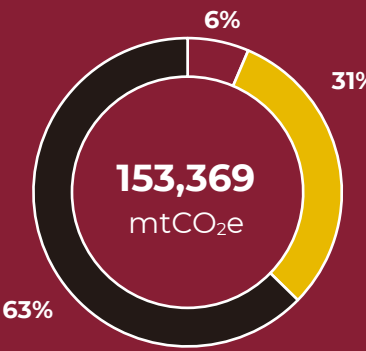


\* Recalculations for a part of 2022 figures were conducted, incorporating new methodologies and more accurate data for enhanced precision.

**661** FACILITIES

**556,224** m<sup>2</sup>

**22,463** FTE



□ Scope 1 □ Scope 2 □ Scope 3

**2.57**

mtCO<sub>2</sub>e/FTE

**15.7% decrease** in Scope 1 +2 emissions intensity per employee

**A+**

**98 facilities earned an A+ score** in electricity consumption assessment





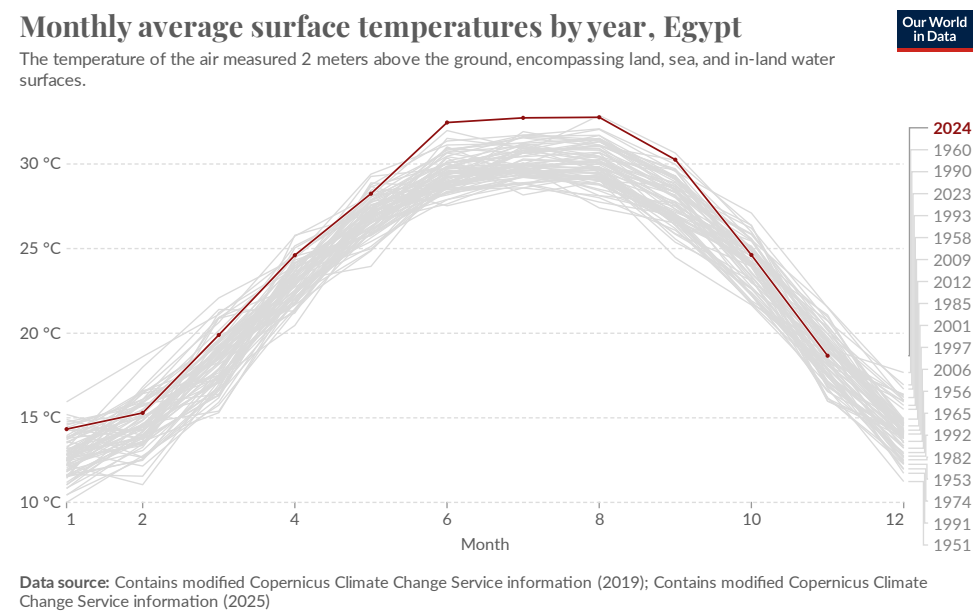
# INTRODUCTION





# INTRODUCTION

Climate change remains one of the most pressing global challenges, driven primarily by the accumulation of greenhouse gases from human activities such as burning fossil fuels, deforestation, and industrial processes. As of 2023, the planet has warmed by approximately **1.17°C** above pre-industrial levels, bringing the world closer to the critical 1.5°C threshold outlined in the Paris Agreement. This rise has led to more frequent and severe heatwaves, melting ice caps, rising sea levels, and disruptions to ecosystems worldwide. Urgent collective action is needed to mitigate these impacts and limit further warming to safeguard the planet's future. In Egypt, **July 2024** recorded the **highest temperature** in Egypt's history from the 1950s.



The banking sector in Egypt plays a vital role in combating climate change by financing sustainable development projects and promoting green financing initiatives. Banks are increasingly channeling investments toward renewable energy, energy efficiency, and environmentally friendly infrastructure projects that align with Egypt's national climate goals and international commitments, such as the Paris Agreement. By supporting eco-friendly businesses, and integrating Environmental, Social, and Governance (ESG) principles into their operations, banks contribute to reducing carbon emissions and fostering sustainable economic growth. Moreover, they play a key role in raising awareness about climate risks and encouraging businesses to adopt environmentally responsible practices through favorable financing terms for green projects. This proactive approach positions the banking sector as a cornerstone in Egypt's transition to a low-carbon and resilient economy.

Banks in Egypt face significant challenges in recording, measuring, reporting, and reducing their carbon footprint. A primary obstacle is the absence of a robust regulatory framework and sector-specific guidelines, limiting mandatory reporting and standardized methodologies for carbon accounting. Data collection, particularly for Scope 3 emissions, is hindered by fragmented systems and limited client disclosure, especially from SMEs. Technical and resource constraints, including gaps in expertise on carbon accounting standards and the high costs of sustainability initiatives, add to the complexity. Legacy infrastructure further complicates the integration of modern carbon management practices across decentralized operations. Additionally, financing high-carbon sectors and limited client awareness hinder efforts to reduce portfolio emissions. Market-related barriers, such as low demand for green financial products and the absence of carbon pricing mechanisms, diminish incentives for adopting sustainable practices. Addressing these challenges requires strategic investment in capacity building, advanced technology, green financing, and policy advocacy to drive meaningful change in the banking sector.

**Banque Misr** is actively addressing these challenges by enhancing its data recording and collection systems and investing in capacity building to raise awareness about climate change and sustainability among its employees. The bank has also established the **Sustainable Finance Champions Network (SFCN)**, comprising around 80 representatives from diverse divisions form across the bank, to facilitate the realization of its sustainability mission and embed sustainable practices across its operations.



## ABOUT THE BANK

**Banque Misr**, founded in 1920 by economist Mohamed Talaat Harb Pasha, stands as Egypt's first wholly Egyptian-owned bank, reflecting a historic commitment to national savings and economic development. Over the decades, it has played a pivotal role in Egypt's financial landscape and beyond.

The bank's impact transcends sectors, having funded businesses in textiles, insurance, transportation, aviation, entertainment, and filmmaking. Currently, **Banque Misr** holds shares in a diverse portfolio of 157 companies spanning finance, tourism, housing, agriculture, food, and technology. Recognized as a financial leader, it has received numerous awards, including Best Provider of Money Market Funds in Africa and the Middle East.

**Banque Misr** is equally prominent for its technological advancements. It was the first local bank in Egypt and North Africa to comply with PCI data security standards, reflecting a commitment to customer data protection. The bank boasts an extensive ATM network, ensuring accessible banking services across Egypt.

With over 20,000 employees, **Banque Misr** serves a client base of over 13 million in Egypt. Its network comprises more than 800 electronically integrated local branches, reinforcing its commitment to local accessibility. Additionally, the bank's international presence extends to the United Arab Emirates, Saudi Arabia, France, Lebanon, and Germany, along with representative offices in China, Russia, South Korea, and Italy supporting its global financial reach.

**Banque Misr's** full compliance with the best sustainability practices at a very early stage has been reinforcing its distinctive leadership position in the markets where it operates. **Banque Misr** strategically capitalizes on sustainability performance to deliver on the targets as envisioned by the UN's 2030 Agenda and prominently prioritizes the Sustainable Development Goals (SDGs) adopted regarding its substantial socioeconomic and ecological impacts.

In summary, **Banque Misr's** 100-year legacy encapsulates its dedication to economic development, data security, technological innovation, and expansive accessibility. It demonstrates the impact of visionary leadership and innovation in the banking sector, leaving a permanent mark on Egypt and the wider Middle East.



# INVENTORY BOUNDARIES





# INVENTORY BOUNDARIES

## ORGANIZATIONAL BOUNDARIES

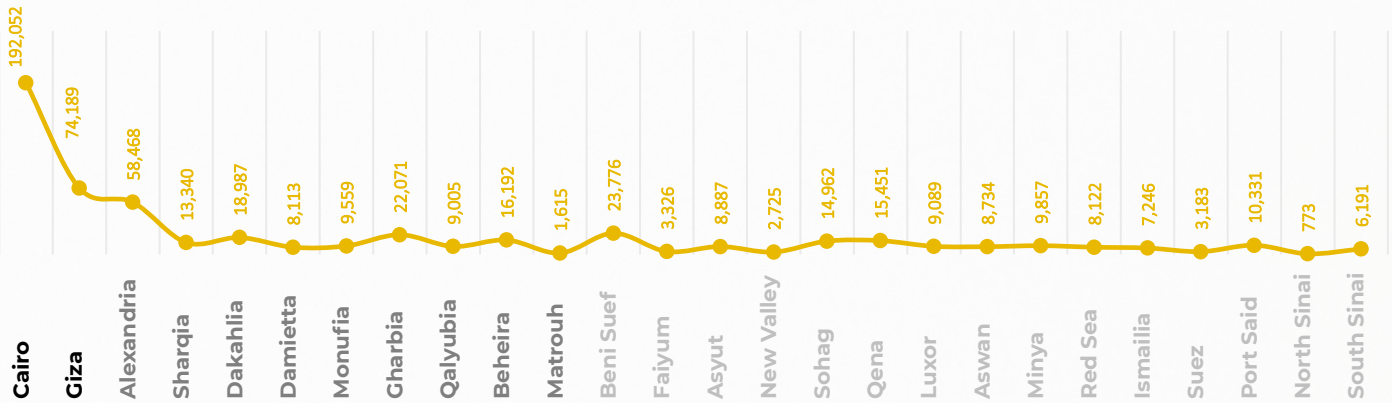
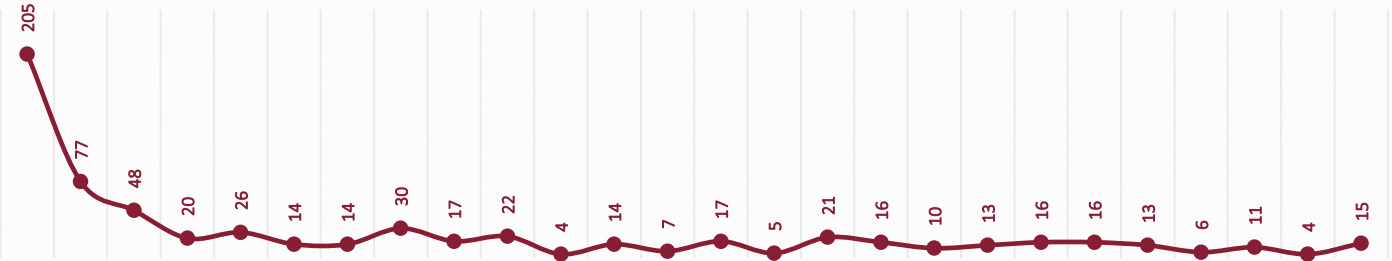
For the purpose of tracking and disclosing Greenhouse Gas (GHG) emissions, the organizational boundary specifies the businesses and operations encompassed within the organization. Organizations have the option to report emissions either based on the operations they have direct financial or operational authority over (referred to as the control approach) or based on their proportional equity share in the operations (known as the equity share approach).

Adhering to the GHG protocol, the control approach entails that an organization accounts for the entirety of GHG emissions generated by operations over which it exercises financial or operational control. In the context of this carbon footprint assessment undertaken by **Banque Misr**, the control approach is employed, encompassing the following aspects:



**661** FACILITIES

The facilities included headquarters, branches, administrative offices, and training centers, while the check points and kiosks are excluded due to data unavailability.



**556,244** SQUARE METERS

This represents the total gross floor area of all the included facilities.



**22,463** FULL-TIME EQUIVALENTS

The full-time equivalent (FTE) includes the bank's full-time employees, managers, and workers.

**13,138 FTE in branches and other facilities**

**9,325 FTE in head offices**

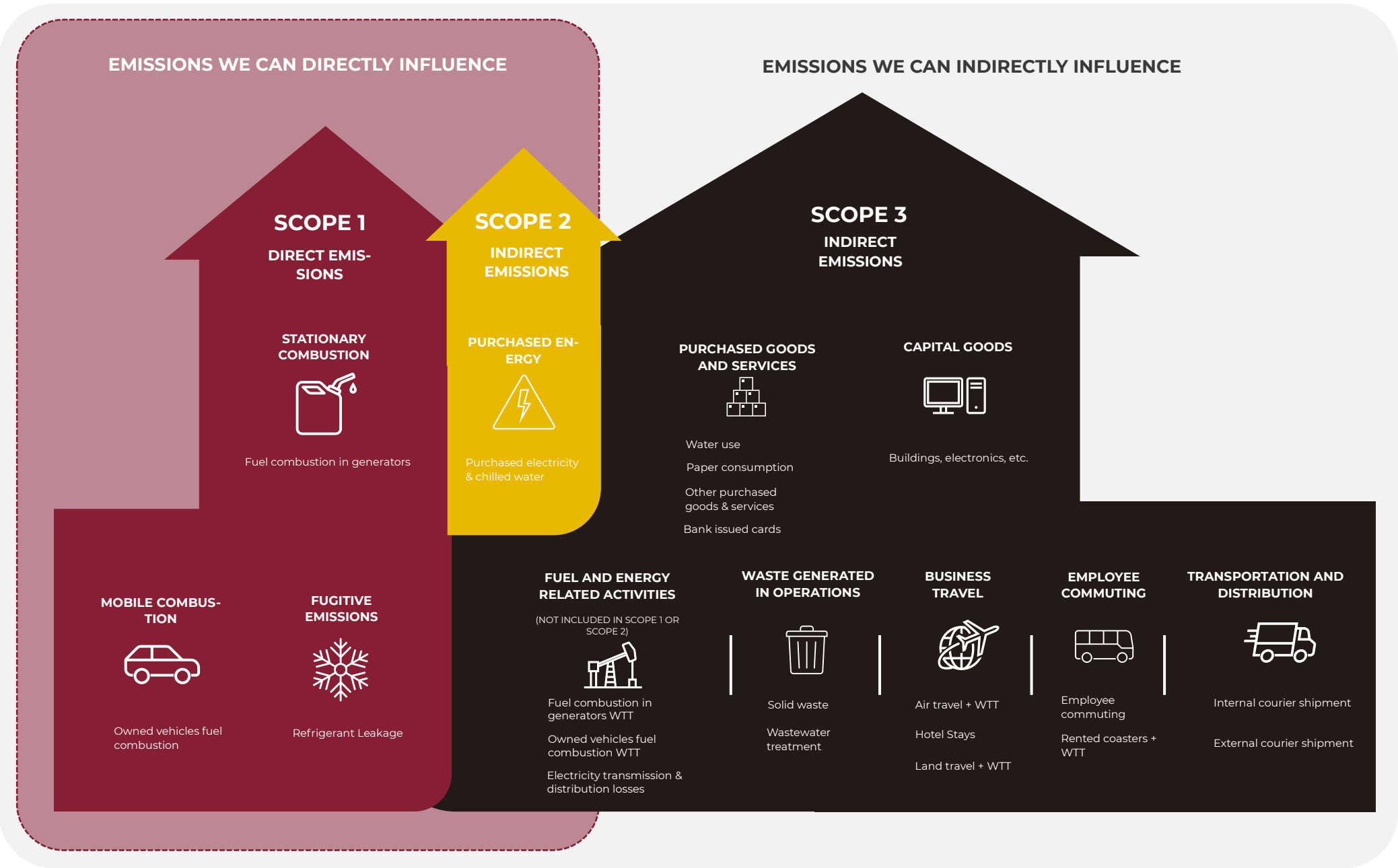




OPERATIONAL BOUNDARIES

Operational boundaries establish the scope of business activities within the reporting company that contribute to emissions, indicating which of these activities should be incorporated into calculations and how they should be categorized (e.g., as direct, or indirect emissions). These emissions are categorized into distinct scopes: Scope 1, which pertains to emissions originating from equipment and assets owned or controlled by **Banque Misr**; Scope 2, encompassing emissions stemming from purchased electricity and chilled water; and Scope 3, which includes substantial indirect emissions resulting from the bank's operations.

In accordance with the GHG Protocol Corporate Standard, it is obligatory to report Scope 1 emissions (direct emissions) and Scope 2 emissions (indirect emissions originating from purchased electricity and chilled water). For **Banque Misr's** carbon footprint assessment in 2023, the operational boundaries encompassed the following elements:



SOURCES OF EMISSIONS EXCLUDED FROM THIS ASSESSMENT

This report seeks to thoroughly outline all of **Banque Misr** emission sources. It covers all Scope 1 and Scope 2 emissions and only includes the most relevant and significant categories of Scope 3 emissions.

It is important to mention that some emission sources referenced below, according to the GHG protocol, are not included in **Banque Misr's Scope 3** calculations. This is due to a lack of available data. Further details about these categories can be found in the Relevancy and Exclusions section of the **ANNEX**.

Scope 3 Excluded Activities:

- Category 11 - Use of Sold Products:** This could include emissions from the use of internet banking and other sold products.
- Category 12 - End-of-Life Treatment of Sold Products:** This could include end of life treatment of bank cards distributed to the customers.
- Category 15 - Investments (will be reported in a separate report):** This includes emissions resulting from loan activities and/or projects financed by the bank.

REPORTING PERIOD & BASE YEAR (BY)

The reporting period for the carbon footprint assessment is from the 1<sup>st</sup> of January 2023 to the 31<sup>st</sup> of December 2023.

**Banque Misr** conducted its first complete assessment of all facilities in **2022**, establishing this year as the **base year** for future comparisons, including the results from this year's assessment.



# OVERALL METHODOLOGY





# OVERALL METHODOLOGY

## PROTOCOLS & STANDARDS

The carbon footprint assessment in this report aligns with a variety of globally recognized standards, protocols, and guidelines that are widely accepted for the purpose of measuring and disclosing emissions. These encompass, among others:

**The Greenhouse Gas (GHG) Protocol Guidelines:** These guidelines outline the criteria for identifying emission sources and GHGs to be measured and reported. They also define the boundaries for holding entities accountable for GHG emissions, considering geographical, organizational, and operational constraints.

- **Corporate Accounting and Reporting Standard:** Offers guidance to companies for preparing their GHG emissions reports at the corporate level.
- **GHG Protocol (Scope 2) Guidance:** Standardizes how corporations measure emissions from purchased or acquired electricity, steam, heat and cooling.
- **Corporate Value Chain (Scope 3) Accounting and Reporting Standard:** Provides a framework for assessing emissions throughout the entire value chain.

**ISO 14064-1:2018:** This specification, accompanied by guidance, pertains to the quantification and reporting of greenhouse gas emissions and removals at the organizational level.

**2006 Intergovernmental Panel on Climate Change (IPCC)** Guidelines for Greenhouse Gas Inventories (with 2019 Refinements).



## EMISSION FACTORS

Emission factors (EFs) serve to quantify the volume of greenhouse gases (GHGs) discharged into the atmosphere due to particular activities. These factors are usually denominated in carbon dioxide equivalent (CO<sub>2</sub>e) and gauge emissions generated for each unit of weight, volume, distance, or duration linked to the activity. For instance, EFs can be represented as CO<sub>2</sub>e per liter of fuel consumed, CO<sub>2</sub>e per kilometer traveled, or CO<sub>2</sub>e per kilowatt-hour of electricity purchased, among other metrics. Within this report, the emission factors utilized were determined through:

- Department for Environment, Food & Rural Affairs, UK, 2023 (DEFRA)
- IPCC: Intergovernmental Panel on Climate Change
- US EPA: United States Environmental Protection Agency
- Emission factors specific to the country

Regarding the country-specific electricity emission factor, it is determined using data from the Egyptian Electric Utility and Consumer Protection Regulatory Agency (Egypt ERA), as published in monthly reports on grid electricity. This emission factor is calculated based on Egypt's real fuel composition and energy generation sources.

The emission factors employed for water supply and wastewater treatment are sourced from DEFRA 2023. These factors have been customized to accommodate Egypt's electricity-specific emission factor.





CALCULATION APPROACH

Each activity is categorized into one of the defined Scopes as per the GHG Protocol Guidelines, including Scope 1 (direct emissions), Scope 2 (indirect emissions related to purchased electricity and chilled water consumption), and Scope 3 (indirect emissions resulting from operations not under the direct ownership or control of the reporting entity). The standard method for calculating emissions, expressed in metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e), involves the multiplication of activity data by its corresponding emission factor. This calculation process includes a unit analysis to ensure that the resulting emissions are expressed in the desired mtCO<sub>2</sub>e unit.

The emissions calculation approach is determined by multiplying the activity by its associated emission factor, following a unit analysis procedure to convert emissions into the mtCO<sub>2</sub>e unit, as described in the equation below:

Activity Data  
[unit]

×

Emission Factor  
[mtCO<sub>2</sub>e/unit]

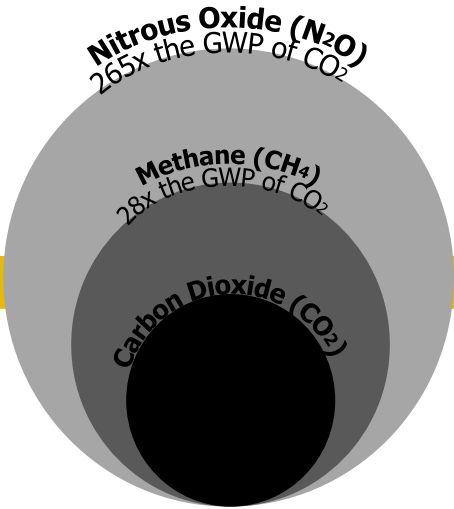
GHG Emissions  
[mtCO<sub>2</sub>e]

In adherence to best practices in organizational greenhouse gas (GHG) accounting and following the selected WBCSD/WRI GHG Protocol, the carbon footprint assessment has incorporated all seven Kyoto Protocol greenhouse gases, whenever relevant and significant.

Global warming potentials (GWPs) serve as coefficients that quantify the radiative forcing impact of a specific greenhouse gas, such as methane, in comparison to an equivalent amount of carbon dioxide. These GWPs are employed in GHG accounting to standardize greenhouse gas emissions, expressing them in a common unit for easy comparison, known as carbon dioxide equivalent (CO<sub>2</sub>e).

In the course of this inventory, **Banque Misr** has applied 100-year GWPs to all emissions data to calculate the total emissions in metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e). The GWP values utilized for this purpose have been sourced from the Intergovernmental Panel on Climate Change's (IPCC) fifth Assessment Report (AR5), which was the most current IPCC report available at the time of this assessment. The greenhouse gases specified in the Kyoto Protocol, along with their corresponding GWPs, are detailed in the table below.

Greenhouse Gas	100-Year GWP
Carbon dioxide (CO <sub>2</sub> )	1
Methane (CH <sub>4</sub> )	28
Nitrous oxide (N <sub>2</sub> O)	265
Hydrofluorocarbons (HFCs)	124 – 14,800
Perfluorocarbons (PFCs)	7,390 – 12,200
Nitrogen trifluoride (NF <sub>3</sub> )	16,100
Sulphur hexafluoride (SF <sub>6</sub> )	23,500





# CARBON FOOTPRINT RESULTS

Banque Misr 2023  
Scope 1 and 2 emission intensity

**2.57**  
mtCO<sub>2</sub>e/FTE 

Total Emissions

**153,369** mtCO<sub>2</sub>e

Scope 1 Emissions

**9,967** mtCO<sub>2</sub>e

Scope 2 Emissions

**47,854** mtCO<sub>2</sub>e

Scope 3 Emissions

**95,548** mtCO<sub>2</sub>e



# CARBON FOOTPRINT RESULTS

## SCOPE 1 – DIRECT EMISSIONS

 **STATIONARY COMBUSTION**  
**2,020** mtCO<sub>2</sub>e

### Generators Fuel Burning

Emissions resulting from the combustion of diesel fuel in the bank's on-site generators are categorized as Scope 1 emissions. During the 2023 reporting period, the bank's facilities relied on emergency generators to meet electricity demands during power outages.

Throughout the year, the generators consumed a total of **593,428 liters of diesel** and **188,409 liters of petrol**, leading to direct emissions of approximately **2,020 mtCO<sub>2</sub>e**. These emissions are directly linked to the combustion of diesel and petrol within the generators. Compared to 2022, this activity saw an **increase of 114%**, which is primarily due to **the higher frequency of power outages** witnessed in Egypt during 2023.

 **MOBILE COMBUSTION**  
**1,420** mtCO<sub>2</sub>e

### Owned Vehicles Fuel Burning

In 2023, **Banque Misr** made significant operational changes regarding its vehicle fleet. The bank increased its reliance on rented car services for employees' business trips, reducing the use of bank-owned vehicles. This shift led to a notable decrease in Scope 1 emissions from owned vehicles and an increase in Scope 3 emissions from rented vehicles.

During the reporting period, **Banque Misr's** owned vehicles consumed a total of **80,000 liters of diesel** and **515,000 liters of petrol**. This fuel consumption resulted in emissions of approximately **1,208 mtCO<sub>2</sub>e** from diesel and **213 mtCO<sub>2</sub>e** from petrol. This represents a **decrease of 74%** in emissions compared to 2022.

 **FUGITIVE EMISSIONS**  
**6,527** mtCO<sub>2</sub>e

### Refrigerants Leakage

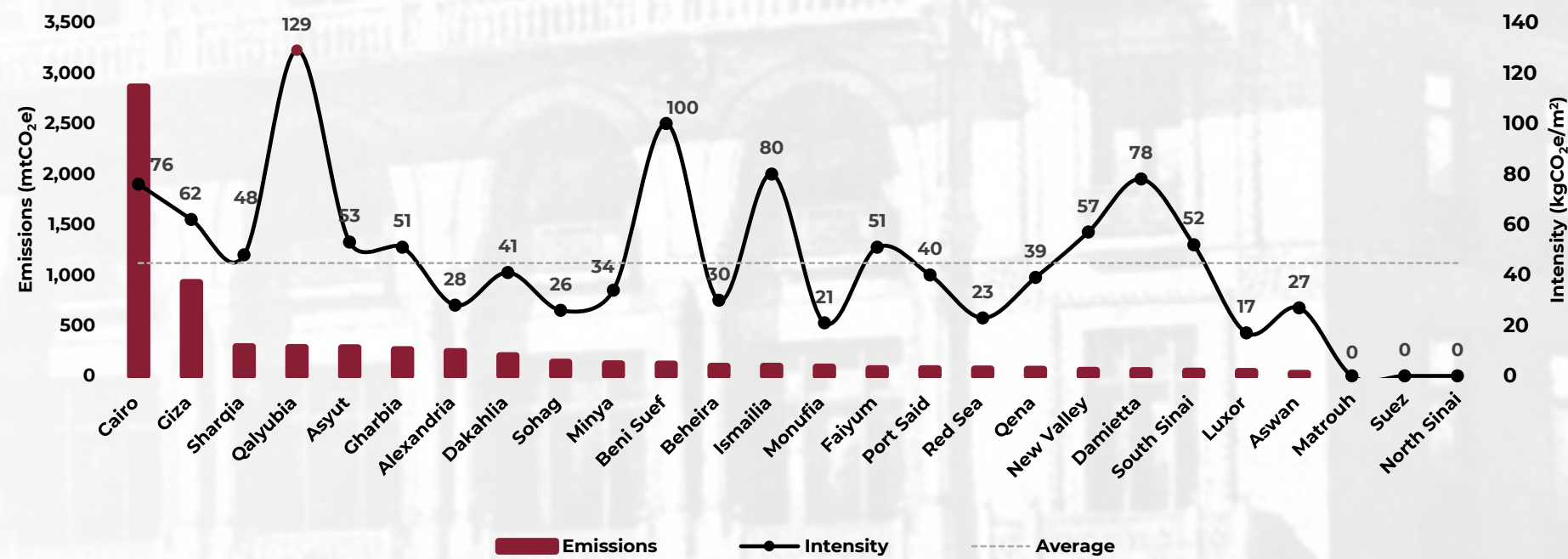
Refrigerants play a crucial role in cooling spaces through refrigeration cycles. In the context of **Banque Misr's** operations, emissions resulting from refrigerant leakage were considered within Scope 1 emissions.

Within the bank's facilities, the "R-22" refrigerant was the most employed refrigerant, alongside a small amount of R-410a.

Throughout the reporting period in 2023, a total of **3,680 kilograms** of refrigerant were used in **211 facilities** to refill the cooling systems in various **Banque Misr** facilities. This usage resulted in the emission of approximately **6,527 mtCO<sub>2</sub>e** into the atmosphere. It is worth noting that this activity is **the most contributor to Scope 1** emissions with a percentage of **65%**.

The below chart shows refrigerants emissions and intensities per area for each governorate. The highest refrigerants emissions are originating from facilities located in **Cairo** governorate. Cairo has the highest number of facilities and the largest total area that recharged their air conditioning systems during 2023, measuring **64,150 m<sup>2</sup>**. In terms of emissions intensity, Cairo exceeded the average across all governorates, recording **76 kgCO<sub>2</sub>e/m<sup>2</sup>**. Qalyubia recorded the highest emissions intensity per unit of area, despite having relatively low absolute emissions.

Refrigerants Emissions and Intensity per Governorate | 2023





# CARBON FOOTPRINT RESULTS

## SCOPE 2 – INDIRECT EMISSIONS

**PURCHASED ENERGY**  
**47,854** mtCO<sub>2</sub>e

**Purchased Electricity in Owned Facilities** 44,101 mtCO<sub>2</sub>e

Emissions from purchased electricity in the bank's facilities represents almost the most substantial portion of carbon emissions within **Banque Misr's** emissions, making up **28%** of the overall total. Throughout the reporting period in 2023, **Banque Misr** total electricity consumption reached **96,144 megawatt-hours (MWh)**, resulting in emissions of **44,101 mtCO<sub>2</sub>e**.

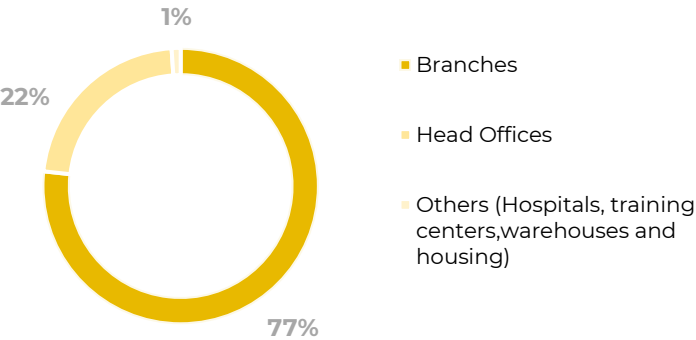
Retrieving precise electricity consumption data for **Banque Misr's** 661 facilities across Egypt presents significant challenges, as such data are not readily available or easily accessible. To address this, an estimation methodology was employed to estimate electricity consumption for the facilities with missing data. A detailed explanation of this methodology can be found in the **ANNEX**. The same methodology has been applied for 2022 data and its numbers are restated here in this report.

Of the total **96,144 MWh** of electricity consumption, **12,874 MWh** (approximately **13%**) was estimated using this approach, covering 134 facilities.

Cairo is the largest electricity-consuming governorate, with the highest number of facilities and the largest area coverage. Despite its high emissions, its emissions intensity aligns with the national average with a value of **105 kgCO<sub>2</sub>e/m<sup>2</sup>**. As shown in the below chart, **North Sinai, Suez, Port Said, and South Sinai** have the highest emissions intensity, while Qena records the lowest.

Branches within **Banque Misr's** network stand out as the primary electricity consumers, responsible for the largest share of emissions. Specifically, they account for approximately **77%** of the total electricity emissions.

Electricity Emissions Per Type of Facility

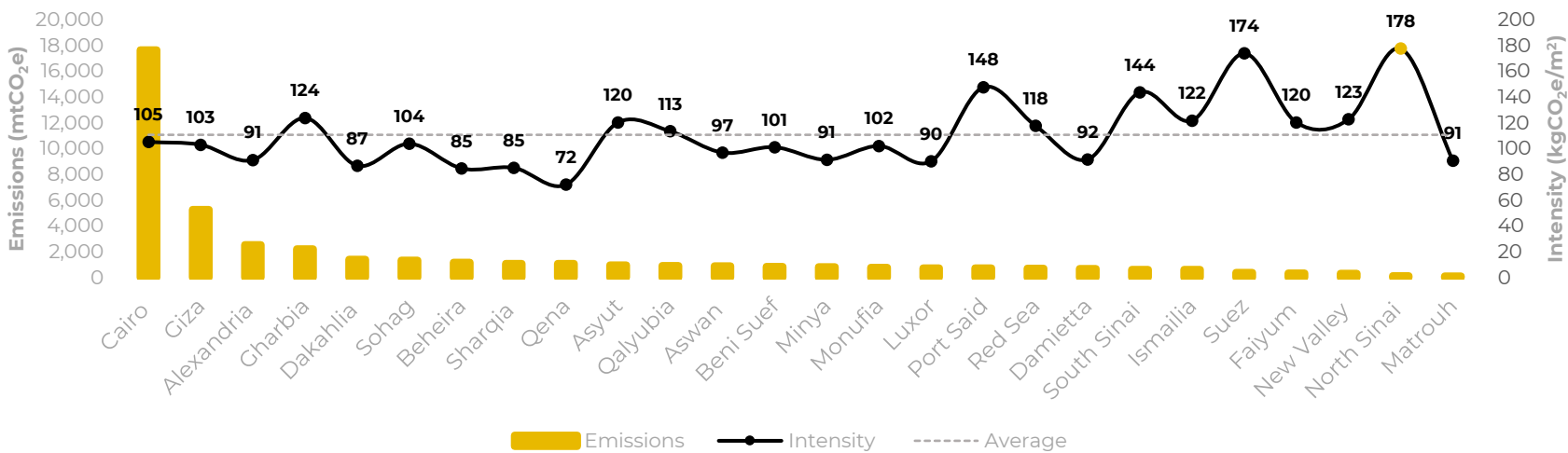


Electricity intensity is a widely used metric for assessing international performance. After conducting extensive research on international banks and office spaces, a performance assessment criterion has been developed, as outlined in the table below.

For **Banque Misr**, out of the 661 reported facilities, **only 520** were included in this assessment as they had **actual recorded data**. The remaining **134** facilities, which were estimated, along with **2** facilities whose consumption is recorded under another facility, were excluded from the analysis. Notably, **98** facilities achieved an exceptional **A+** score, while **198** facilities received an **E** score.

SCORE	Electricity Consumption (KWh/m²)	Number of Facilities
A+	< 128	98
A	128 – 148	56
B	148 – 168	60
C	168 – 195	63
D	195 – 218	45
E	> 218	198

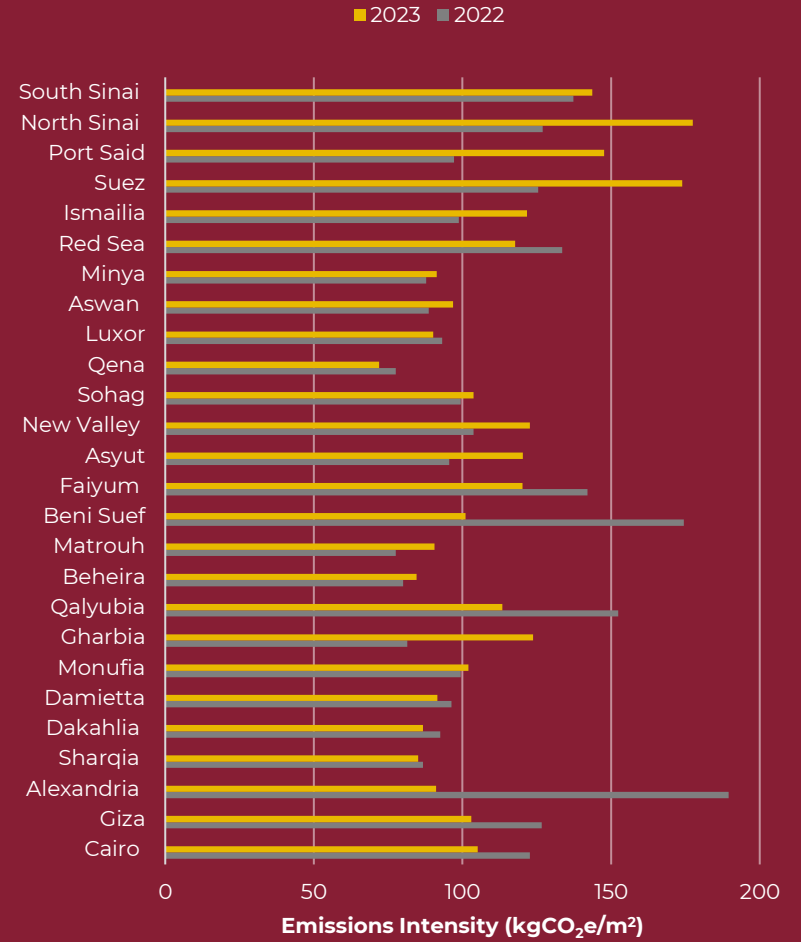
Electricity Emissions and Intensity Per Governorate | 2023



As part of its decarbonization plan, the bank intends to implement energy efficiency measures in the least efficient facilities to improve its overall carbon footprint. By excluding the estimated facilities from the scoring assessment, we ensure that the scoring is based solely on the actual data obtained from the bank's records.

Electricity emissions have **decreased** by **6.5%** compared to 2022. However, this reduction cannot be definitively attributed to improvements in energy efficiency systems due to limitations in data quality. To address gaps in the dataset, estimations were made, making the year-to-year comparisons less than fully accurate. The chart below illustrates the emissions intensity for each governorate in 2023 compared to 2022. Several governorates, including **Alexandria, Qalyubia, Gharbia, North Sinai, Port Said, Suez, and Beni Suef**, show significant discrepancies between the two years, suggesting possible weaknesses in data quality. To address this, special attention will be given to these governorates in the coming years to improve their data recording system.

Emissions Intensity Per Governorate Over the Years





Foreign Exchange  
Credit Card Installment  
Account Statement  
Balance Inquiry  
Fawry Services  
E Wallet Services  
Cardless Deposit

19888  
www.banquemisr.com

#### Purchased Electricity - ATMs

2,636 mtCO<sub>2</sub>e



#### ATM Transactions

In 2023, **Banque Misr** monitored emissions associated with ATM transactions. The bank's extensive network of **5,499 ATMs** across Egypt processed a total of **167,896,017 transactions** during the year. Of these, **1,847 ATMs** located within branch premises drew electricity directly from the branches, with their emissions already included under facility-related emissions.

For the remaining **3,652 ATMs**, emissions were estimated at approximately **2,636 mtCO<sub>2</sub>e**, stemming from **117,466,343 transactions**, which represents an **8% increase** in emissions compared to the previous year.

Emissions from ATM transactions have been reallocated in the current assessment. Previously reported under Scope 3, Category **Downstream Leased Assets**, these emissions have now been allocated to Scope 2 electricity emissions, as the bank maintains operational control over the ATMs.

#### Purchased Chilled Water

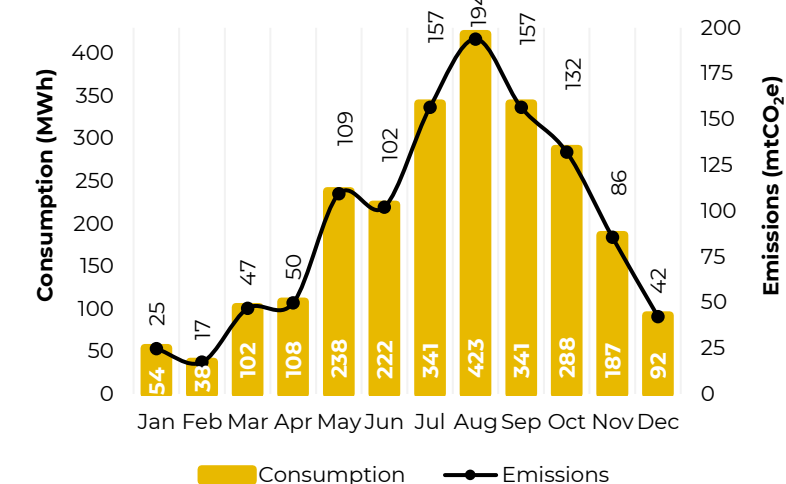
1,117 mtCO<sub>2</sub>e



Only four facilities within the bank utilize purchased chilled water: three in Smart Village and one in the Fifth Settlement. Consumption data for purchased chilled water has been collected from these facilities.

The total purchased chilled water consumption in these four buildings amounts to **2,435 MWh**, resulting in emissions of **1,117 mtCO<sub>2</sub>e**, which is higher than 2022 emissions by **24%**. This increase is attributed to the opening of three new facilities in 2023 which utilize purchased chilled water. Monthly consumption and emissions are presented in the below chart, with August being the highest emitting month.

Purchased Chilled Water Consumption and Emissions Trend





# CARBON FOOTPRINT RESULTS

## SCOPE 3 – INDIRECT EMISSIONS

Scope 3 emissions encompass emissions stemming from activities related to assets that are not directly owned or controlled by the reporting organization but are indirectly influenced by the organization activities throughout its value chain. Scope 3 emissions included in **Banque Misr** carbon footprint consist of the following categories according to the GHG protocol:

- Category 1: Purchased goods and services.
- Category 2: Capital goods
- Category 3: Fuel and energy related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel
- Category 7: Employee commuting
- Category 9: Downstream transportation and distribution



**C1: PURCHASED GOODS & SERVICES**  
**9,910** mtCO<sub>2</sub>e

**Water Use**  
**728** mtCO<sub>2</sub>e



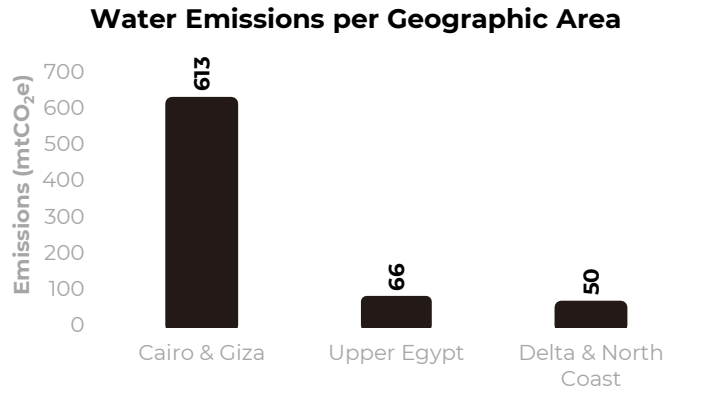
Scope 3 emissions cover a range of indirect emissions, including those linked to water use. Throughout the reporting period in 2023, **Banque Misr's** facilities utilized a total of **2,060,019 m<sup>3</sup>** of water. This use of water resulted in emissions equivalent to **728 mtCO<sub>2</sub>e**, which represents a **decrease** of **17%** compared to 2022.

Accurately retrieving water usage data for **Banque Misr's** 661 facilities across Egypt remains a significant challenge due to the unavailability and inaccessibility of such data. To address this issue, an estimation methodology was employed to approximate water use for facilities with missing data. Details of this methodology are provided in the **ANNEX**.

Of the 661 facilities, water usage for **410** was estimated using this methodology. We acknowledge gaps in our data recording system and are actively working to enhance its accuracy and reliability. We anticipate significant improvements in the quality of recorded data in the coming years.

While emissions from water use may not represent a significant portion of our total carbon footprint, it is crucial to acknowledge the environmental consequences associated with water usage.

The highest water consuming geographic area within **Banque Misr's** operations is Cairo and Giza with resulting emissions of **613 mtCO<sub>2</sub>e**.



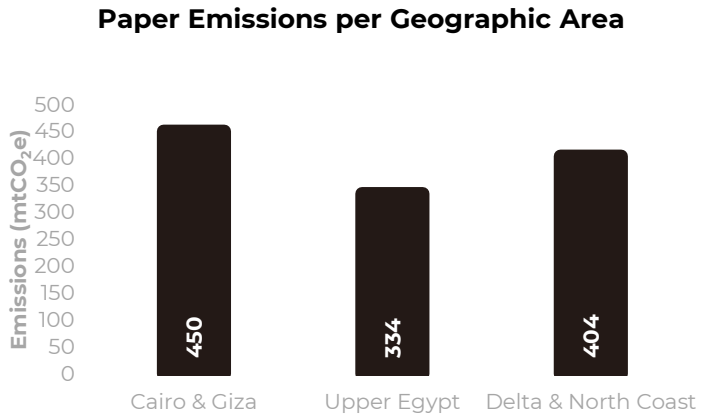
**Paper Consumption**  
**1,189** mtCO<sub>2</sub>e



The paper consumption process at **Banque Misr** revolved around the utilization of A3, A4 and A5 copy paper and envelopes, and all pertinent details regarding paper quantities and specifications were meticulously documented in **Banque Misr's** database.

During the reporting period in 2023, the bank purchased **A3, A4 and A5 sheets** with a corresponding weight of **1,278 tons**. This substantial paper procurement led to the emission of approximately **1,164 mtCO<sub>2</sub>e**. Furthermore, the bank utilized **3,121,726 envelopes** with a corresponding weight of **28 tons**, contributing to an estimated **25 mtCO<sub>2</sub>e** in emissions. Compared to 2022, paper emissions **increased** by **41%**.

The graph below shows the geographical distribution of paper consumption emissions with Cairo and Giza being the highest consuming and emitting zone with a value of **450 mtCO<sub>2</sub>e**.




**Other Purchased Goods & Services**  
**7,608** mtCO<sub>2</sub>e



In addition to paper consumption, the carbon footprint assessment considered a range of purchased goods and services used by the bank, including clothing, software subscriptions, and various purchased services such as maintenance, transportation, consulting, and communication. Together, these goods and services contributed an estimated **7,608 mtCO<sub>2</sub>e** of indirect emissions during the 2023 reporting period.

The increase in emissions compared to the previous year is primarily due to the inclusion of a broader array of goods and the integration of purchased services into the assessment for the first time.

**Bank Issued Cards**  
**385** mtCO<sub>2</sub>e



In 2023, **Banque Misr** issued a total of **4,258,263 cards** across various types. These cards include debit, credit, and prepaid cards.

The issuance of these cards resulted in approximately **385 mtCO<sub>2</sub>e** in emissions. This represents a **reduction** of **19%** compared with the year 2022.







## C2: CAPITAL GOODS

**44,572** mtCO<sub>2</sub>e

Carbon emissions associated with the procurement of capital goods are classified as Scope 3 emissions. For **Banque Misr** in 2023, the procurement of capital goods—primarily buildings, electronics, and furniture—generated an estimated **44,572 mtCO<sub>2</sub>e**. This category emerged as the largest contributor to the Bank's emissions, accounting for **29%** of total emissions and **46%** of Scope 3 emissions. This year marks as the first year for **Banque Misr** to incorporate capital goods emissions into its carbon footprint assessment.



## C3: FUEL AND ENERGY RELATED ACTIVITIES

**4,197** mtCO<sub>2</sub>e

### Well-to-Tank (WTT)

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



To thoroughly evaluate the environmental effects linked to activities involving the combustion of fuel, **Banque Misr** considered well-to-tank (WTT) emissions. These emissions, categorized within Scope 3, encompass the complete environmental impact stemming from fuel usage.

In the 2023 reporting period, the WTT emissions associated with **Banque Misr** owned vehicles totaled **362 mtCO<sub>2</sub>e**. Furthermore, the utilization of diesel and petrol in generators led to WTT emissions of approximately **485 mtCO<sub>2</sub>e**.

### Electricity Transmission & Distribution Losses

**3,350** mtCO<sub>2</sub>e



**Banque Misr** has incorporated emissions from electricity transmission and distribution losses in its reporting for 2022 and 2023, aligning with the GHG Protocol's minimum reporting boundary. These emissions were estimated at **3,537 mtCO<sub>2</sub>e** in 2022 and **3,350 mtCO<sub>2</sub>e** in 2023, reflecting a **5.3% decrease** compared to 2022.



## C4: UPSTREAM TRANSPORTATION AND DISTRIBUTION

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

### Internal Courier Shipments

A third-party service provider employed various vehicles to transport bank-related documents to and from **Banque Misr's** facilities. As this activity was outsourced, the resulting emissions are classified as Scope 3 emissions.

Actual data for this activity was unavailable for both 2022 and 2023. Consequently, the distance traveled was estimated for both years based on the number of routine trips conducted, totaling **93,828 ton-kilometers** annually. This distance contributed to an estimated emission of **91 mtCO<sub>2</sub>e**.



# CARBON FOOTPRINT RESULTS



C5: WASTE GENERATED IN OPERATIONS  
**1,530** mtCO<sub>2</sub>e



C6: BUSINESS TRAVEL  
**1,325** mtCO<sub>2</sub>e

## Office Waste Disposal

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



This activity includes emissions resulting from the disposal of solid waste generated by **Banque Misr's** operations. In 2023, an estimation methodology was used to calculate the amount of waste produced by each facility, where actual data was unavailable. Further details about the methodology are available in the **ANNEX**. The bank is actively working on establishing systems to measure and record this data in the coming years. Based on the estimation methodology, a total of **825 tons** of solid waste was sent to landfills, leading to emissions of approximately **334 mtCO<sub>2</sub>e**.

## Wastewater Treatment

**1,196** mtCO<sub>2</sub>e



Under the Scope 3 classification, emissions related to wastewater treatment were included. In the 2023 reporting period, **Banque Misr's** facilities were accountable for around **1,854,017 m<sup>3</sup>** of water that underwent sewage system treatment (assumed as 90% of the total water used). This treatment of wastewater led to emissions amounting to approximately **1,196 mtCO<sub>2</sub>e**.

## Air Travel + WTT

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



During the reporting period, **Banque Misr** employees collectively travelled a total distance of **350,778 kilometers** through a combination of domestic and international flights. Furthermore, the passenger-kilometer (p.km) measure for air travel summed up to **2,815,517 p.km**.

All data related to air travel, including the departure and arrival airports, was meticulously documented in the bank's database. It is crucial to highlight that when calculating emissions linked to air travel, we factored in the well-to-tank (WTT) emissions. This method enables us to encompass the full environmental impacts of air travel, accounting not only for emissions from the airplane itself but also considering the upstream emissions tied to the production and transportation of aviation fuel.

The total passenger-traveled distance resulted in emissions equivalent to **831 mtCO<sub>2</sub>e** with business class flights contributing to **75%** of these emissions.

## Hotel Stay

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



In the 2023 reporting year, **Banque Misr** staff collectively stayed a total of **4,941 nights** in various hotels located across **23 different countries** worldwide. The overall emissions arising from these hotel stays added up to **237 mtCO<sub>2</sub>e**.

## Land travel

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



In 2023, **Banque Misr** utilized car rental services for employee business trips instead of relying on the bank's owned vehicles. A total of **43,945 trips** were completed during the reporting period, covering a cumulative distance of **995,684 kilometers**. This activity resulted in emissions amounting to **257 mtCO<sub>2</sub>e**, including WTT emissions.





# CARBON FOOTPRINT RESULTS



C7: EMPLOYEE COMMUTING

33,856 mtCO<sub>2</sub>e

Rented Coasters + WTT


3,224 mtCO<sub>2</sub>e



During 2023, **1,008 employees** utilized coasters rented by the bank as their mode of transportation to and from the bank. **Banque Misr** rented a total of **36 coasters**, which collectively traveled **25,516,800 passenger-kilometers** during 2023, leading to emissions equivalent to **3,224 mtCO<sub>2</sub>e** including WTT emissions. These emissions are almost the double of that of 2022, which is driven by the increased number of rented coasters and employees using them, which is expected as the bank grows and employ more people.

Commuting + WTT

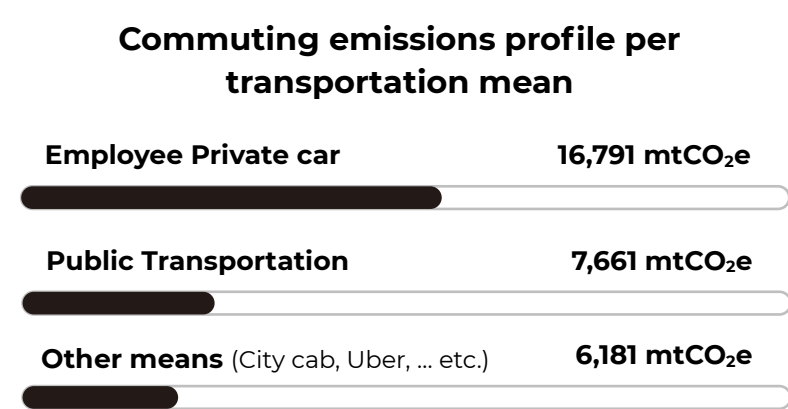
30,632 mtCO<sub>2</sub>e




Throughout the reporting period in 2023, **Banque Misr** conducted an extensive survey on employee commuting to evaluate the total distances covered when commuting to and from their respective workplaces. Respondents to this survey represented around **45% of Banque Misr** employees. Based on the results of this survey, assumptions were made to estimate the complete commuting emissions for the **22,643 employees**. Here are the survey findings:

- Employees who commuted using their personal cars traveled a collective distance of **80,177,756 kilometers**.
- Employees who relied on public buses for their daily commute collectively accounted for **60,638,410 passenger-kilometers (p.km)**.
- Commuters who chose taxis for their daily trips covered a total distance of **23,942,898 kilometers**.
- The total distance traveled by employees utilizing the metro system was documented at **19,936,164 kilometers**.
- A smaller segment of employees preferred walking to work, resulting in a combined distance of **1,739,199 kilometers**.

When summing up the distances traveled by employees utilizing various modes of transportation, the commuting emissions totaled **30,632 mtCO<sub>2</sub>e**. This represents a **34% increase** compared to 2022, partly due to the full return of the workforce following the end of pandemic-related precautionary measures.





C9: DOWNSTREAM TRANSPORTATION AND DISTRIBUTION

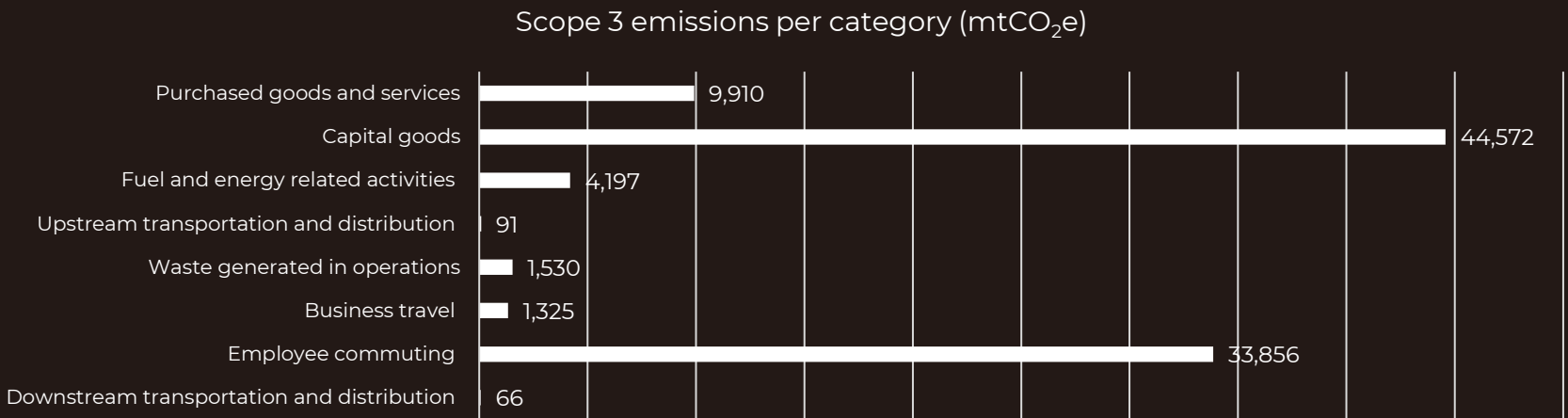
66 mtCO<sub>2</sub>e

### External Courier Shipments

Service providers were contracted to manage the delivery of cards and various products sold by the bank to end-users (clients). In the 2023 reporting period, a total distance of **61,887 ton-kilometers** was covered within Egypt with vans, resulting in emissions of **60 mtCO<sub>2</sub>e**. For clients outside Egypt, air freight is employed to deliver these shipments with a distance of **4,339 ton-kilometers** and corresponding emissions of **6 mtCO<sub>2</sub>e**. Well-to-tank (WTT) emissions were also considered in these calculations. This represents a **reduction of 79%** compared to 2022. This reduction is primarily due to data recording improvements made in 2023, enhancing accuracy compared to 2022.



Among Scope 3 emissions, capital goods had the highest emissions with a percentage of **46%** of Scope 3 emissions followed by employee commuting with a percentage of **35%** and purchased goods and services with a percentage of **10%**. In addition, capital goods category is ranked as the highest emitting activity across all Scopes with a percentage of almost **29%** of total emissions.





# CFP RESULTS SUMMARY

SCOPE 1 – DIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	2023	%Change	6%
Stationary Combustion	Fuel burning - Generators	945	2,020	↑114%	
Mobile Combustion	Fuel burning - Owned vehicles	5,435	1,420	↓74%	
Fugitive Emissions	Refrigerant leakage	8,090	6,527	↓19%	
<b>Total Scope 1 (mtCO<sub>2</sub>e)</b>		<b>14,470</b>	<b>9,967</b>	<b>↓31%</b>	

SCOPE 2 – INDIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	2023	%Change	31%
Purchased Energy	Purchased electricity - Facilities	47,181*	44,101	↓6.5%	
	Purchased electricity - ATMs	2,448	2,636	↑7.7%	
	Purchased chilled water	898	1,117	↑24%	
<b>Total Scope 2 (mtCO<sub>2</sub>e)</b>		<b>50,527*</b>	<b>47,854</b>	<b>↓5.3%</b>	

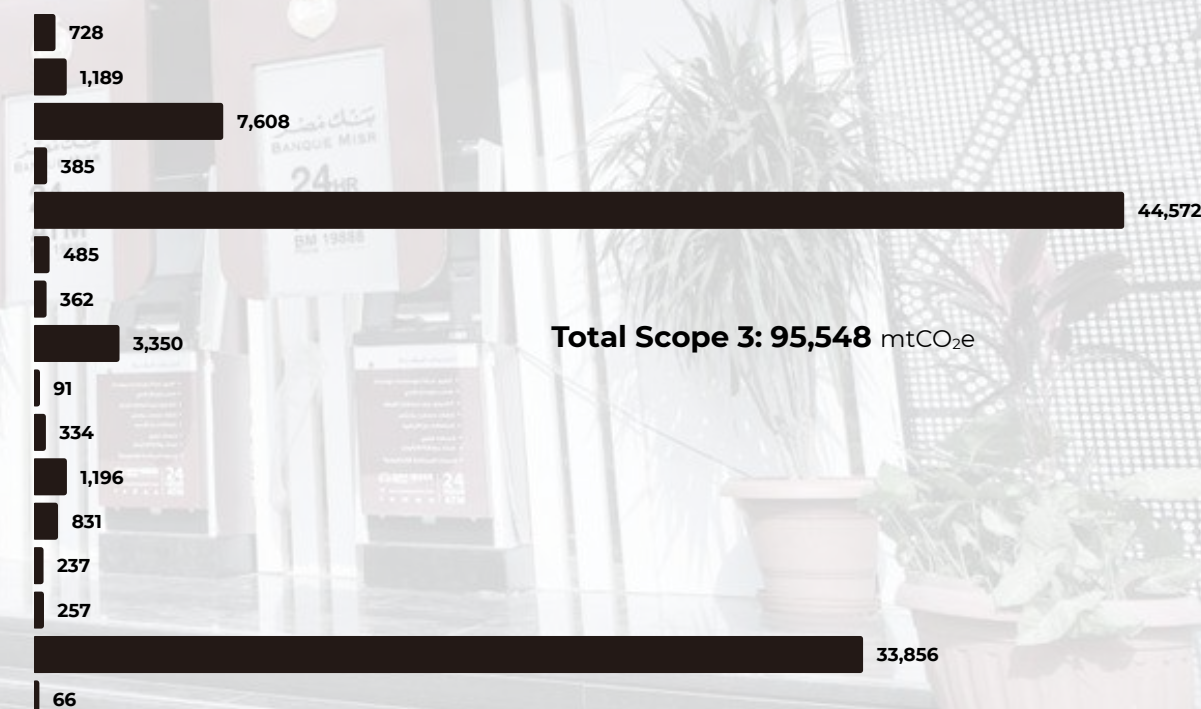
<b>Total Scope 1 &amp; 2 Emissions</b>	<b>64,997*</b>	<b>57,821</b>	<b>↓11%</b>	mtCO <sub>2</sub> e
<b>Scope 1 &amp; 2 Carbon intensity per employee</b>	<b>3.05*</b>	<b>2.57</b>	<b>↓15.7%</b>	mtCO <sub>2</sub> e/FTE
<b>Scope 1 &amp; 2 Carbon intensity per area</b>	<b>0.12*</b>	<b>0.10</b>	<b>↓16.7%</b>	mtCO <sub>2</sub> e/m <sup>2</sup>
<b>Scope 1 &amp; 2 Carbon intensity per net profit</b>	<b>79.85*</b>	<b>45.23</b>	<b>↓43%</b>	mtCO <sub>2</sub> e/M.USD

SCOPE 3 – INDIRECT EMISSIONS (mtCO <sub>2</sub> e)		2022 (BY)	2023	63%
01: Purchased goods and services	Water use	879	728	
	Paper consumption	844	1,189	
	Other purchased goods & services	2,013	7,608	
	Bank issued cards	477	385	
02: Capital goods	Capital goods	-	44,572	
03: Fuel and energy-related activities (not included in scope 1 and 2)	Stationary combustion (WTT)	220	485	
	Mobile combustion (WTT)	1,386	362	
	Electricity transmission & distribution losses	3,537	3,350	
04: Upstream transportation and distribution	Internal courier shipment	93	91	
05: Waste generated in operations	Office solid waste disposal	285*	334	
	Wastewater treatment	1,444	1,196	
06: Business travel	Air travel + (WTT)	480	831	
	Hotel stay	212	237	
07: Employee commuting	Land travel + (WTT)	0	257	
	Commuting + (WTT)	31,244*	33,856	
09: Downstream transportation and distribution	External courier shipment	311	66	
<b>Total Scope 3 (mtCO<sub>2</sub>e)</b>		<b>43,423*</b>	<b>95,548</b>	

<b>Total Scope 1, 2 &amp; 3 Emissions (mtCO<sub>2</sub>e)</b>	<b>108,420*</b>	<b>153,369</b>	
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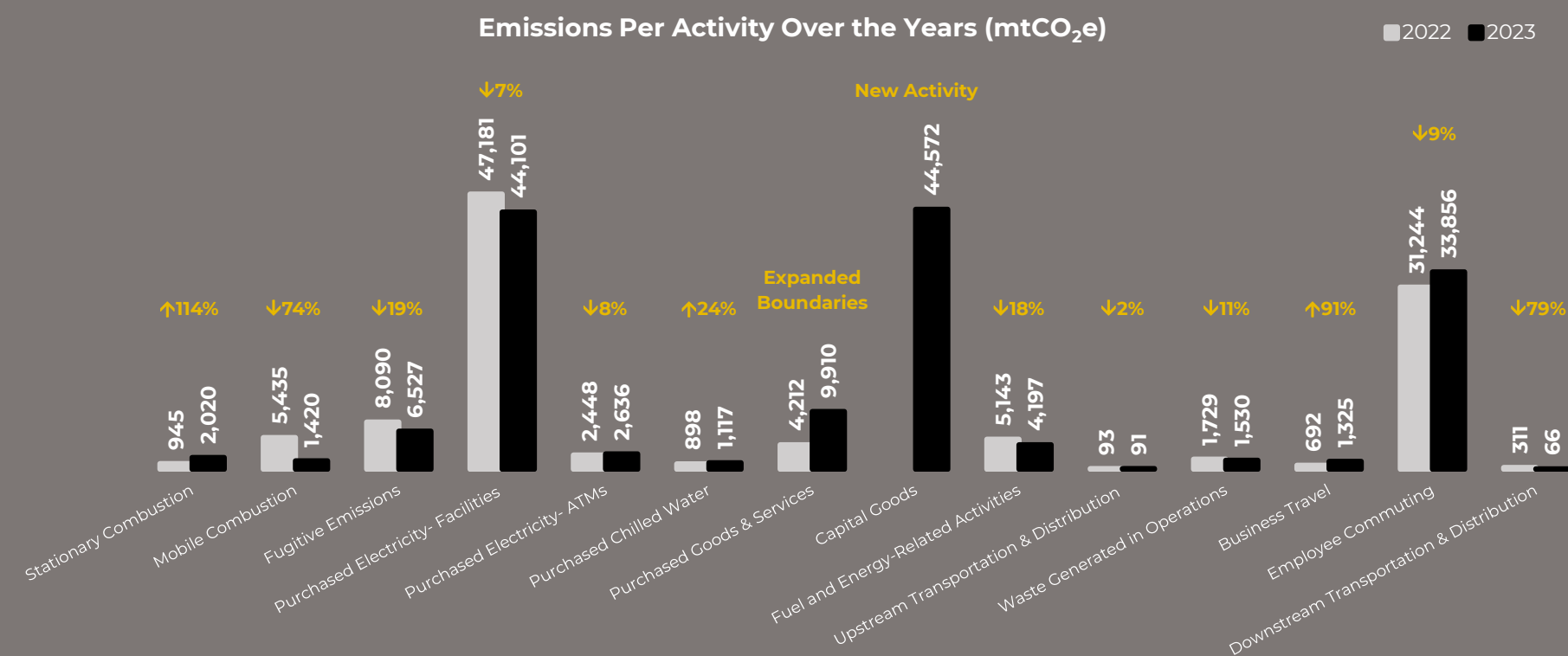
Note: Totals might not add up due to rounding.

\*These figures were recalculated in 2023 due to the adoption of updated methodologies and the availability of more accurate data.





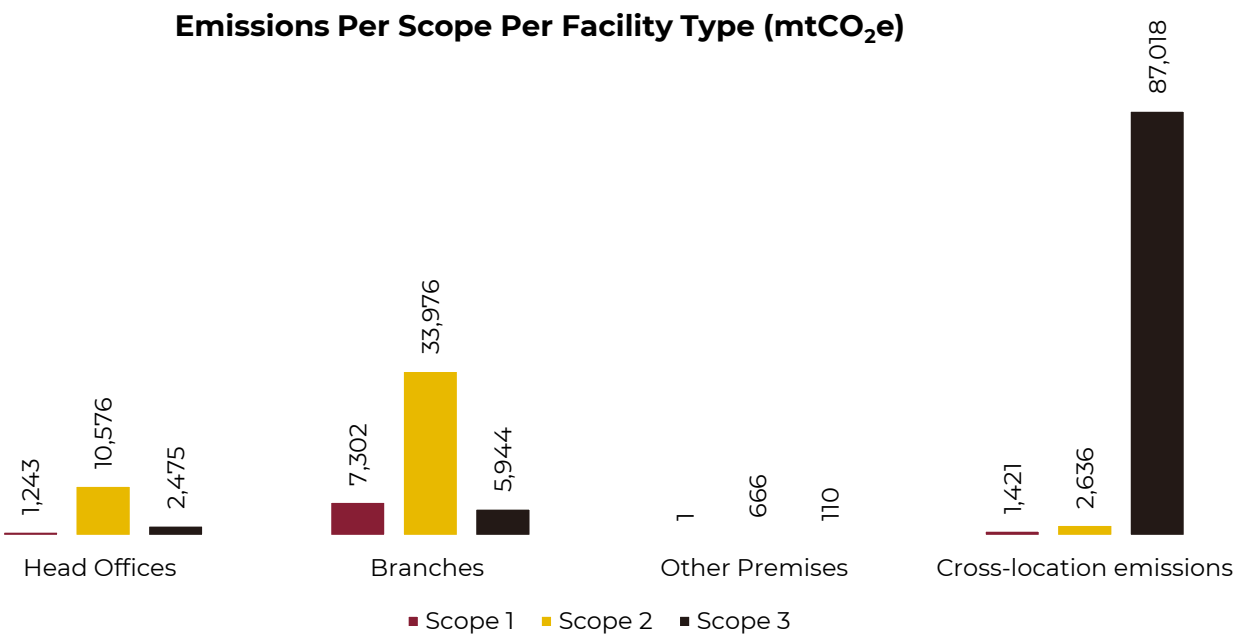
CFP RESULTS SUMMARY



The adjacent chart highlights GHG emissions by activity for the years 2022 and 2023. A significant **decrease** is observed in emissions from **mobile combustion**, as the Bank shifted to renting cars for employees’ business trips instead of relying on bank-owned vehicles. Consequently, an **increase** is noted in **the business travel** category, where emissions from these rented vehicles are now accounted for.

Additionally, emissions from **purchased goods and services** have **increased** significantly, driven by the inclusion of a broader range of goods and the incorporation of purchased services for the first time.

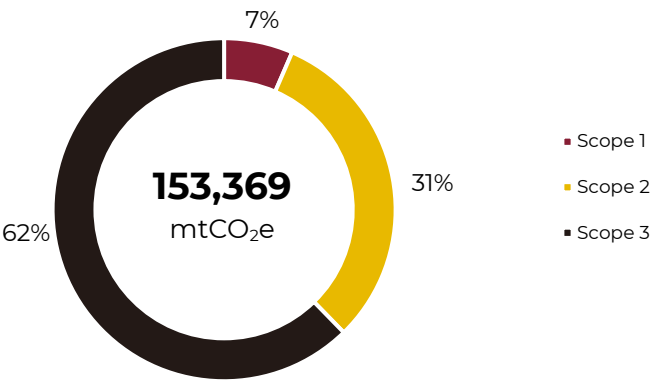
The below chart provides a detailed breakdown of Scope 1, 2, and 3 emissions by facility type. **Branches** contribute **31%** of the total emissions, while **cross-location emissions**, which include categories such as business travel, employee commuting, ATM transactions, purchased goods & services, and capital goods, account for the majority, comprising approximately **60%** of the total emissions.



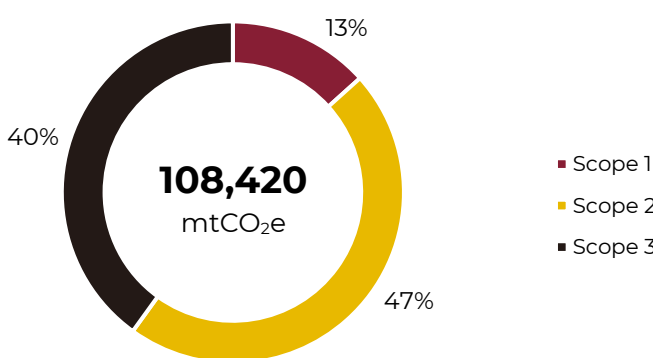
**Scope 1** emissions experienced a substantial **reduction** of **31%** compared to 2022, driven by the Bank’s shift from owned vehicles to a car rental service for employee business trips. **Scope 2** emissions also **declined**, though more modestly, by **5.3%**.

In contrast, **Scope 3** emissions saw a significant **increase** of approximately **120%** in 2023 compared to the previous year. This surge is primarily due to the inclusion of emissions from capital goods, as well as an expansion of the boundaries within the purchased goods and services category, thereby increasing the coverage of indirect emission sources.

Emissions Per Scope (mtCO<sub>2</sub>e) | 2023



Emissions Per Scope (mtCO<sub>2</sub>e) | 2022





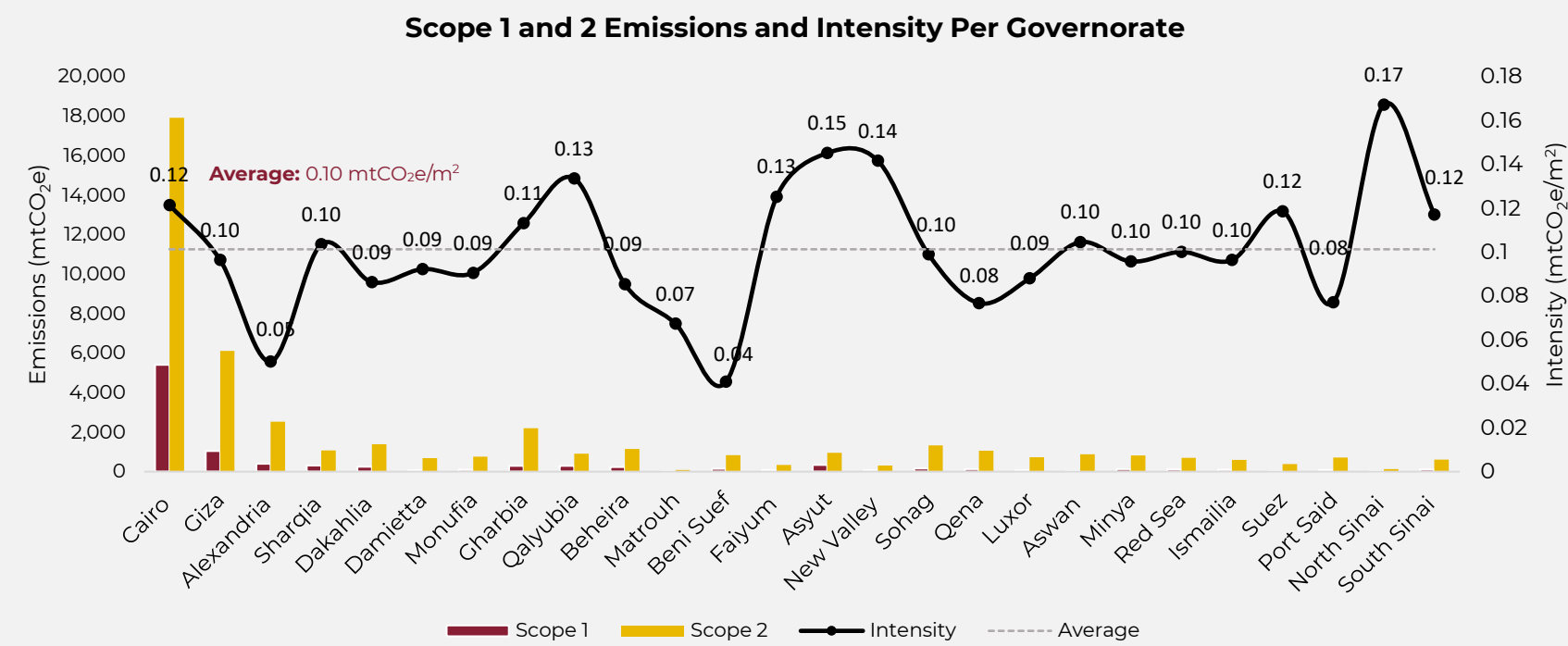
# PERFORMANCE EVALUATION





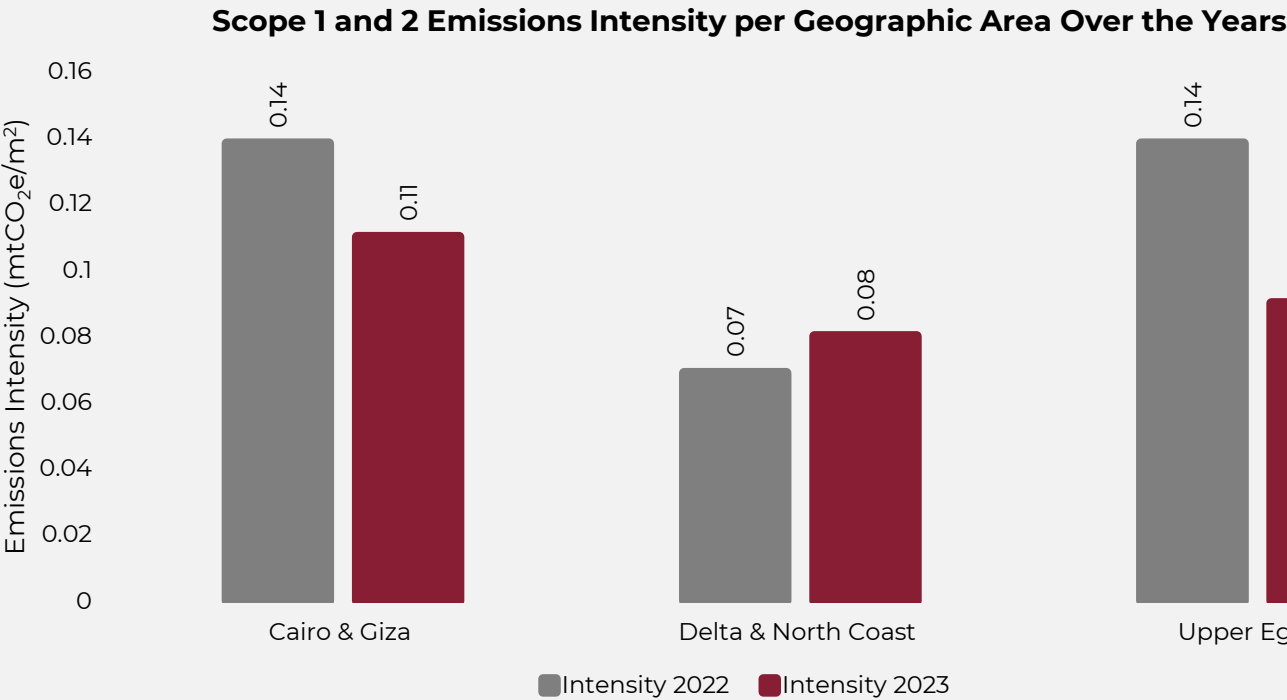
# PERFORMANCE EVALUATION

## Internal Benchmarking



The adjacent chart presents Scope 1 and 2 emissions and intensity per governorate for the year 2023, excluding emissions from ATMs, as these are distributed across all governorates and cannot be attributed to a specific location. Notably, Cairo records the highest Scope 1 and 2 emissions due to its large number of facilities. However, despite its high emissions, its intensity per area is only above the average of all governorates by 20%. In contrast, **North Sinai** has the **highest** intensity among governorates, at 0.17 mtCO<sub>2</sub>e/m², despite having the second-lowest overall Scope 1 and 2 emissions. A similar pattern is observed in Asyut, New Valley, Faiyum, and Qalyubia. These findings underscore the need to enhance resource efficiency in these governorates.

The adjacent chart illustrates emissions intensity per area across geographical regions for 2022 and 2023. As shown, emissions intensity **decreased** by **21%** in **Cairo and Giza** and by **36%** in **Upper Egypt**. Conversely, it **increased** by **14%** in the **Delta and North Coast** regions.





# TOWARDS CARBON












## REDUCTION


### DECARBONIZATION PLAN


**Banque Misr** has embarked on a substantial initiative to explore decarbonization prospects within its operations. These endeavors are designed to pinpoint areas for enhancement and offer a range of options to diminish our carbon footprint. The proposed projects can be divided into two main categories: operational actions and organizational actions. Operational actions focus on day-to-day aspects of the bank's operations, such as managing energy, water, and refrigerants. Organizational actions involve broader initiatives, including policy and strategy development and integrating environmental concerns into decision-making. The key strategies are outlined in our decarbonization plan, underscoring our dedication to sustainability and environmental accountability. It is essential to highlight that the projects and actions listed below are preliminary suggestions and will undergo rigorous research and an extensive feasibility study before being put into practice.




# TOWARDS CARBON REDUCTION

Project	Description		Status
Operational Actions			
Maximizing Energy Efficiency	Energy audits	Conducting comprehensive energy audits involves evaluating energy consumption patterns, pinpointing high-energy usage areas, and recommending energy-saving measures.	
	Lighting system enhancement	Transitioning to energy-efficient LED lighting offers the potential for substantial reductions in electricity usage and maintenance costs, while also providing long-lasting and eco-friendly lighting solutions	
	Implementation of smart building controls and automation systems	The adoption of these technologies enables precise management and optimization of energy consumption, such as the adjustment of temperature settings, lighting, and ventilation based on occupancy.	
	Exploration of renewable energy alternatives	Investigating the viability of installing on-site solar panels or wind turbines can facilitate the generation of clean energy, diminish dependence on fossil fuels, and reduce carbon emissions.	
Infrastructure Upgrades	Adoption of Green Building Guidelines	Creating and incorporating green building guidelines that encompass refurbishment strategies, like insulation and draught proofing, as well as the installation of self-closing mechanisms in doors to prevent heat gain and energy consumption.	
Refrigerant Leakage Management	Scheduled Maintenance and Inspections	Establish a preventive maintenance regimen to routinely examine and maintain refrigeration and air conditioning systems. Detecting and repairing leaks promptly can reduce refrigerant losses.	
	Equipment Retrofit or Upgrade	Evaluate the option of modernizing or replacing older refrigeration and air conditioning systems with newer, energy-efficient units that utilize eco-friendly refrigerants with reduced global warming potential (GWP).	
	Installation of Leak Detection Systems	Deploy refrigerant leak detection systems that continuously monitor and provide real-time alerts in the event of leaks. This enables rapid response to repair and prevent additional leakage.	
Waste Minimization and Recycling	Waste Audits	Performing waste assessments aids in pinpointing potential areas for waste minimization, recycling, and the adoption of effective waste management techniques.	
	Recycling Initiatives	Enacting recycling programs for a range of materials such as paper, plastics, glass, and metals guarantee that recyclable items are directed away from landfills and channeled for proper processing and subsequent use.	
	Adoption of Reusable and Environmentally Friendly Materials	Encouraging the utilization of reusable items like water bottles, coffee mugs, and shopping bags has the effect of decreasing waste production. Additionally, advocating for the use of eco-friendly materials in daily operations lessens the ecological footprint.	










 Completed

 In progress

 Not started yet



# TOWARDS CARBON REDUCTION

Project		Description	Status
Operational Actions			
Sustainable Water Management	Water-Efficient Fixtures	Set up water-saving fixtures such as low-flow faucets and automatic shut-off faucets. Replace existing toilets with low-volume single or dual flush options.	
	Water Usage Evaluation	Conduct a comprehensive water efficiency audit across all facilities with the aim of decreasing water consumption.	
Sustainable Transportation	Sustainable Commuting Alternatives	Promote sustainable commuting choices among employees, such as carpooling, cycling, or using public transportation, in order to minimize the carbon footprint linked to individual commuting. Engage in awareness campaigns and offer incentives to encourage these eco-friendly transportation methods.	
	Electric and Hybrid Fleet Assessment	Evaluate the possibility of transitioning the company's vehicle fleet to electric or hybrid models, which can lead to substantial emission reductions in transportation. Consider factors like infrastructure availability, vehicle range, and the installation of charging infrastructure.	
	Telecommuting Guidelines	Enforce telecommuting guidelines that permit employees to work remotely, effectively decreasing the need for daily commutes and the associated emissions.	
Data Collection and Management System	Sustainable Digital Management Solution	An advanced digital platform for sustainable management that enables real-time tracking of various resource consumptions such as electricity, water, generators, and more, with the capability to take corrective actions in the event of overuse or excessive consumption.	
Organizational Actions			
Portfolio Emissions Management	Sustainable Lending	Develop and offer green financial products, like loans for energy-efficient home upgrades, to support environmentally responsible investments.	
	Green Finance	Invest in green bonds and support projects that focus on sustainability and emissions reduction.	
	Sustainable Investment	Consider environmental, social, and governance (ESG) criteria when making investment decisions and support green investments.	



In progress



Not started yet



# TOWARDS CARBON REDUCTION

Project		Description	Status
Organizational Actions			
Employee Participation in Sustainability	Educational Initiatives	Initiating educational campaigns that emphasize the significance of sustainability, the influence of individual behaviors, and the collaborative endeavor to minimize carbon emissions cultivates a culture of environmental stewardship.	
	Skill Development Workshops	Offering staff training in energy preservation, waste handling, and sustainable techniques provides them with the competencies and insights required to participate in decarbonization initiatives.	
	Collaborative Innovation Hub	Creating a forum where employees can exchange ideas, recommendations, and successful strategies linked to decarbonization stimulates employee involvement and encourages a unified approach to sustainability within the organization.	
Carbon Management Strategies	Carbon Offsets	Purchase carbon offsets to compensate for emissions that can't be eliminated. This often involves supporting projects like reforestation or clean energy initiatives.	
	Carbon Pricing	Implement internal carbon pricing mechanisms to account for the cost of carbon emissions in decision-making processes.	
Decarbonizing the Supply Chain	Establish Environmental and Climate-Focused Procurement Standards	Create and implement procurement criteria that emphasize environmental and climate considerations.	
	Implement Supplier Selection Criteria	Develop or update supplier selection criteria to include supplier monitoring and audit programs that align with "green supply chain" policies, aiming to reduce waste and enhance environmental sustainability.	
Sustainable Policies	Sustainable Policies	Develop and implement sustainability policies and governance structures within the bank.	



In progress



Not started yet







# ANNEX

## DEFINITIONS

Base year	A base year is a reference year in the past with which current emissions can be compared. To maintain consistency and comparability with future carbon footprints, base year emissions need to be recalculated when structural changes occur in the company that change the inventory boundary (such as acquisitions or divestments). If no changes to the boundaries of the inventory happen, the base year is not adjusted.
Carbon footprint	The amount of Carbon Dioxide that an individual, group, or organization lets into the atmosphere in a certain time frame.
CO <sub>2</sub> e	Carbon dioxide equivalent or CO <sub>2</sub> equivalent, abbreviated as CO <sub>2</sub> e, is a metric used to compare the emissions from various GHGs based on their global-warming potential (GWP), by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.
Direct emissions	Greenhouse gas emissions from facilities/sources owned or controlled by a reporting company, e.g., generators, blowers, vehicle fleets.
Emission factors	Specific value used to convert activity data into greenhouse gas emission values.
Fugitive emissions	Fugitive emissions are emissions of gases or vapors from pressurized equipment due to leaks and other unintended or irregular releases of gases, mostly from industrial activities. Besides the economic cost of lost commodities, fugitive emissions contribute to air pollution and climate change.
GHG protocol	Greenhouse Gas Protocol is a uniform methodology used to calculate the carbon footprint of an organization.
GWP	Global Warming Potential is an indication of the global warming effect of a greenhouse gas in comparison to the same weight of carbon dioxide.
Indirect emissions	Greenhouse gas emissions from facilities/sources that are not owned or controlled by the reporting company, but for which the activities of the reporting company are responsible, e.g., purchasing of electricity.
Kyoto protocol	It operationalizes the United Nations Framework Convention on Climate Change by committing industrialized countries to limit and reduce greenhouse gases (GHG) emissions in accordance with agreed individual targets.
Operational boundary	Determination of which facilities or sources of emissions will be included in a carbon footprint calculation.
Organizational boundary	Determination of which business units of an organization will be included in a carbon footprint calculation.
Refrigerant	A refrigerant is a substance or mixture, usually a fluid, used in a heat pump and refrigeration cycle.
Scope 1	Direct emissions from sources that are owned or controlled by the reporting entity (i.e., any owned or controlled activities that release emissions straight into the atmosphere).
Scope 2	Indirect emissions associated with the consumption of purchased electricity, heat or steam from a source that is not owned or controlled by the company.
Scope 3	Indirect emissions resulting from other activities that are not covered in scope 1 and 2. This includes transport fuel used by air business travel, and employee-owned vehicles for commuting to and from work; emissions resulting from courier shipment; emissions from waste disposal, etc.



# ANNEX

## DATA SOURCES AND QUALITY

The carbon footprint calculations rely on data sourced from **Banque Misr's** database. Data quality has been assessed and is presented below. Data quality is categorized into three levels, which aid in identifying potential areas for improvement in each activity. Types of data used include:

- **Primary data:** data taken from documents that are directly linked to the assessment, such as electricity invoices, to calculate emissions generated from electricity use.
  - **Secondary data:** such as databases, studies, and reports.
  - **Assumptions:** assumptions made based on internationally recognized standards and studies.
- Good, no changes recommended.
- Satisfactory, could be improved.
- Weak, priority area for improvement.

Category/Activity		Data	Units	Resolution
Scope 1				
Stationary Combustion	Diesel fuel	593,428	Liters	Data recorded annually per facility.
	Petrol fuel	188,409	Liters	Data recorded annually per facility.
Mobile Combustion	Diesel fuel	80,000	Liters	Data recorded annually for the whole bank.
	Petrol fuel	515,000	Liters	Data recorded annually for the whole bank.
Fugitive Emissions	Refrigerants	3,680	kg	Data recorded annually per type of refrigerant per facility.
Scope 2				
Purchased Energy	Electricity- Facilities	96,144	MWh	Data is recorded monthly and annually for most of the facilities. Estimation methodology has been employed to estimate the remaining part.
	Electricity- ATMs	117,466,343	Transactions	Data recorded as number of transactions per ATM machine.
	Chilled water	2,435	MWh	Data recorded monthly per each facility.
Scope 3				
01: Purchased goods and services	Water use	2,060,019	m³	Data recorded monthly and annually for some of the facilities. Estimation methodology has been employed to complete the missing data.
	Purchased paper	1,306	tons	Data recorded annually for the whole bank.
	Issued cards	4,258,263	card	Data recorded as number of issued bank cards per type.
	Other consumables	confidential	EGP	Data recorded annually for the whole bank in monetary values.
02: Capital goods	Capital goods	confidential	EGP	Data recorded annually for the whole bank in monetary values.
04: Upstream transportation and distribution	Internal courier shipments	93,828	km	Data estimated based on routine trips distance using the same methodology applied in 2022.
05: Waste generated in operations	Solid waste	825	tons	Detailed waste data for the headquarters was received from the waste hauling company covering a three-month period. The rest of the facilities were estimated accordingly.
	Wastewater treatment	1,854,017	m³	Data estimated to be around 90% of water usage.
06: Business travel	Air travel	2,815,517	P.km	Data recorded as departure and arrival airports per flight.
	Hotel stays	4,941	Nights	Data recorded as number of nights per country.
	Land travel	995,684	km	Data recorded as total distance travelled per year and total number of trips.
07: Employee commuting	Private cars	48,141,035	Km	Data retrieved from employees' survey results.
	Taxi	15,919,041	Km	Data retrieved from employees' survey results.
	Public buses	34,062,115	P.km	Data retrieved from employees' survey results.
	Metro	9,966,225	Km	Data retrieved from employees' survey results.
	Rented coasters	13,356,240	P.km	Data recorded as origin and destination points along with number of passengers.

## DATA ESTIMATION METHODOLOGIES

### Electricity Consumption Estimation methodology

A structured approach was used to assess and estimate electricity consumption for facilities with missing data. By analyzing reliable datasets and identifying consumption patterns based on facility size, average consumption values were established for different size categories. These averages were then used to estimate the electricity consumption of 134 facilities, amounting to a total of 12,874 MWh. This method was refined through sensitivity analysis to ensure accuracy and reliability.

### Water Use Estimation Methodology

Water consumption estimates were developed by analyzing reliable data and identifying correlations with employee numbers. Average water usage per employee was determined and applied to facilities with missing data, covering 410 locations. Efforts are underway to enhance data collection systems to improve future estimates.

### Solid Waste Estimation Methodology

Detailed waste data for the headquarters was received from the waste hauling company covering a three-month period. For the remaining facilities, waste estimates were calculated based on the waste generation profile per employee.



RELEVANCY AND EXCLUSIONS

The following table describes the GHG emissions sources that were excluded from **Banque Misr** GHG inventory due to several reasons, including: lack of data, and data that is beyond **Banque Misr's** operation and control and hence considered technically infeasible to attain. The exclusion rationale per activity has also been specified. This CFP report includes only **Banque Misr's** operations inside Egypt with the exclusion of a **159** small, leased touchpoints and kiosks. The decision to exclude those 159 kiosks from **Banque Misr's** carbon footprint calculations was based on the fact that these kiosks are situated in buildings not owned, controlled, or maintained by the bank; rather, they serve the purpose of facilitating services for individuals within those specific buildings. Additionally, it is not anticipated that these kiosks constitute a significant percentage of the total emissions. However, the bank is aiming to assess their emissions in the future if accurate consumption data becomes available, ensuring a comprehensive and accurate evaluation of its environmental impact.

#	Activity	Description	Emissions (mtCO <sub>2</sub> e)	Status
1	Purchased goods and services	This includes printed forms, marketing materials and consumables as well as office supplies like paper, envelopes, flyers, etc. In addition to water use and other purchased goods and services.	9,910	Relevant, calculated
2	Capital goods	Emissions from embodied carbon in the properties owned by <b>Banque Misr</b> , such as buildings, cars, electronics... etc.	44,572	Relevant, calculated
3	Fuel and energy related activities (Not included in Scope 1 and 2)	Includes well-to-tank emissions from fuel burning in generators and owned vehicles. In addition to electricity transmission and distribution losses.	4,197	Relevant, calculated
4	Upstream transportation and distribution	Transportation from <b>Banque Misr's</b> upstream supply chain.	91	Relevant, calculated
5	Waste generated in operations	Includes emissions from the transportation of solid waste and the landfill emissions from the disposed waste. In addition to wastewater treatment emissions.	1,530	Relevant, calculated
6	Business travel	Includes emissions from air and land business travel and hotel stays.	1,325	Relevant, calculated
7	Employee commuting	Transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by <b>Banque Misr</b> ).	33,856	Relevant, calculated
8	Upstream leased assets	This category is not directly relevant because all assets leased are already included in the company's scope 1 and 2 emissions.	-	Not relevant, explanation provided
9	Downstream transportation and distribution	<b>Banque Misr's</b> downstream transportation emissions include transportation of business cards and letters to clients, armored vehicles, ... etc.	66	Relevant, calculated
10	Processing of sold products	This category is not relevant to Banque Misr operations as the bank does not produce any intermediate products that requires further processing	-	Not relevant, explanation provided
11	Use of sold products	This should include emissions from the use of internet banking and other sold products.	-	Relevant, not yet calculated
12	End of life treatment of sold products	This category is not yet embraced in the calculations but could include end of life treatment of credit cards distributed to the customers.	-	Relevant, not yet calculated
13	Downstream leased assets	Banque Misr does not have any downstream leased assets.	-	Not relevant, explanation provided
14	Franchises	This category is not relevant to <b>Banque Misr's</b> business and has therefore been excluded.	-	Not relevant, explanation provided
15	Investments	Emissions resulting from commercial loan activities and/or projects financed by <b>Banque Misr</b> .	-	Relevant, not yet calculated



# QUALITY ASSURANCE STATEMENT

To Banque Misr’s Board of Directors,

We have been appointed by Banque Misr to conduct carbon footprint calculations pertaining to the bank’s operational activities for the period from 1<sup>st</sup> of January 2023 to the 31<sup>st</sup> of December 2023. The scope covered the bank’s operations in all its 661 facilities located in Egypt.

## AUDITORS’ INDEPENDENCE AND QUALITY CONTROL

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

## AUDITORS’ RESPONSIBILITY

In conducting the carbon footprint calculations, we have adopted the Greenhouse Gas Protocol Guidelines, IPCC Guidelines for Greenhouse Gas Inventories, and finally ISO 14064-1:2018 specification with guidance at the organization level for quantification and reporting of GHG emissions and removals.

It is our responsibility to express a conclusion about the quality and completeness of the primary data collected/ provided by Banque Misr. We have performed the following quality assurance/ quality control tasks:

- Several rounds of data requests were performed whenever the received information was not clear;
- All data presented in this report were provided by the reporting entity and revised and completed by our technical teams;
- For data outliers, meetings were held to investigate the accuracy of the data and new data was provided when requested;
- Any gaps, exclusions and/or assumptions have been clearly stated in the report.

## CONCLUSION

Based on the aforementioned procedures, nothing has come to our attention that would cause us to believe that Banque Misr raw data used in the carbon footprint calculations have not been thoroughly collected, verified, and truly represent Banque Misr resource consumption in the reporting period related to all categories/aspects identified in this report. We do not assume and will not accept responsibility to anyone other than Banque Misr for the provided assurance and conclusion.

**Dr. Abdelhamid Beshara, Founder and Chief Executive Officer**

MASADER, ENVIRONMENTAL & ENERGY SERVICES S.A.E CAIRO,

February 2025



## ABOUT MASADER

Masader is an innovative interdisciplinary consulting, design and engineering sustainability firm based in Cairo, aiming at leveraging positive impact across the MENA region and globally. It specializes in Resource Efficiency, Sustainable Management of Natural Resources and Integrated Sustainability Solutions. Since 2015, Masader has led 100+ projects across the areas of energy, environment, climate change & carbon footprint, circular economy, green building (LEED), as well as corporate sustainability strategies, reporting and certification.

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