

# SUSTAINABILITY & INNOVATION

FOR CREATING AN **IMPACT**



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## Report Parameters

(102-50 / 102-51 / 102-52 / 102-53)

Crédit Agricole Egypt publishes its 1st Integrated Sustainability Report as a way of sharing information on its financial performance and sustainability-related activities with stakeholders. The report is prepared according to IRCC Integrated Reporting Framework and the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option. It covers three fiscal years from 2017 to 2019 (January 2017 to December 2019). Content that describes efforts outside this period is indicated in the respective sections. Crédit Agricole Egypt's Integrated Report 2017-2019 contains various forward-looking statements about future developments which are based on the current status of the Bank's assumptions and forecasts. Subject to any number of predictable or unpredictable risks or challenges, the current outcome, its future development or performance could considerably change.

On this report, "CAE", "the bank" or "we" refers to Crédit Agricole Egypt (102-1) Crédit Agricole Egypt is an Egyptian Joint Stock Company (S.A.E), and it performs under the provisions of the Investment Law No 43/1974 (102-5)

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**Crédit Agricole  
Egypt at a Glance**

## About Our Group

Established in 2006, Crédit Agricole Egypt (CAE) is a member of the worldwide Crédit Agricole (CA) Group. Crédit Agricole, a universal banking group working everyday in the interest of our customers and society.



**Number 01**  
Bank and insurer in France



**47**  
Countries



**Number 10**  
Bank Worldwide



**1<sup>st</sup>**  
Cooperative bank worldwide




**1<sup>st</sup>**  
Asset Manager in Europe



**1<sup>st</sup>**  
Green Bond bookrunner Worldwide



**142**  
thousands employees



**51**  
million customers



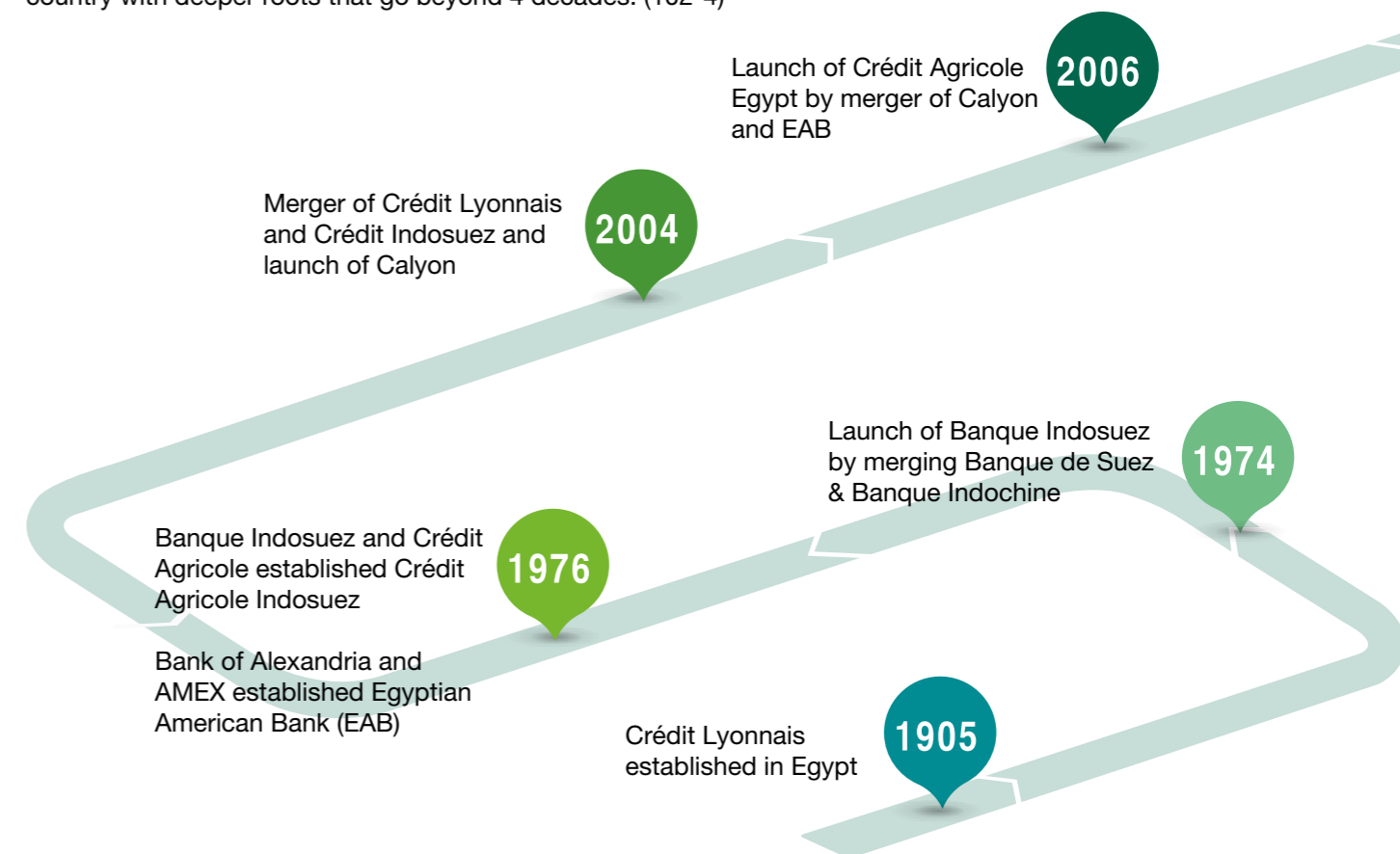
## Crédit Agricole Egypt in a Glimpse

Since its launch, Crédit Agricole Egypt has succeeded to become a strong player in the economic scene, positioning itself as the reference European Bank in Egypt. Committed towards its stakeholders, Crédit Agricole Egypt brings its international expertise to the local knowhow to serve its clients and drive sustainable development in line with Egypt's national priorities. With a universal customer-focused model, Crédit Agricole Egypt is serving the entire spectrum of customers: Individuals, Enterprises (Small and Medium size Enterprises & Business Banking), Corporate and Public sector. Prioritizing its customers' best interests,

Crédit Agricole Egypt presents an extensive range of services, tailored financial solutions and sound advice, to accompany its clients in their walk of life. Awarded the most innovative bank in Egypt, convenience and distinguished customer experience is Crédit Agricole Egypt's endeavor to attain its customers' satisfaction throughout its nationwide network of branches and its state-of-the-art fully-fledged platform of digital services. Furthermore, Crédit Agricole Egypt is in line with the world's digital transformation, encouraging and implementing an innovative environment to exceed its customers' expectations.

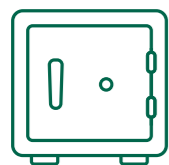
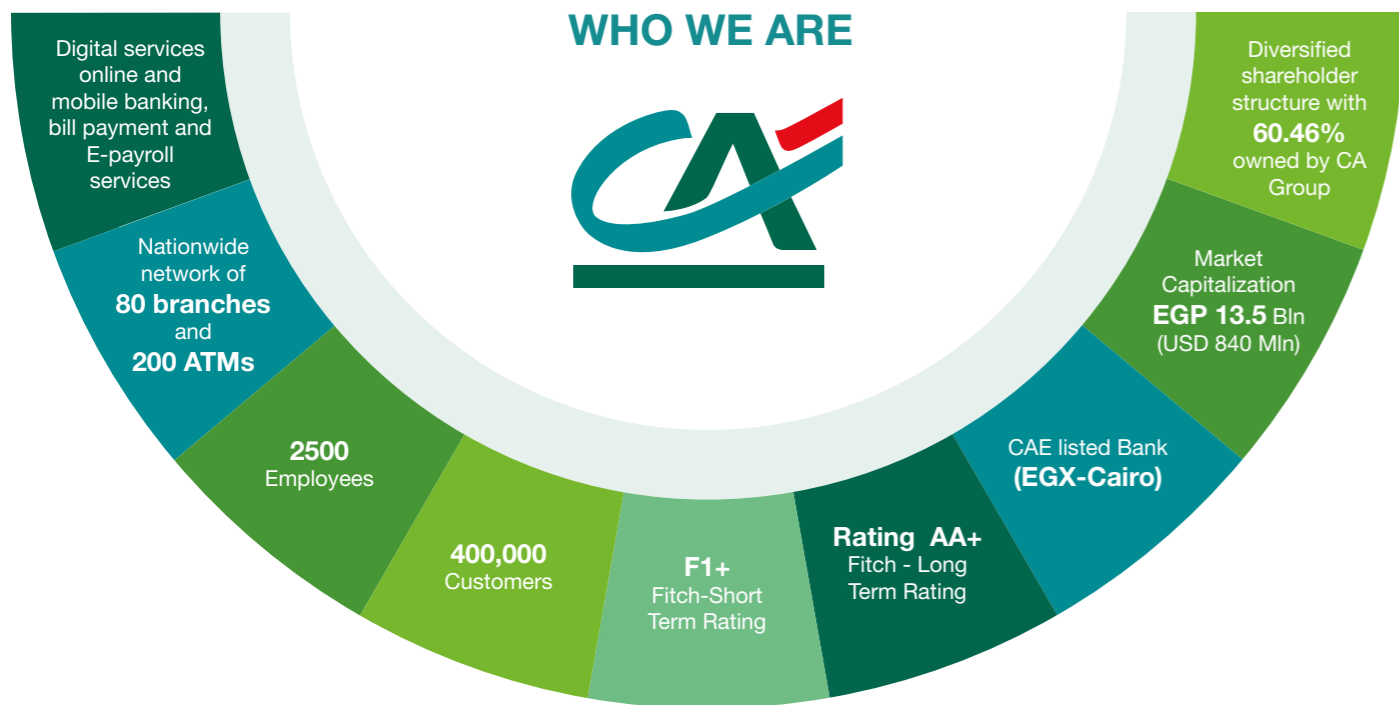
## A Rooted History

With more than 10 years of history in Egypt, Crédit Agricole Egypt takes pride of being the sole French bank in the country with deeper roots that go beyond 4 decades. (102-4)



Personal	Working Everyday in the Interest of Our Customers and Society	Companies
<p>Strong franchise with the aim to accompany our customers in every stage of life.</p> <p>   </p>		<p>A true partner to our customers, providing advice &amp; international expertise to support business growth.</p> <p><b>Corporate Banking</b> <b>Capital Markets</b> <b>Small &amp; Medium Enterprises</b></p>

## WHO WE ARE



**Customer Deposits**  
**39,637**  
MIn EGP



**Gross Customer Loans**  
**24,424**  
MIn EGP



**Net Banking Income**  
**4,054**  
MIn EGP



**Net Profit**  
**2,361**  
MIn EGP



**Total Equity**  
**7,210**  
MIn EGP



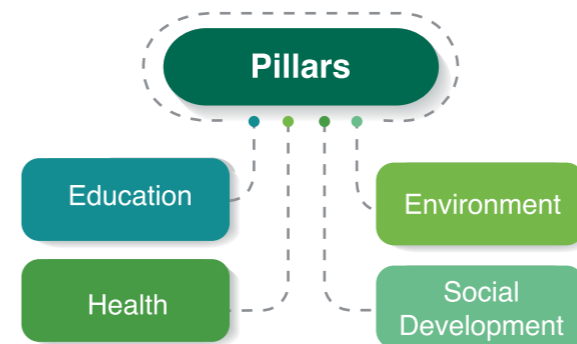
**Return on Equity**  
**48.7%**

NB. Rating and Figures are based on end of 2019 data. All figures are approximated. (102-7)

## Active Responsibility

CSR is fully embedded in the bank's strategy with a focus on youth and empowerment of fragile segments.

To this purpose, Crédit Agricole Egypt Foundation for Development was established in 2017 with the mission to drive the national development by bringing support to needy segments through sustainable projects.



Sponsoring Young Talents, Community Schools And Literacy Classes



Infrastructure development of poor areas



Societal development (Health, Education And Training Aids) Water Connection



## Environment Friendly

1st platinum LEED certificate in Egypt and North Africa for its headquarters



Strategy for green premises and expanded uses of renewable energy



Largest owned solar power station by a bank



## Awards

2017	2018	2019
<ul style="list-style-type: none"> <li>Egypt's Top 50 Companies by Forbes Middle East and Amwal EL Ghad Magazine.</li> <li>JP Morgan's "Elite Quality Recognition Award" with state-of-the-art STP rate.</li> </ul>	<ul style="list-style-type: none"> <li>Best in Mobile Banking under the consumer category from Global Finance Magazine.</li> <li>Most Innovative Digital Bank in Egypt under the consumer category from Global Finance Magazine.</li> </ul>	<ul style="list-style-type: none"> <li>Arab Digital Banking Excellence Award 2018, "Best Mobile Banking Application" from the Union of Arab Banks.</li> <li>Most Innovative Bank from Global Business Outlook.</li> <li>Best Private Bank from Global Finance Magazine.</li> </ul>

1st bank in Egypt with ISO certification (ISO 37001:2016) in Anti-Bribery Management



**Forewords**

## Interview with the Managing Director of Crédit Agricole Egypt



*We grow with sustainability by placing our responsibility and usefulness towards customers, staff, environment and community at the heart of our development.*

**Pierre Finas – Managing Director**

(102-14)

**In simple words, why did Crédit Agricole Egypt choose to publish a sustainability report?**

First, it gives us great pleasure to present the first sustainability report to highlight Crédit Agricole Egypt's strategic path and milestones achieved in the service of our customers, shareholders, as well as the society and economy around us.

With its new medium-term plan, Crédit Agricole Egypt has set its strategic objective to become a leading, innovation-driven sustainable bank. The medium-term plan **impact** stands on two cornerstones: innovation and sustainability.

From a DNA perspective, Crédit Agricole Group, built on mutualist foundations, has embedded the corporate social responsibility dimension in the core of its business model. In fact, the statement "working every day in the interest of our customers and society" is the Group's raison d'être and commitment. The Group reports its sustainability efforts annually to reflect to stakeholders its long-term responsibility and underline its evolution and developments on different fronts.

To showcase the connectivity within the Group, and in line with our stated ambition, it comes naturally that we provide a clear and integrated view of our model and of who we are. We aim also to showcase the efforts and commitments of Crédit Agricole Egypt's valuable human asset in order to allow growth of the bank by focusing on our customers' satisfaction. Finally, we aim to highlight the sustainability dimension in Crédit Agricole Egypt's performance and operations to all stakeholders.

**The report covers the period 2017-2019. This extensive period of reporting is rather unusual?**

True, this report covers a very significant period (2017-2019) in the history of the bank as it comes halfway between two medium term plans. It is rather a transitional period marking the pursuit of the bank's growth path and reaping the rewards of its transformation plan which was initiated in 2015 with the interest of its customers and community in mind.

It also underlines the adaptation efforts to a fast and positively growing national environment that has shaped and led to the launch of the Bank's new medium-term plan **impact** in 2019, enabling the bank to capitalize on its strengths.

Therefore, the decision to cover this vast period was purposed to show the magnitude of the transformation and its impact on the bank's performance.

**The Egyptian market is becoming very competitive, especially in light of the enhancement of economic indicators, what distinguishes CAE from its peers, especially for its customers?**

The Egyptian banking scene is very well structured, regulated and organized. The Central Bank of Egypt has set a roadmap to end a tough economic ordeal and paved the way for a new era of stabilization, modernization and growth. Therefore, banks are competing to benefit from these positive conditions.

Belonging to a worldwide financial Group, Crédit Agricole Egypt since its establishment was able to fill its position as a reference European bank in Egypt. Backed by our Group, we bring new expertise and know-how to the market and we aim to set new standards in the banking scene in Egypt.

Following the Group's footsteps, we are committed to become the long-term partner to our clients in different moments of their lives. Therefore we have followed the Group's strategic customer project to provide a comprehensive multi channels and balanced relationship model which enhances access to deliver and create a distinguished customer experience.

**What is the value that CAE aims to bring to the Egyptian community?**

Going beyond a simple name, **impact** translates the bank's ambition to create a long-term value to all its stakeholders. The cornerstones of **impact** are innovation and sustainability, with the aim to constantly reinvent ourselves for our customers and community.

We finance the real economy and participate in mega projects that contribute to Egypt's vision 2030. We take active roles in the national direction of digitalization of financial services in Egypt and successfully achieved recognized milestones in these regards.

We also support the sustainable development of the community and focus on youth, being the driver of Egypt's future.

Since actions speak louder than words, this report will underline how Crédit Agricole Egypt is joining innovation and sustainability to create a real impact for all its stakeholders, and become the reference and preferred bank for all its customers.



# About this Report



## An Integrated Sustainability

(102-6)  
Stemming from the roots of Crédit Agricole Group, sustainability is part of the Bank's DNA translated through a sense of responsibility and respect towards its customers, staff, community and environment. On this ground, Crédit Agricole Egypt is publishing its first integrated sustainability report for three years from 2017 to 2019.

In this context, Crédit Agricole Egypt has taken a leap from a CSR approach to a journey of creating shared values. Through this journey, the bank has chosen to adapt sustainable practices in its "modus operandi" furthering its commitment by applying the Group's FReD index for measuring its Responsible performance since 2012. (Read on Our Strategy)

The report will identify the bank's integrated business framework that ensures business growth and a sustainable value created over-time through:

- Capturing the strengths of its most valuable assets: Human, Intellectual and Manufacturing Capitals
- Creating financial stability and profitability
- Committing to its responsibilities in preserving and empowering natural and social resources

The inter-connectedness of those diverse and diverging resources is undeniably critical to CAE's sustainable growth. Such dynamics can only be successful through an Integrated Thinking Approach that is associated from top to bottom through governance and strategies.



*Crédit Agricole Egypt has taken a leap from a CSR approach to a journey of creating a Shared Value. Through this journey, the Bank has chosen to adapt sustainable practices in its "modus operandi"*

## Our Methodology

This Integrated Thinking Approach is reflected through an exhaustive sustainability framework that considers multiple dimensions:

- Mapping the bank against its external environment
- Capitalizing on CAE's sustainability strength points
- Recognizing all future potential opportunities and challenges to enhance and support daily operations.
- Engaging all the bank's stakeholders and obtaining their insights and needs for the future.
- Enforcing the needed practices across all activities through the length of Shared Value and Sustainability actions.

## Our Report

This report aims to share with our stakeholders our challenges and our journey towards achieving a sustainable and responsible business, where value is created and maintained over-time. Our value creation is not considered as a stand-alone seasonal function, but rather as an integrated part of our business strategies, internal practices, competent teams, services uniqueness and dynamic governance structure. Despite all challenges and risks, the bank is able to capture and mitigate risks, seize opportunities, and continue to create value to its stakeholders (Read on Our Value Creation).

## From Integrated Thinking to Integrated Practices

Our blueprint represents an outline of the collective connectivity of the bank's ability to meet its stakeholders' expectations and to deliver available opportunities within a healthy management of

our resources and capitals. Our business model demonstrates our agility to adapt to challenges, through realistic appraisal of our competitive strengths and market position, given the risks we face.

## Our Business Efficiency, Resilience and Connectivity

To successfully establish a strategic focus and future orientation, we continuously assess the bank's ability to create value to its stakeholders through the quality of capital over time. Our strategy ensures the connectiveness of our business activities and the proper focus on internal material issues and external insights of economics landscape. It also enables consistency and comparability of results and impacts year by year.

Our Material Issues are voiced out through multiple stakeholder engagements, which created a balance

between completeness and conciseness of data. Stemming from a strong group governance, our own robust governance policies and practices have greatly facilitated the dissemination of the culture of integrated thinking.

The collective internal engagement in the data collection for the purpose of this report was a key mechanism to ensure a progressive trail of facts-checking resulting in great reliability of information, which supported the top management in its decision making.



*To successfully establish a strategic focus and future orientation, we continuously assess the bank's ability to create value to its stakeholders through the quality of capital over time.*





**Our  
Strategy**

## Crédit Agricole Group Strategy and Orientations

For CA Group, the reporting period has witnessed the successful transition between the Group's Medium-Term Plan (MTP) "Ambitions Strategiques 2020\*" and the new Group Project. Through this transition, the Group has reinforced and amplified its strategic orientations towards customer relationship excellence. (Read on Our Customers).

**Partnering a Sustainable Economy:** the new Group project and MTP integrate the environmental, social and societal issues to reflect the Group's pursuit of its mutualist commitment to inclusive development and make green finance one of the Group's growth drivers.

In a distinctive initiative, CA Group follows its unique CSR model FReD. It is the support tool used for steering and measuring the Group's progress in terms of CSR for all of its subsidiaries. It incorporates the three CSR pillars: FIDES for the compliance, RESPECT to benefit people and DEMETER to protect the environment. A yearly assessment is conducted based on the progress of the actions taken to serve all pillars. The average of all entity's self-assessments adds up to the Group's overall progress on the FReD Index.

**Joining the UNEP FI:** Crédit Agricole S.A. has signed in June 2019 the United Nations Principles for Responsible Banking and joined the UN Collective Commitment to Climate Action, thus confirming its alignment with the United Nations Sustainable Development Goals (SDGs) and the 2015 Paris Agreement. By joining forces with the United Nations, Crédit Agricole S.A. has reaffirmed its determination to further its initiatives in favor of a more inclusive economy, and its intention to make green finance one of the cornerstones of its growth.

### CA Group's Raison d'être

Working every day in the interest of our customers and society



\* <https://www.credit-agricole.com/en/>

## Crédit Agricole Egypt's Strategy

Governed by the Group's Vision and strategy, Crédit Agricole Egypt's mission is strategized to reflect our aimed market positioning, while adapting to the external environment that is guided by both, our Group Vision and our National Ecosystem.

Our Strategy reflects our ability to remain resilient to all changes in order to absorb potential risk implications on our business and to ensure a continuum of future performance through capitalizing on our strengths.

### Our Mission

Set new standards for banking in Egypt by capitalizing on innovation and sustainability across all of our activities to offer long-term value for all our stakeholders.

### Strategy Statement

Being the reference European bank in Egypt, and with a universal banking model, the bank strives to deliver the highest standards of client satisfaction, in Egypt, while creating a shared value and maintaining its responsibility and respect towards customers, staff, community and environment, through continuous Innovation and Sustainability practices as part of the bank and Group's DNA.

### Strategic Approach

- Sustainable business growth
- Respect to the environment
- Innovation
- Customer satisfaction
- Efficiency
- Customer base growth
- Serving economy and society

### Main Enablers: Innovation and Sustainability Practices

- Selective risk approach and quality of portfolio
- Focus on the relationship model through a Customer-centric approach and value-added services
- Accelerated digital transformation and process efficiency
- Use innovation as a tool for better customer knowledge and as a business catalyzer
- Efficient resources management and business processes
- Compliance to regulations
- Human capital development
- Pursuing CSR journey and empowering CAE Foundation for development

### Key Strategic Objectives

To become a leading innovation-driven sustainable bank, by ensuring the bank's positioning through

- Growing its performance steadily year on year (Read on: Financial Highlights)
- Becoming among the top banks in customer relations and a pioneer in digital services (Read on: Our Customers)
- Becoming a reference in efficiency (Read on: Our Customers)
- Creating a positive impact to the community (Read on: Our Community)
- Becoming a reference in respect to the environment (Read on: Our Environment)
- Becoming a reference in compliance (Read on: Our Governance)
- Becoming the employer of choice (Read on: Our Employees)

## The Cornerstones of Impact are Innovation & Sustainability

In reinforcement of Crédit Agricole Egypt's previous medium-term plan ending 2018, the executive management engaged its employees to contribute in setting the implementation of the new medium-term plan **impact** 2019-2022. **impact** is aligned with Credit Agricole Group's vision and values. With **impact**, the

bank has set its strategic pillars to shape its future action plan: growth, efficiency, governance, human capital and support to community. Each pillar involves a number of projects; all ambitious, innovative and draw a sustainable impact.



CAE'S strategy **impact 2022** aims at capitalizing on the bank's strengths (innovation, sustainability) and ensuring full alignment with the group strategy and values. **impact 2022** is based on three pillars:

### GROWTH AND CUSTOMER SATISFACTION

Ensuring the growth of our business thanks to innovation, stronger client focus and increased synergies with the Group.

- Committed to delivering innovative products and services to our customers which meet their expectations.
- Leveraging on Digital transformation to increase customers' satisfaction and sales performance.
- Accelerate growth dynamic for all LOBs.
- Make a difference by strengthening synergies with the Group.

### EFFICIENCY AND COMPLIANCE

Leveraging on innovation to improve our operational efficiency and fully integrate all the dimensions of Sustainability in our activities.

- Fostering innovation for better efficiency across the organization.
- Ensuring full adherence to Compliance rules as well as external and internal regulation.
- Adapting risk management politics (or processes) to the new challenges of business.
- Including Environmental, Social and Governance concerns at the heart of our business and operations.

### HUMAN CAPITAL AND COMMUNITY

Capitalizing an innovation to Develop our Human Capital and Support actively the Community

- Ensuring staff development and increasing their engagement and loyalty.
- Actively supporting the Community through CAE Foundation for development



*The reporting years 2017-2019 have witnessed the pursuit of the implementation of an ambitious digital strategy, enabling the bank to capitalize on its strengths, re-enforcing both innovation and sustainability into operational practices and extending its value proposition to create a shared value.*

## A Comprehensive and Agile Business Model

Amidst a changing environment shaped by higher expectations on all levels, Crédit Agricole Egypt in alignment with its Group has set its positioning to be a whole bank just for you through its unique model of universal proximity. Its strategic objective is to achieve a sustainable growth empowered by its values of responsible banking towards its different stakeholders.

according to its set priorities: increase customer satisfaction and staff engagement, contribute to the local economy and community and preserving the environment.

Under this objective and following the Group's medium term plan, "Ambitions Strategiques 2020" \*, Crédit Agricole Egypt has adapted its business model

The reporting years 2017-2019 have witnessed the pursuit of the implementation of an ambitious digital strategy, enabling the bank to capitalize on its strengths, re-enforcing both innovation and sustainability into operational practices and extending its value proposition to create a shared value.



## External initiatives & Membership

(102-12 -102-13)

Being a member of a worldwide financial Group, Crédit Agricole Egypt is part of many economic and business associations. Some are listed as follows:

- Central Bank of Egypt committees
- Federation of Egyptian Banks committees
- Conseillers du Commerce Extérieur de la France

- French Chamber of Industry and Commerce in Egypt
- American Chamber of Commerce in Egypt
- United Nations Environment Program for Financial Institutions (being part of CA Group)
- United Nations Global Compact (being part of CA Group)

\* Reference to the CA Group Integrated Report 2017-2018

## Strategic Focus and Orientation

Following today's fast-growing market, competitive industry and rising customers' expectations, and changing customer behaviour, the state of agility and digital transformation become a norm. We take into consideration our external environment through ongoing analysis and scan of the market for opportunities identification and benchmarking.

Therefore, a constant outlook on anticipated possible threats and challenges has become a more recurrent priority since the latest economic changes and reforms in the country. Crédit Agricole Egypt has kept a vigilant eye on possible disruptive changes that may affect its market position, its capitals' health and its strategy's pursuit.



**Crédit Agricole Egypt has kept a vigilant eye on possible disruptive changes that may affect its market position, its capitals' health and the pursuit of its strategy.**

## Market Landscape

With a highly competitive market scene, it is imperative to analyze what the customers look for when choosing their bank. Our own market survey has concluded that 48% of customers seek a good customer service (48%) while 50% seek accessibility & convenience\*

Moreover, a survey on the Egyptian market (2018) identified that factors affecting customer's choice of banks as presented in the table below:

<h3>Convenience &amp; accessibility</h3>	<ul style="list-style-type: none"> <li>- Technologically equipped for customer' convenience</li> <li>- Knowledgeably aware of customer's future needs</li> <li>- Passionately answers to youth expectation</li> <li>- Consciously respectful of customer's time</li> <li>- Widely embracing to all generations</li> <li>- Effortlessly attractive to all businesses</li> <li>- Adaptively welcoming all customer's individuality</li> <li>- Largely spread physical network</li> </ul>
<h3>Customer Services</h3>	<ul style="list-style-type: none"> <li>- Experienced staff</li> <li>- Best customer service</li> <li>- Strong customer relationship</li> <li>- Care for customers' interests</li> <li>- Distinguished quality of service</li> </ul>

## Our Market Status

In line with the brand health KPIs, and according to the above factors, Crédit Agricole Egypt enjoys a good brand health and positioning:

- It comes among the top in terms of brand power across international banks.
- It is perceived as a youthful brand in the market.

- It is considered as a respectable brand and has good customer service.
- Its digital services and quality of relationship management are of the main customer convenience points and a reason for a higher recommendation of the bank\*\*.

\* Data is based on market survey conducted by Kantar MillwardBrown in 2018.


\*\* Customer recommendation index survey conducted by GFK end of 2017 and Kantar Millward Brown in 2019

## Our Strengths

With the key strategic objectives set-out, we have commenced 2017 with an eye on our strength points,


and we have delivered results that generated value across our various capitals.

### Strength 1



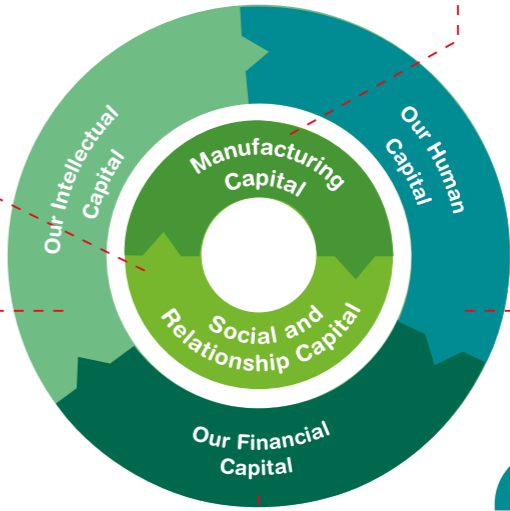
A Universal Bank Model with an organized structure to match its customers' needs, CAE is present across the entire spectrum of clients with the aim to be the partner of choice accompanying them in every stage of life and creating a unique customer experience.

### Strength 2




With a strong an efficient infrastructure, CAE has smartly invested in:

- An iconic head office that unites all teams for efficiency, more coherent culture and stronger synergy.
- A strong core banking system to allow building new innovative services for the interest of our customers.
- A state-of-the-art new Customer Relationship Management system (2019) to allow a more efficient and customer-centric relationship.
- A robust infrastructure with Tier3 main IT data center hosted in the new head office and a new recovery outsourced data center for higher capacity and encompassing the bank's future strategic growth plans (2019).
- A best-in-class technology in production and personification of customer cards for fraud prevention.
- A new bank-wide anti-fraud management system.
- A nationwide network of branches: the number of branches is balanced between touristic and remote areas of Delta and Upper Egypt, indicating the ease of reachability by clients.




### Strength 3




With attention to customer convenience, CAE offers a fully-fledged platform of digital services as part of a multichannel approach, putting in place state-of-the-art technology to meet our customers' expectations and to confirm the bank's leadership in digital services.

### Strength 4



As a customer-centric Bank, we have invested greatly in employees' development and training that sets us as a bank with a strong recognized quality of service.

### Strength 5



CAE has maintained a robust and resilient model of growth and profitability and we adopt a carefully calibrated approach to risk management. This is coupled with the privilege of belonging to a strong worldwide group that transfers know how and expertise and supports the bank financially if required.



**Our  
Value Creation**

# Risks and Opportunities

(102-15)

Our risk and opportunities assessment (both internal and external) for this reporting cycle ensured that we maintain a well calculated balance of our Resources

Allocation and to achieve an optimum short-term utilization of capitals, with long term impacts for the various stakeholders.

## External Environment &/or Risks

### The Economy:

Rehabilitation of the economy and improvement of performance indicators, following a national reform cycle, leading to increased demand from local and multinational businesses, as well as public sector.

### Population:

Significant and growing population (99M inhabitants in July 2019) with a major segment of youth

### Financial Inclusion:

Low levels of Banking penetration (approx. 14%) triggering governmental financial inclusion initiatives

### SMEs:

Accelerated National focus to finance SMEs through private sector

## Opportunities identified & seized by the Bank

Increased investment opportunities through syndicated loans and mega public projects (particularly in infrastructure and energy sector)

Emerging purchase power and increased demand for credit facilities

Expanded demand for new banking digital services.

Availability of human power with good qualification

Regenerated need for products and solutions to support financial inclusion

Growing borrowing needs from SMEs, accelerating synergies between business lines to capture more business opportunities towards a larger loan portfolio.

## Our Value Creation

### Increase of Financial Capital:

Total value Crédit Agricole Egypt booked for Syndicated facilities throughout FY 2017-19: EGP 10.4 bn.  
Total attracted FDI in 2019 alone worth of USD 650Mn.

### Individual assets portfolio in 2019:

7.5 Bn EGP Payment cards portfolio in 2019: + 500K (Read on Our Customers)  
An exhaustive spectrum of tailored offers targeting different customer segments according to their life stages: (age 18-25 – My First) and (25-40 – Optime) (Read on Our Customers)  
An expanded network of 200 ATMs  
Launch of a fully-fledged platform of digital services for individuals and companies banki by Crédit Agricole  
Award winning best app and most innovative bank. (Read on Redefining Proximity)

Job opportunities created/new hiring from 2017-2019: + 600 (Read on Our Employees)

### Increase of Social and Intellectual Capitals:

launch of banki Wallet (as a financial inclusion tool) and register 100K customers  
+6000 customers benefit from the financial inclusion special account launched since 2018 with no fees. (Read on Our Community)

### Increase of Financial Capital:

Corporate assets portfolio including all types of companies 16.9 Bn EGP in 2019 (Read on Our Business Customers)

## United Nations SDGs



## External Environment &/or Risks

**Foreign exchange market:**  
Recovery in Foreign currency scarcity

**Social Awareness:**  
Increased need for social investment and alignment with National Priorities

**Digital Transformation:**  
Expanded pursuit and interest in Digital services by Individuals and Companies  
Expedited National Transition to cashless society to boost financial inclusion and accelerate a merged growing economy

**The Environment:**  
National direction towards transition to renewable energy

## Opportunities identified & seized by the Bank

Reduction of FCY shortage and increase in exports

Increased responsibility to support the community and finance social programs

Growing need for safe and secured payment solutions

Need to use renewable energy and to preserve natural resources

## Our Value Creation

**Increase of Financial Capital:**  
Foreign Exchange Volumes USD Mln in 2019: 11,998  
Fixed Income Volume USD Mln in 2019: 11,025

**Increase of Social Capital:**  
Fully integrated span of activities to support the Community in alignment with the national goals. (Read on Our Community)

**Increase of Intellectual Capital:**  
Launch banki Corners model with digital greeters to support dissemination of digital services awareness  
  
Launch banki store to offer for the 1st time a balanced model between digital services and human advice  
  
Launch closed community concept  
  
1 out of 3 individual customers is registered in digital services.  
  
1 out of 5 individual customer transacting digitally as at end of 2019  
(Read on Redefining Proximity)

**Increase of Natural & Manufactured Capitals:**  
LEED Platinum Certificate for CAE's eco-friendly building use of solar energy (Read on Our Environment)  
  
Paper consumption decreased by + 50%. (Read on Our Operational Challenges and Efficiency Solutions)

## United Nations SDGs







**Our  
Materiality**

## Internal Engagement

For the purpose of this report, a dedicated engagement and materiality determination process has been conducted:

1. Induction on sustainability standards and the IR Framework took place with the entire executive committee members (EXCO) to discuss the direction and strategic alignment, in light of the introduction of the new integrated thinking approach, to unify the bank's sustainability efforts and its financial and non-financial disclosures under this report.
2. Engagement with the heads of business units through two-day sessions:

- A collective session to align the heads of business units' vision with the various functions along with an understanding of the reporting objective and process.
- Focused session with the delegates of each unit to review and discuss the relative business line, challenges and more pressing topics in the given cycle.

Among the other data collected for the process of preparing the report, a list of issues, main stakeholders, channels and frequency of communications was provided by each business unit.

## External Stakeholders Engagement

As this reporting cycle includes the years 2017, 2018, and 2019, witnessing the completion of the bank's medium-term plan, the bank has identified stakeholders with whom to engage based on new issues arising. (102-42)

Our external stakeholders consist of CA Group, shareholders, investors, customers, industry peers, international sustainability standards experts, civil society organizations, innovation labs, media, suppliers, regulators and public policy professionals. (102-40)

The common factor of our external engagement is the consistency of communications with the aim to serve our new strategic objectives and implement our sustainability practices across the business functions. (102-43)

The external stakeholder engagement is a continuous exercise, which is availed as follows (102-44);

1. In line with the group's strategic ambitions, Crédit Agricole Egypt's strategic orientations reinforced its sustainability practices and chose innovation as a

driver for growth, which have enticed an evolvement in our engagement with our external stakeholders.

2. Multiple regulatory factors and a major shift took place in the Egyptian market (indicated in our risk review), which entailed more recurrent and frequent engagement with the regulators and public policy professionals.
3. As a proactive and constant tool of engagement, the bank focuses its attention to capture customer voice through regular satisfaction and brand power surveys, social media and digital platform as well as to avail the means for channeling customer feedback.
4. A new phase of digitalization in favor of financial inclusion in the Egyptian banking sector has elevated the bank's engagement in favor of potential customers through direct engagement and activations.
5. Strategic customer projects are another channel of frequent and closer communication with customers through the relationship teams as a key contact point.

## Materiality Analysis

Our materiality determination process, in light of the IR report, reflects the bank's current perception and Identification of its most important topics.

While stakeholders inclusiveness and voicing their interests were always the starting point and part of our regular practices, our choice of reporting topics for the reporting years (2017- 2019) was a more elaborate and rigorous exercise. A dual dimensional process has taken place capitalizing on and referencing both GRI

- Standards and the IR frameworks throughout the following phases;
- 1- Identifying relevant matters and evaluating their importance.
  - 2- Prioritizing the topics based on their relative importance and reporting boundaries.
  - 3- Assessment and disclosures of material topics.



## Identification and Evaluation of Importance

Our selection of reporting topics reflects our ability to create and sustain value in the short, medium and long-term, through capitalizing on our strengths as presented in this report.

Therefore, in our identification process of relevant and important topics, we have taken into consideration a diverse set of criteria before reaching the final selection phase:

1. Stakeholder inclusiveness: important issues to our

stakeholders through voicing their needs and interests (as presented above).

2. Importance to our sustainability commitments.
3. Magnitude of impact on our value creation.
4. Likelihood of occurrence in light of our market analysis (as presented in this report).

## Prioritization of Material Topics and Reporting Boundaries

In setting priority topics, we took into account our risk analysis, considering all factors that have an impact on our business, or is impacted by our business, regardless of our current ability to create value on the short term.

The inclusion of topics of external-boundaries nature enables the bank to consider more long-term

opportunities and take into account the indirect impacts of our value creation.

For those material risks, we have identified opportunities and highlighted how our capitals are best mobilized to create value, both directly and indirectly, on the short and long terms, and consequently their contribution to sustainability dimensions.



## Disclosure of Material Issues and Assessment Methods

Given that this is the first report cycle for the bank, with no materiality process conducted during the previous years, the validation of the selected material topics was fundamentally mapped to our strategic objectives. This also ensured the connectivity and consistency of future comparative progress and detection of variation in capitals and value creation.

The disclosure on the various topics was presented through quantitative and qualitative indicators to ensure, both, future comparability and context. However, our methods of assessment and disclosure on value creation often resorted to qualitative explanation to reflect the quality of capitals and their trade-offs, or underlying reasons for significant variations from targets, trends or benchmarks (particularly during those reporting years where market volatility has peaked in 2016 and where many new risks were flagged despite their low likelihood of occurrence).

Our objective is to capture the connectivity between the

material risks topics, and the bank's strategy, business model and capitals.

It is important to emphasize that as we aim to further develop our integrated approach and practices, the bank was able to articulate significant movements in the capital, more often through qualitative disclosures that describe the bank's value creation over the reporting cycle, such disclosures can be observed across the various sections of the report through interdependencies and trade-offs of internal and external capitals, and within the components of the same capital where applicable.

Finally, given that the report's span over three fiscal years (2017-2019), we found that our representation of some disclosed material topics was often more coherent and contextualized when they are collectively reported with disaggregated KPIs, while on the other hand, our overall performance was best demonstrated when progress is reported based on year-over-year results.



*Our objective is to capture the connectivity between material risk topics and the Bank's Strategy, Business Model and Capitals.*

## A Progressive ESG Journey

The ESG Policies are being progressively put in place as shown in the maturity progress of Crédit Agricole Egypt's sustainability journey. This can be observed through this first integrated report.

Accordingly, the dual dimensions methodology of our material topics determination (materiality conducted based on IR framework and referencing GRI standards on sustainability practices) has brought the light on common topics related to ESG practices.

This dual integrated approach is aimed to lead to a new level of maturity where investment analysis and portfolio construction shall offer our stakeholders/investors potential long-term performance advantage through ESG focus on the bank's operations and development of a fundamental base:

- for impact investment visa the products and services that we offer.

- for investments' impact via our efforts towards social and environmental issues.

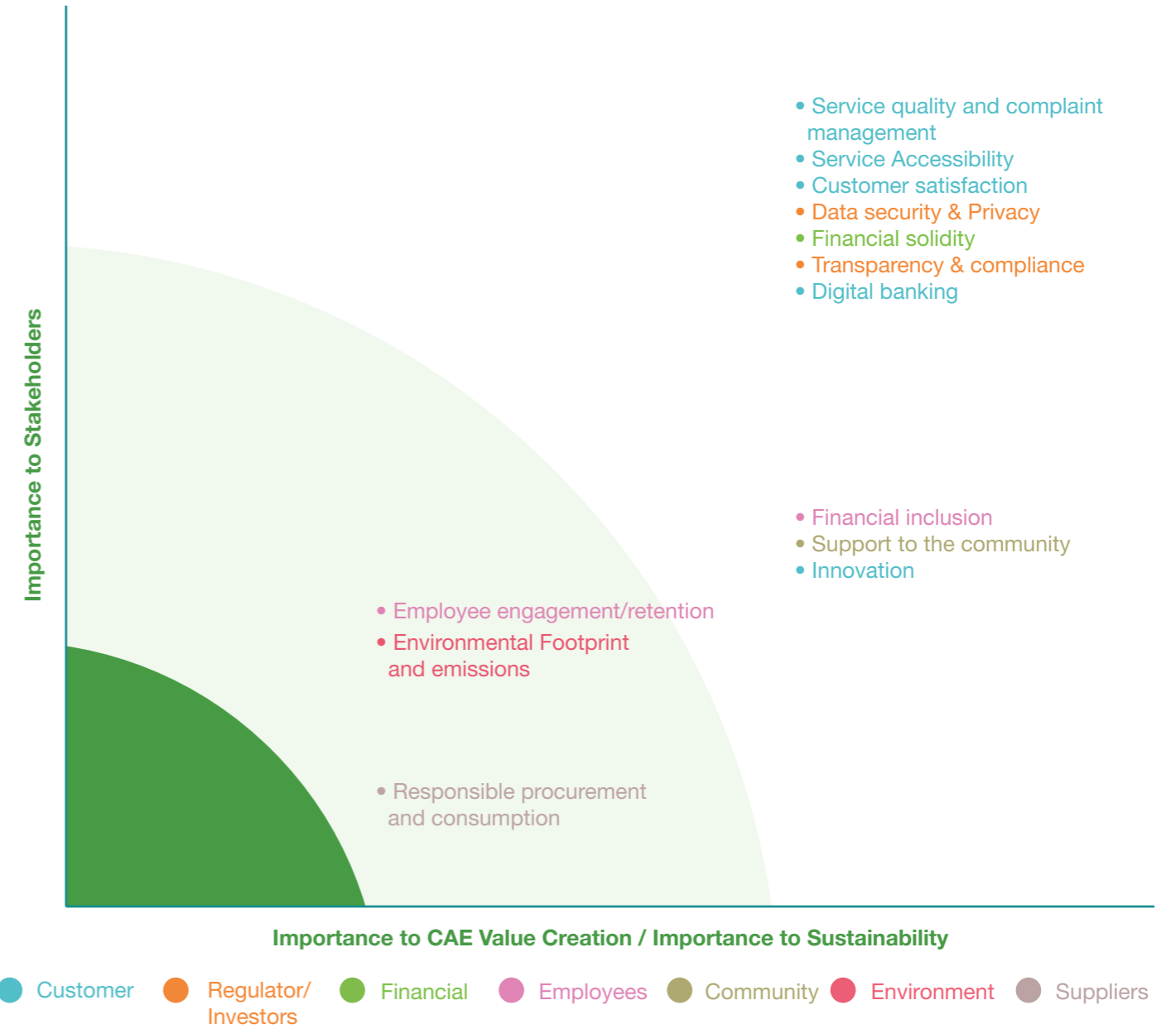
We used the results of our materiality assessment to guide our disclosures' alignment to ESG and to ensure transparency with regard to ESG issues of greatest importance. As a result, an outline of ESG topics are drawn in relation to issues that are most relevant to both external stakeholders and the bank's core business strategy.

With sustainability engraved in our mission and business model, we are proud that our strategy reflects a true responsible growth where we recognize the intrinsic link and impact between Crédit Agricole Egypt's strengths and that of the communities and economies where Crédit Agricole Egypt operates. Leading our growth with those goals in mind enables us to build resilience and better solutions for the future.



*We recognize the intrinsic link and impact between Crédit Agricole Egypt strengths and that of the communities and economies in which Crédit Agricole Egypt operates. Leading our growth with those goals in mind builds resilience and better solutions for the future.*

Material Topics In Priority (102-47)	Importance to Stakeholders	Importance to CAE Value Creation Importance to Sustainability	Stakeholder/ Topics Category (102-44)	Topics Boundary (102-46)
1 Service quality and complaint management	H	H	Customer	External
2 Service Accessibility	H	H	Customer	External
3 Customer Satisfaction	H	H	Customer	External
4 Data security & Privacy	H	H	Regulator/ Investors	External
5 Financial solidity	H	H	Financial	Internal
6 Transparency & compliance	H	H	Regulator/ Investors	Internal
7 Digital banking	H	H	Customer	External
8 Financial inclusion	M	H	Regulator/ Investors	Internal
9 Support to the community	M	H	Community	External
10 Innovation	M	H	Customer	Internal / External
11 Employees engagement /retention	M	M	Employees	Internal
12 Environmental Footprint and emissions	M	M	Environment	Internal / External
13 Responsible procurement & consumption	L	M	Suppliers	Internal / External



### Responsible Growth

Anchoring our strategy on sustainability and innovation is part of our responsible growth and our continuous practices towards an efficient business focused on fostering real economic mobility and addressing societal challenges, while managing risk and providing a return to our clients and our business.

This report's sections addressed responsible growth on multiple pillars:

- 1- Growing the business (market presence, customer-focused strategy, and innovation)
- 2- Growing within our risk culture framework (managing risks and capitalizing on our strength)
- 3- Growing sustainably (through driving business efficiency and preserving natural resources)
- 4- Growing successfully with the economy and communication (sharing success: employees wellbeing and commitment to communities and environment)

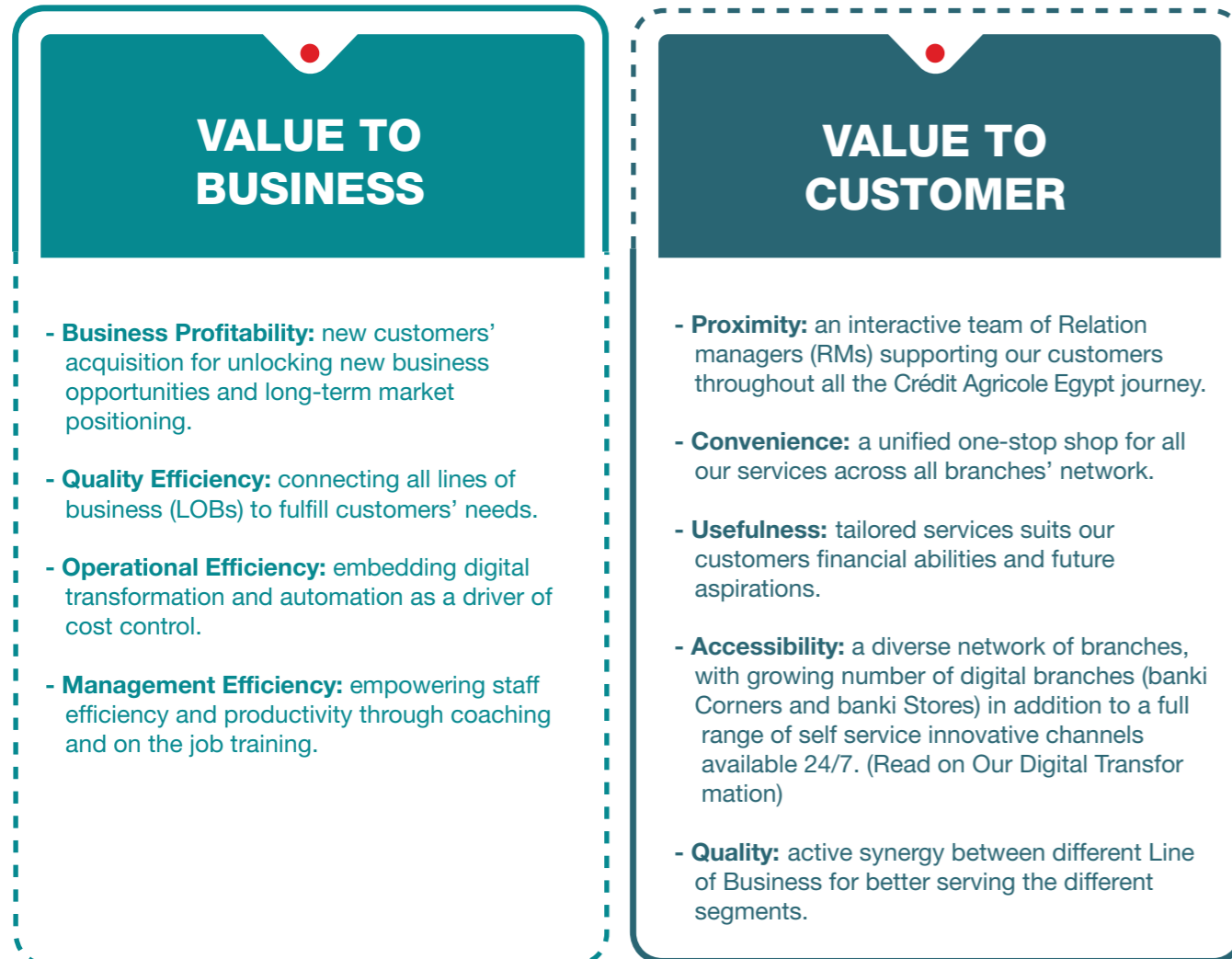


**Our  
Customers**

## Shared Value

In an endeavor to achieve our key strategic objectives, we aim to maintain a comprehensive, long term relationship with our customers, giving them access to the group's expertise and building a 100% human, 100% digital model. Our approach is marked by being customer-centric, where the customers (individuals and businesses) are the main focus of all of our

operations strengthened by the acceleration of digital transformation across the bank in equilibrium with network optimization and expansion, which takes the meaning of proximity of financial services to a whole new level. This allows Crédit Agricole Egypt to create shared value to our business as well as to our customers.



## A Customer-Centric Business Approach

By putting the customer at the heart of the bank's strategic growth, Crédit Agricole Egypt geared its activities with a focus on quality to offer a distinguished experience along with products and services to meet customers' needs and ambitions being an individual or a business customer.

Believing that companies are the driver for economic growth, Crédit Agricole Egypt draws on its Group's international expertise coupled with its own extensive local market knowledge and broad staff expertise, to build a relationship of trust and partnership.



## Our Individual Customers



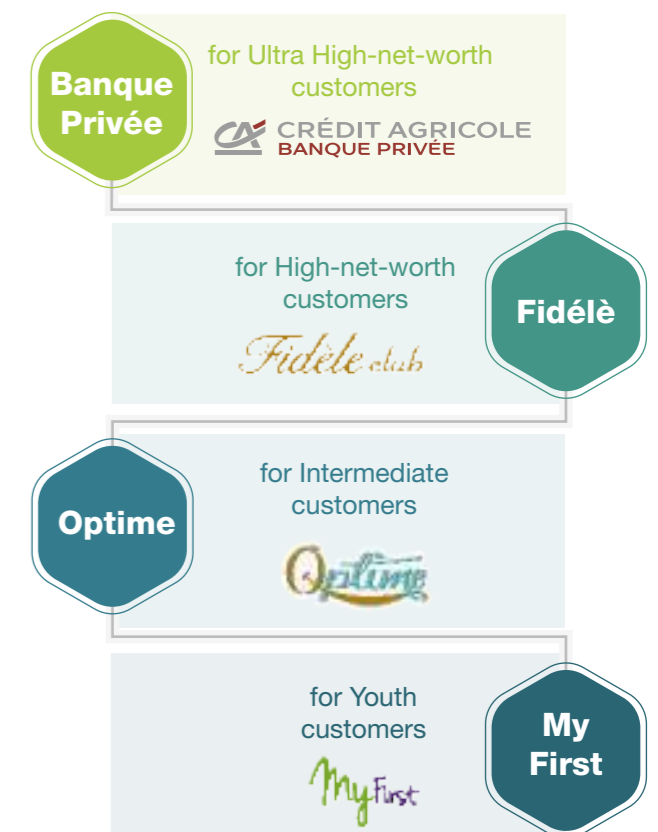
### Value Offerings and Strengths

#### Tailored Products and Services based on knowing our customers

- **Portfolio management according to customer segmentation:**  
Crédit Agricole Egypt applied portfolio management rules defining the number of customers per relationship manager to focus on the quality of service offered by listening to the customers giving the right advice.
- **Customer tailored offers and innovative products:**  
Understanding that customers' needs vary along the life journey, Crédit Agricole Egypt has developed a set of comprehensive tailored offers constantly enriched to accompany the changing and growing needs as well as meeting the customer lifestyle. The offers are based on empowering customers' financial abilities and unlocking their potential to meet their future ambitions.
- **An easy installment plan "Ta2seet"** was launched in 2019 to satisfy credit cardholders' need to amplify their purchase power with a convenient payment model.
- **A new concept account "Quattro"**, was launched to fulfill customers' needs for a convenient banking product combining the traditional account with digital tools. It combines the account, SMS, debit card and digital services in line with the bank's multichannel strategic approach 100% human, 100% digital.
- **Having special focus on youth**, building the future of Egypt and being the customer of tomorrow, Crédit Agricole Egypt has launched for the first time in Egypt a dedicated package for youth aging 18-25. The package has been tailored based on the youth needs and aspirations collected during focus groups. This aims to provide the youth with the right support while taking their first independent

financial steps **My First** empowers youth with a payment card, with access to digital services and a reward program.

- **Segmented credit facilities customized to customer abilities:** to answer the needs of special segments to higher purchasing power, Crédit Agricole Egypt has launched teachers' loans, self-employed loans and employed loans. These facilities come to add on Crédit Agricole Egypt's exhaustive range of products tailored to meet the needs of doctors, pharmacists and university professors.



### Voice of the Customer

- In 2019, and in line with the set objectives of Crédit Agricole Egypt's strategy and group MTP, a dedicated department has been established "Voice of Customers" aiming to combine the phone banking (call center), banki ATMs management, digitalization of branches and customer experience for a stronger and impactful listening and response to customer needs.

Furthermore, a specific unit is dedicated to handle customer complaints according to strict norms and processes to protect customers' rights.

- Additionally, Crédit Agricole Egypt has put in place a

new organization with a Customer Champion who will be responsible to orchestrate all activities leading to customers' satisfaction and the reduction of any encountered pain points.

- Dynamic listening tools has been put in place to capture customer voice and act in accordance with a variety of length and frequency varying from instant feedback, such as the call center, to long bi-annual surveys, which is the customer recommendation index conducted on the level of Crédit Agricole Egypt customers, as well as customers of other banks ranging in the same category.

### Voice of the customers - Listening tools

#### Dynamic customers' voice



### Increased customer engagement & loyalty

- Ongoing customer engagement:** campaigns are launched to prove the bank's proximity to its customers and to intensify the relationship addressing the difference.
- Implement a "Customer at the Heart":** a comprehensive project aims to strengthen the customer relationship through the efficient management of the customer value and lifecycle, which will in turn increase customer engagement and decrease attrition. This new tool coordinates the different bank channels to provide the customer with personalized offers through the appropriate channels.
- Acknowledging customer long term loyalty:** engaging customers and rewarding their loyalty is a key driver to their satisfaction. On the occasion of the bank's 10th anniversary, Customers' voice was valued

through a testimonial campaign. Additionally, Crédit Agricole Egypt has launched an important loyalty campaign rewarding customers with more than 05 years of relationship. Overall 60% of Crédit Agricole Egypt customers' base were acknowledged.

- Loyalty Recognition:** To further customer's engagement and integrate innovation in the daily relation with customers, a totally new reward program is foreseen to be launched in 2020. Different from the classical price-based promotions, the program is based on the recognition and fulfillment of the customer's lifestyle. For the first time, the program will reward customers based on both cards' transactions & digital channel transactions. Customers will be able to use their rewards in a digital hassle-free process.

### Convenient & diversified reach

#### Long channel acquisition:

To increase the customer acquisition opportunities and offer the convenience at the onboarding level, Crédit Agricole Egypt has reinforced its consumer lending and payroll teams and has created a unique online acquisition platform with attractive welcome offers and multiplied its activations during financial inclusion.

#### Network optimization:

Crédit Agricole Egypt gave attention to the optimization of its network. Consequently, 2018 and 2019 witnessed a vibrant activity in the expansion and optimization of the network, adding, relocating and renovating 23 branches across Egypt and inaugurating the new model

branch banki Store. For its network of ATMs, Crédit Agricole Egypt worked on 2 priority axes: expansion and modernization. The bank has realized an increase of 17% from 2017-2019. It introduced new machines with modern technology, higher capacity and speed.

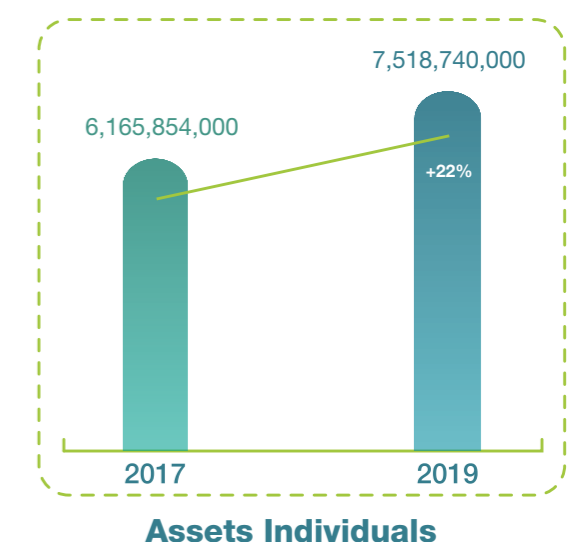
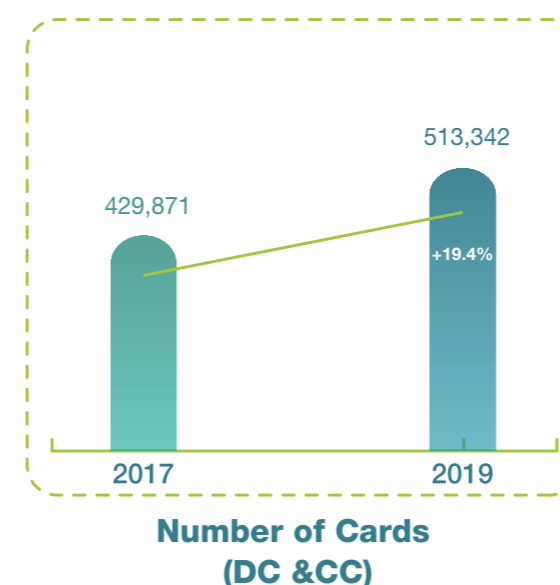
#### banki Store 100% human, 100% digital:

In 2018, the first digital branch in Egypt was inaugurated under the brand "banki Store", a whole new concept delivering a totally new customer experience. This iconic branch model is based on a balance between digital services and banking consultations, aligned with the bank's strategy 100% human, and 100% digital. (Read on Redefining Proximity).

2018 and 2019 witnessed a vibrant activity in the expansion and optimization of the network, adding, relocating and renovating 23 branches across Egypt and the inauguration of its new model branch banki Store.



### Performance



## Our Business Customers

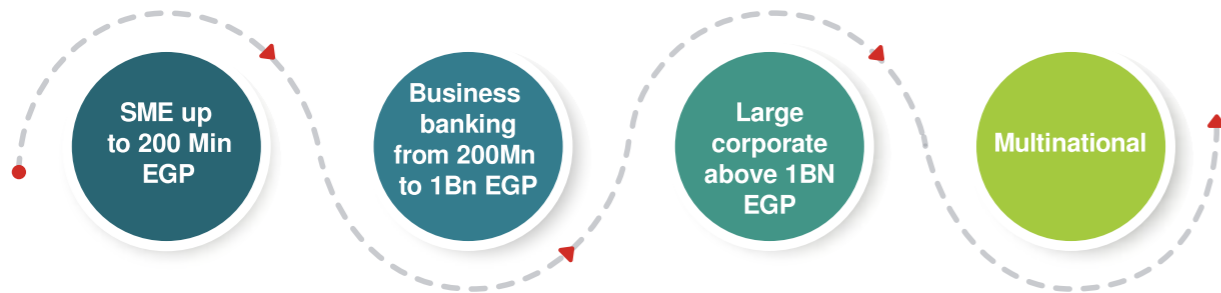


### Value Offerings and Strengths

#### A customer relationship built to last

With a multi segment approach, Crédit Agricole Egypt is present across the spectrum of customers, satisfying the daily operations and growth needs of small and medium enterprises as well as large companies. Crédit Agricole Egypt also pays particular attention to the accompaniment of multinationals having global relationship across the Group.

Crédit Agricole Egypt has structured its teams to support companies with a dedicated portfolio management according to the specific type of needs in rapport to its sales volumes and operational sector.



#### Specialized business centers

Crédit Agricole Egypt has specialized business centers disseminated nationwide based on customers' needs in the different key industrial geographic areas. The business centers offer high quality services and active account management all in one place empowered by our dedicated, experienced, and committed team.

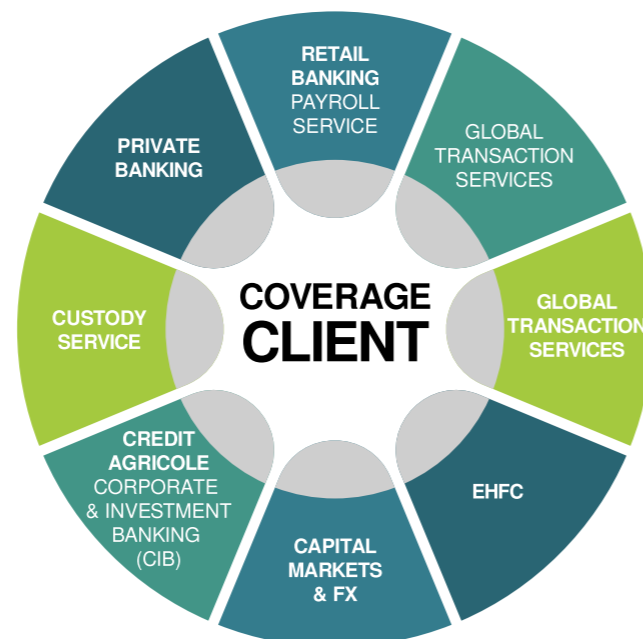
#### Combining the local and international expertise in an integrated approach

- Endorsed by the Group, Crédit Agricole Egypt offers its local customers access to experience and support worldwide through the specialized business lines. Additionally, Crédit Agricole Egypt supports and serves the Group's network of multinational customers investing in Egypt
- Crédit Agricole Egypt has established a permanent internal dialogue to identify the best means to serve customers based on a homogeneous approach and empowering synergy between the different business lines through intensified relationships with the customers to create more business opportunities.
- In the fast changing financial world, thanks to its combined expertise of local and international practice, Crédit Agricole Egypt offers companies tailored financial solutions to meet the highly dynamic changes and untraditional transactions along all sectors from bilateral/ multi bank/ syndicated loans. All this is supported by our international products and

specialized experts. These solutions offer accessibility to the Central bank of Egypt's initiatives for business support.

#### Introduction of non-financial services

To support the progression of the business on all spectrums, Crédit Agricole Egypt has introduced in 2017 non-financial services to allow companies to connect with specialized and professional suppliers to benefit from sound advices in different fields with a preferential treatment and pricing.



#### Actively contributing to the national Economy

Crédit Agricole Egypt is actively taking part in substantial infrastructure projects in diverse sectors, serving the national road map set for expansion to cover the growing needs of the economy and to provide new revenue streams that contribute to economic development.

#### A look at the SMEs

Being the backbone of the developing economy, Crédit Agricole Egypt focuses on the SMEs sector. To support their growth, Crédit Agricole Egypt answers to SMEs' specific needs, by providing the right advice and tailored financial solutions, to accompany them through the different stages of business' evolution and pave their way to reach a strong and mature financial status. The bank also capitalizes on the Central bank of Egypt's initiatives to boost the SME's financial capabilities.

Understanding SMEs' pain points, Crédit Agricole Egypt is seeking innovation to revolutionize the supply chain finance. The bank has conducted a hackathon to digitalize the SMEs supply chain with the objective to empower the suppliers and positively impact their performance ability and product & service delivery. This will in turn ensure the momentum of deliverable to Credit Agricole Egypt's large companies to create a positive and sustained productivity and sales (Read on Innovation).

In its future approach, the bank is working to digitize the whole process from onboarding till granting of facilities, which will decrease the time to yes, maximizing the financial abilities of the suppliers and enhance the bank's asset portfolio.

#### Microfinance – Grameen Foundation

With the knowledge and expertise of Credit Agricole Group Grameen Foundation, Crédit Agricole Egypt finance MFI to support in turn un-bankable entrepreneurs and grow their financial capabilities. (Read on Our Community)

#### Overcoming challenging foreign exchange scarcity

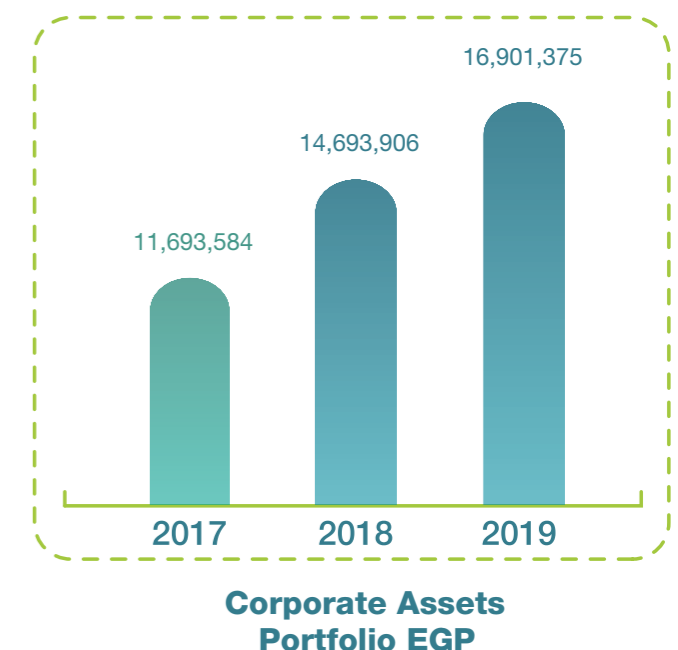
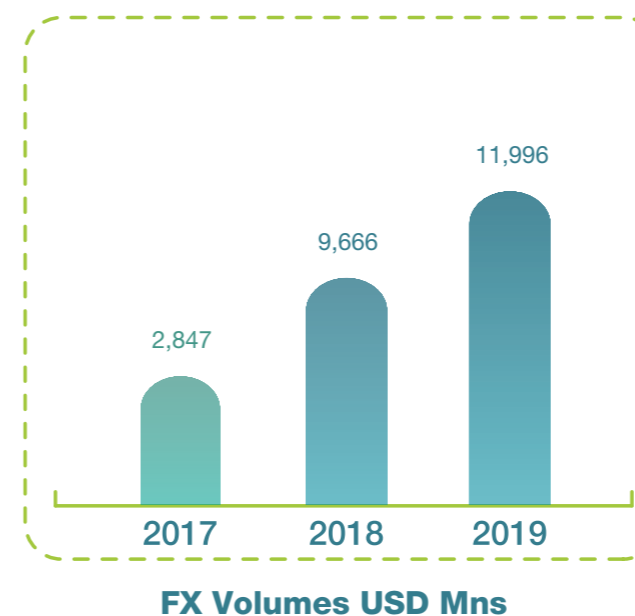
To support its customers' needs following the decision to devalue the EGP in 2017, Credit Agricole launched the foreign exchange sourcing initiative. The aim was to achieve self-sufficiency, in view of the limited available currencies in the market, by approaching existing and new clients to secure a monthly flow that would contribute to support the trade finance requirements of other clients.

Furthermore, Crédit Agricole Egypt was able to successfully allocate FCY to all of its pre-float pending backlog for imports by Q3- 2017 as a result of strong inflows and improved liquidity, which improved the standing of Egyptian importers with regards to their suppliers, as it restored suppliers' confidence in Egyptian importers ability to pay back their dues.

Prior to the decision to devalue EGP in 2017, the FX Committee was established to set and define the bank's maximum exposure on short and long term for the bank's portfolio of foreign currencies. It decided of the optimum usage of the available FX to support key customer relationship in relation to their operational requirements and the contribution to the growth of the economy directly or indirectly.



### Performance

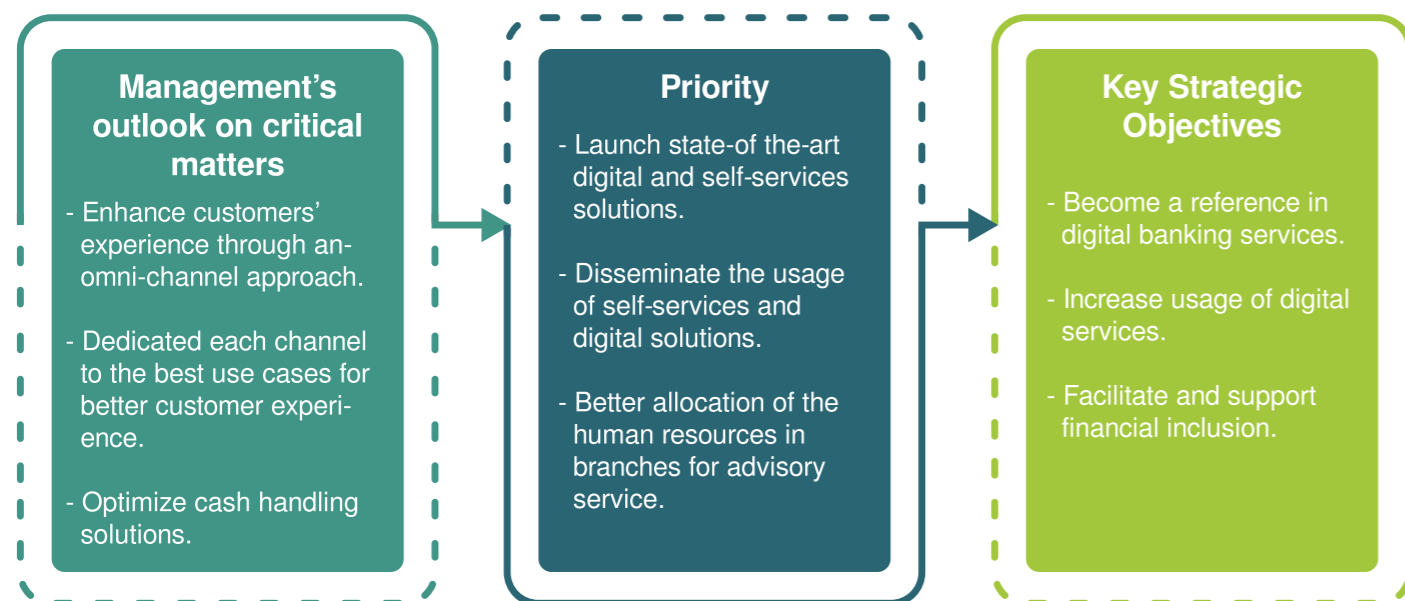




## Redefining Proximity... Full human responsibility and digital excellence

Crédit Agricole Egypt's approach is amplified by the reliance on digital transformation and innovation, which enables the bank to provide our customers with reliable, fast and easy banking services. Crédit Agricole Egypt has embarked on a digital transformation journey across the bank in order to offer a multichannel 24/7 model for customer's convenience that redefines proximity.

Our efforts towards achieving key strategic objectives address the challenges ahead through Integrating new and innovative ways of banking and keeping up with the new trends to maintain leadership in banking digital services, in addition to fostering social impact through supporting financial inclusion.



### Our Strengths

#### Highlight on the Digital Transformation Strategy

In the light of Crédit Agricole Group's medium term plan, Crédit Agricole Egypt has developed an ambitious digital transformation roadmap in 2016 aiming to redefine proximity to its customers.

In this context, the bank has stepped in a strong and accelerated digital transformation plan across the bank

to implement an omni-channel approach for the first time in Egypt.

Offering an agile and seamless experience, the bank's objective is to provide customers the freedom to choose how they want to interact with the bank 24/7 to fulfill a 100% human, 100% digital banking model.

#### Main enablers for digital transformation

- A solid banking infrastructure with a new core banking system launched in 2015.
- Establishing a collaborative business model integrating all support functions initiatives.
- Constant enhancement and upgrade of the digital banking experience.
- Create an internal digital culture.

#### banki by Credit Agricole, 100% human.. 100% digital

Towards the implementation of a fully-fledged platform of digital services for individuals and companies, Crédit Agricole Egypt has taken progressive and quick steps:

##### • banki Mobile

Launch of its banki mobile application towards the end of 2016 along with successive enhancements and releases bringing new features to be in line with customers' requests and fulfill their needs. Version 4 of the application has been released in 2018 bringing new security and easy recognition features. The application has received several awards as the best mobile application in Egypt.

##### • banki Soft and Hard Tokens

Launch of banki soft and hard tokens to reinforce the security of operations.

##### • banki Wallet

Launch of banki Wallet to support the digitalization of cash in Egypt and support financial inclusion.

##### • E-Statements

Launch of e-statements to allow easy and constant retrieval of balances and to rationalize the consumption of natural resources.

##### • banki Business

Enhancement and relaunch of banki Business, the corporate online solution to provide companies with a more convenient and smart solutions for account management. Equipped with the latest technology with the ultimate security, it facilitates the day to day banking activities and payment reconciliation and automation (treasury, supplier and government payments).

##### • banki Corners and Digital Greeters

Based on a study of customer insights, Crédit Agricole Egypt is the first bank to implement this new concept to address customers onboarding to digital services. The digital corner hosted by a digital greeter concept was rolled out in main branches. Equipped with a digital screen projecting educative videos as well as mobile and tablet devices, the greeter reveals the convenience of the digital services to customers and how it can facilitate their day to day banking.

##### • banki Store, a new branch model

In 2018, the bank inaugurated the first digital branch in Egypt under the brand "banki Store", which is a whole new concept delivering a totally new customer experience. This iconic branch model is based on a balance between digital services and banking consultations. Reinforcing the concept of digitalization, the customer services & cash procedures were revisited to optimize processes, reduce paper usage and ensure speed of service. Equipped with top-notch devices in the self service area and greeter zone including; video wall, transparent screen with rear projector, stand-alone video call screens, tablets, mobiles, WIFI, interactive vertical screen, smart queuing system, feedback management systems, ATMs (Automated Teller Services) etc... all those are leading to early indicators of customers' satisfaction.

##### • 1st cashless banki Store branch

Crédit Agricole Egypt launched its first cashless branch in March 2019 – a new concept of banki Store to provide value added services using digital channels availed in the digital and video conferencing zones, in addition to high-capacity ATMs to accommodate large digital cash transactions and fund transfers.





### Our Value Offering

- Digital services are available 24/7, which overcome the limitations of working hours/days in branches and allow customers to transact on basic operation at anytime from anywhere.
- Less visits to the branches for daily operation is a gain of time.
- Decrease the need to commute, which consequently reduces the carbon footprint.
- The reduction of basic transactions in branches, allowed the bank to re-channel more staff to the customers' service areas to enhance the relationship management, provide better advice and follow up on customers' projects.



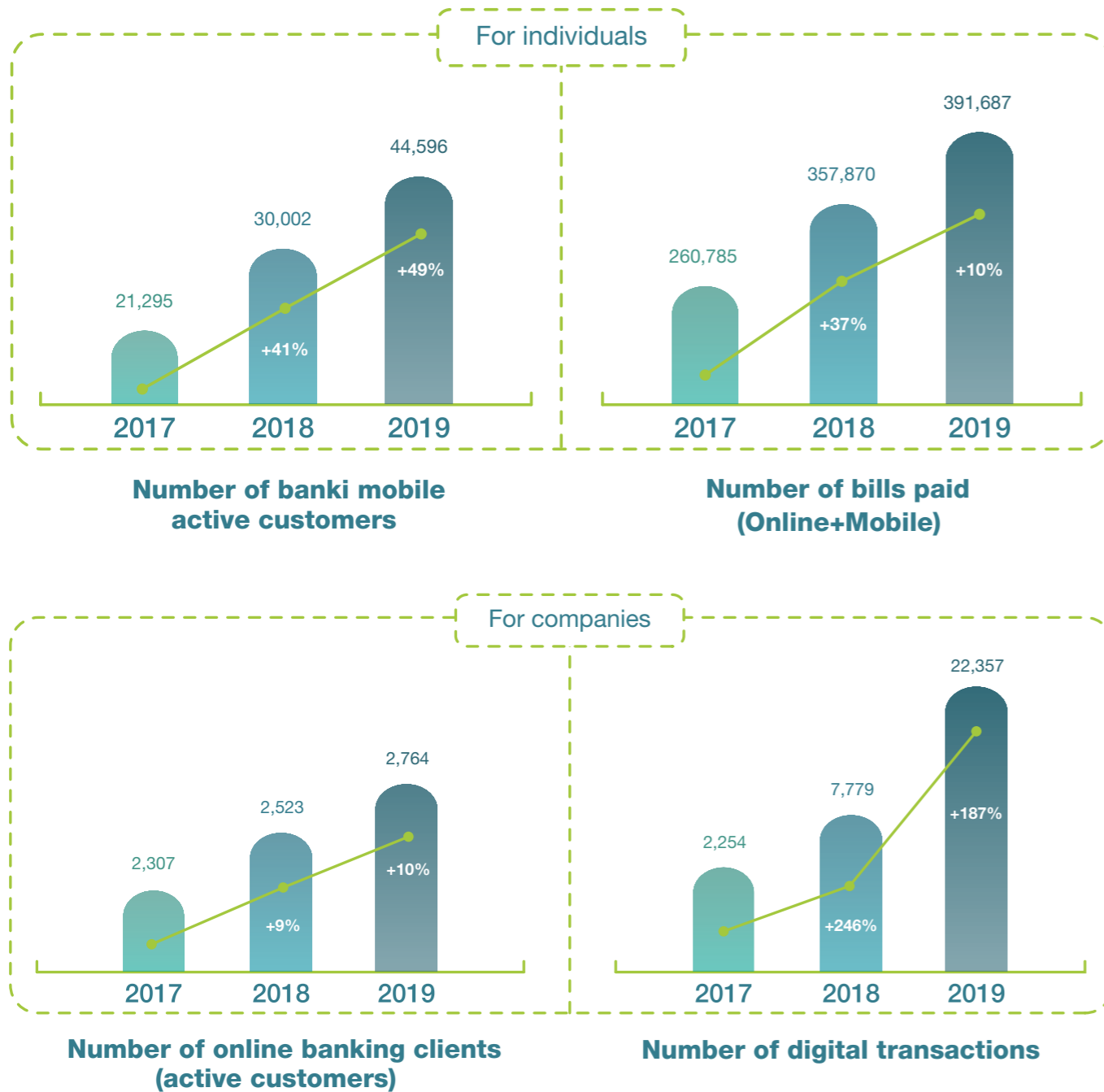
### Our Performance

- Around 1 out of 3 customers is registered in digital services.
- Approximate total number of digital transactions (excluding ATMs) and including banki Mobile, Online and Wallet is 1 Million.
- Approximate total number of website visitors is 1 Million.
- Number of followers on social media around 750 K.
- 1 of 2 customers use the fingerprint login feature on banki Mobile.
- 100K registered customers in banki Wallet



### Our Awards

- "Best in Mobile banking – Consumer category" in 2018 from Global Finance Magazine.
- "Best Mobile banking application (banki Mobile)" in 2019 from Union of Arab Banks
- "Most innovative Digital Bank – Consumer category" in 2018 from Global Finance Magazine.



## Innovation... A New Mile to Accelerate Transformation

The new milestone in the digital transformation journey is to reinforce innovation to deliver customer experience excellence. Crédit Agricole Egypt is further incorporating innovation in its business model and going towards the creation of an open innovation ecosystem.

In this context, Crédit Agricole Egypt has established its innovation department with the objective of implementing full synergy:

- internally, by spreading the innovation culture to

empower all stakeholders to innovate in their area of business;

- externally, by creating strong alliances and becoming an active member in the innovation ecosystem.

2018 and 2019 have witnessed yet another step to utilize the digital transformation to the fullest by establishing the culture of knowledge-driven business through data lab to enhance the decision-making process.

### Innovation in Business

#### Transformation of Alex Sporting Club membership cards to payment cards – closed communities' concept

Crédit Agricole Egypt was the first bank to support the concept of cashless closed communities in Egypt in line with the capitalize of Egypt's plan and recent regulations to move towards a cashless society.

Crédit Agricole Egypt decided to bond with Alex Sporting Club to convert their regular access cards to a payment card for the first time in Egypt. Launched August 1st

2019, this co-branded card can be used in shopping or making any governmental payments anywhere around Egypt and can be easily reloaded through the bank's ATMs or digital channels. The card is chip-enabled to ensure security of financial data of the club's members. The concept will be leveraged in other closed communities, starting with Shooting Club Dokki.

### Innovation Internally

- Staff engagement in strategy implementation** In 2018 and in an unprecedented time in Egypt, Crédit Agricole Egypt has engaged all its staff to contribute in the elaboration of the bank's new medium-term plan "I-Day". With a participation level of over 70%, the staff shared their ideas through a digital platform. Ideas were filtered and the most significant have been integrated in the bank's plans.

- Innovation forum** Launched in 2018 and targeting the bank's executives, the aim is to have a regular unconventional local assembly for all the bank's decision makers in a creative and fun atmosphere. The innovation forum allows information sharing, future project review, and

highlighting area where innovation should be exploited for the best sake of the business and customers.

- Innovation development program** A complete 1-year long program, which started November 2019 and is designed to increase individual's and organizational awareness regarding innovation, and to create a culture of real innovation within all lines of businesses inside the bank. It also aims to find and select hidden talents within the organization and select some of them to act as an innovation champion between the bank who would help to spread the innovation culture and support at every innovation event and answer innovation related questions and inquires.

### Innovation Ecosystem

- France Egypt Startup Competition** In 2019, France (Ministry of Economy and Finance) and Egypt (Ministry of Communication and Information Technology) signed a declaration of intent to cooperate in the field of start-ups during the

official visit of the French Republic President to Egypt. In collaboration with the French embassy and business community in Egypt and under the auspices of the Ministry of Communication & Information Technology and the Central Bank of Egypt,

the French-Egyptian startup competition aims to encourage entrepreneurs to innovate in different topics: finance, health and sustainable cities. In order to find a platform that uses innovative ways to engage with customers or enables new ways of doing business, allowing organizations to be agile and fast in reaction to market needs and by leveraging on data analytics in the mentioned tracks. The competition has 3 main tracks: finance, health, and sustainable cities. Being part of the organizational committee early on, Crédit Agricole Egypt has been contributing actively to the conceptualization and structuring of this competition with a dedicated attention to the finance track.

- Hackathon at the Rise Up Summit** In 2019, to encourage young entrepreneurs and to solve one of the SMEs challenges, Crédit Agricole Egypt has called startups for a hackathon to revolutionize the bank's SME's supply chain finance. This topic has been carefully chosen to meet Egypt's priorities where SMEs are considered as the backbone of the economy. The aim is to find a technology-based solution that will link the various parties in a transaction (company, supplier and the bank) in order to improve business efficiency from one side and to optimize the SMEs' cash flow from the other, while respecting the bank's risk controls and Central Bank of Egypt's regulatory rules.

### Innovation for Business Efficiency

- Data Lab** Established in 2017, Crédit Agricole Egypt is adapting a proactive approach in offering its customers tailored propositions based on their needs, leveraging predictive analytics and state of the art customer value management approach & technology. This data lab aims to create the highest customers' satisfaction and utmost shareholders value. Customer value management strategic pillars:
  - Being ahead of our customer's needs "Customer centric driven".
  - Behavioral analysis.
  - Competitive advantage with ability to develop tailored products & and create a strong customer value management proposition.

- Robotics** To enhance the overall operations and processes efficiency and maximizing human resources allocation, Robotic Process Automation (RPA) have been deployed in the areas of operations & IT. These RPA serving enhanced critical processes within the bank's operation division of the customer information operation center and retail & private banking operations. RPA have been deployed in the customer information operation center and trade finance.

### Our Awards

- Most Innovative Bank – 2019 by Global Business Outlook.





**Our  
Economy**

## Driving Economic Performance

Stemming from its values, Crédit Agricole Egypt's role goes beyond being a financial partner to its customers, it is committed to serve the economy. Internationally acknowledged, the recent national reforms have

significant impact on enhancing the international confidence in the Egyptian economy and are driving an increasing positive acceleration rhythm.



### Capital Markets and Institutional Investment

Crédit Agricole Egypt is proud to take part in this global change and exerts efforts to support the inclusive growth of the national economy, endorsed by its local expertise and its international network, being part of a worldwide financial group. Crédit Agricole Egypt is actively striving to attract and introduce foreign investors to the local market, and contributes to, directly or indirectly, in major projects in relation to the sustainable development goals and the implementation of Egypt's vision 2030.

#### Investment in Government Securities

With its capacity as a primary dealer, Crédit Agricole Egypt is increasing its investments in the government's securities channeled to cover the national budgetary deficit and to finance investments in mega national

projects. The bank has been ranked among the top participants in primary and secondary auctions, as per the Ministry of Finance's auction league Table.

#### International Advisory Role

Crédit Agricole Egypt is bringing the international expertise to advise the financial and public sector institutions in order to increase their investments in foreign exchange and in securities to support the undergoing main infrastructure projects. In 2019, Crédit Agricole Egypt with Crédit Agricole Corporate and Investment Banking (CACIB) conducted the first roadshow with the Ministry of Finance and the Central Bank of Egypt in London and Paris in order to meet international investors and institutions.



### Acting in the Interest of the Economy and Consumers

#### Exposure to International Investors & Attracting FDIs

Leveraging on the international network of customers of Crédit Agricole Group, the bank is able to onboard new foreign investors and direct them to investment opportunities in Egypt. Crédit Agricole was able to attract FDI in 2019 alone worth of USD 650Mn. Additionally, Crédit Agricole Egypt plays the advocate of the national economy vis-a-vis foreign investors and takes part in different economic forums to market investments in Egypt. In 2018, Crédit Agricole Egypt sponsored the Institut du Monde Arabe's Economic Conference in France to attract foreign investments to Egypt.

#### Collaborating to Support Significant Projects

Crédit Agricole Egypt booked syndicated facilities throughout FY 17-19, with a total value of EGP 10.4 Bn. Prominent among those transactions are 3 extended to EGPC supporting the development of the oil & gas sector which was the pivot for the economic reform initiated by the government in 2016 leading to elevate Egypt's credit rating and achievements that were applauded by the international investor community.


The other three transactions were extended to multinational companies to encourage FDI and mobilize growth of the economy



**Crédit Agricole Egypt was able to attract FDI in 2019 alone worth of USD 650Mn.**



## Major syndicated loans 2017-2019

TCCBCE  
"Coca-Cola" 

EGP 2.5 Bn 7.5yr syndicated loan to finance CAPEX & WC  
**CAE Role:** IMLA & Lender  
**CAE Share:** EGP 150 MM

Egyptian Petroleum  
Company "EGPC" 

USD 1.9 Bn 7yr syndicated Loan to pay to Kuwaiti Oil  
**CAE Role:** participant  
**CAE Share:** USD 40 MM

Egyptian Petroleum  
Company "EGPC" 

USD 750 Mm 5yr syndicated loan to pay IOCs  
**CAE Role:** Participant  
**CAE Share:** USD 70 Mm

Egyptian Fertilizers  
Company "EFC" 

USD 380MM & EGP 1.1 Bn 7.5yr syndicate loan to finance CAPEX & WC  
**CAE Role:** Lender  
**CAE Share:** EGP 143.5 MM & USD 11.59 MM

Egyptian Petroleum  
Company "EGPC" 

EGP 10bn 5yr syndicated loan to pay IOCs  
**CAE Role:** Participant  
**CAE Share:** USD 500 Mm

Orange 

EGP 7bn 7yr syndicated loan to refinance existing loan & WC  
**CAE Role:** Participant  
**CAE Share:** EGP 200 Mm

#### Microfinance – Support to the Small Entrepreneurs

With the knowledge and expertise of Crédit Agricole Group Grameen Foundation, Crédit Agricole Egypt finances the Micro Finance Institution (MFI) to support un-bankable entrepreneurs. Grameen Foundation provides the knowhow and execute the required due diligence of the MFI. As a prerequisite, the bank takes into consideration the social dimension and impact of this finance and ensures the compliance aspect through "Wolfsberg Group Anti-Money Laundry Questionnaire". Total long-term facilities to MFI (Tadamon (2018) and Tassaheel (2019)) granted in 2018-2019 is 200 MEGP.

#### Support the Transformation to a Cashless Society

In a strongly cash oriented society, Crédit Agricole Egypt is actively engaged in favor of the support of the effort taken by the Central Bank of Egypt to digitalize payments and disseminate the financial inclusion. Crédit Agricole Egypt has taken serious and diverse measures to spread the awareness regarding digital services from one side and to create new innovative solutions to encourage the community to step towards digital payment tools, out of which banki Wallet, to enable bank customers to pay, settle bills and transfer money either to other bank or non-bank customers. (Read on Innovation).

#### Promoting an Inclusive Society

Believing the banking products should be availed to all segments, Crédit Agricole Egypt has created a special account with "0" fees during the first year and 50% discount on maintenance fees starting the 2nd year. In response to the CBE's financial inclusion initiatives launched during specific times of the year, Crédit Agricole Egypt conducts activations to extend its

reach beyond its branches across Egypt. During these periods, Crédit Agricole Egypt promotes the financial inclusion account and other promotions to attract new unbanked segments.

#### Attention to Youth

Crédit Agricole Egypt pays special attention to youth and provides this segment (age 18-25) My First, an offer to support their search for autonomy. This packaged offer introduces the youth to different financial services and encourages them to save. The package comprises an account, a debit card, free access to all digital services and a reward point on their spending.

To disseminate the awareness, the bank takes part in global sessions and activities to introduce the importance of banking products to the youth as an empowerment tool paving the way towards their full inclusiveness in the active manpower force and enabling them to be the drivers of the national economy:

- Global money week by the Egyptian Banking Institute. Expo 2017 supporting youth to pursue their educational path.
- Sponsored the Egyptian banking system model by the Egyptian Banking Institute at Faculty of Economics & Political Science.

#### Enhance Segment's Purchase Power:

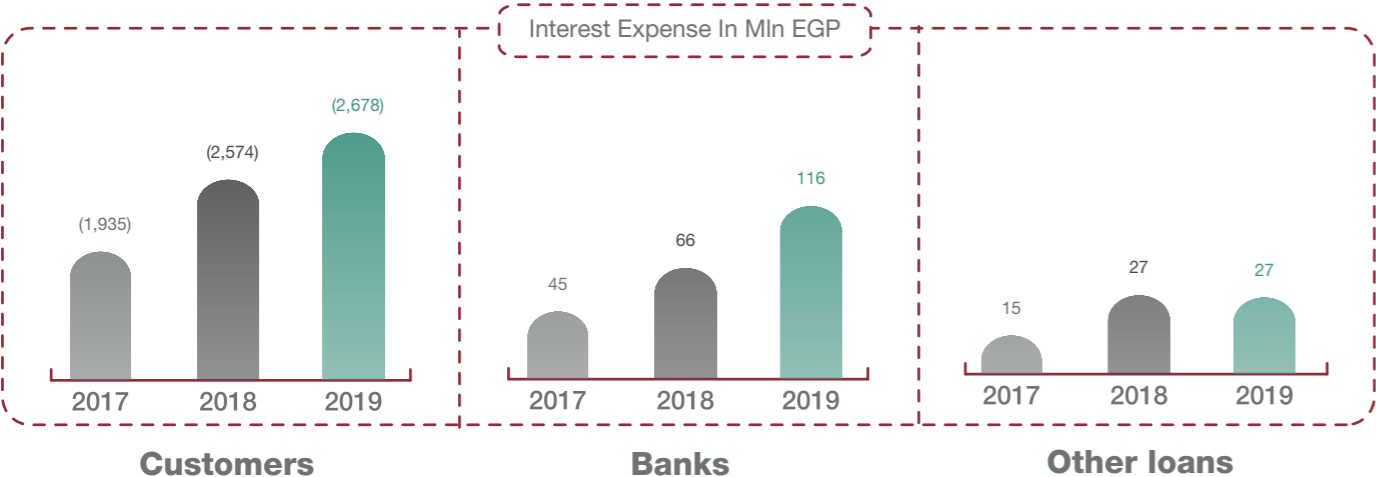
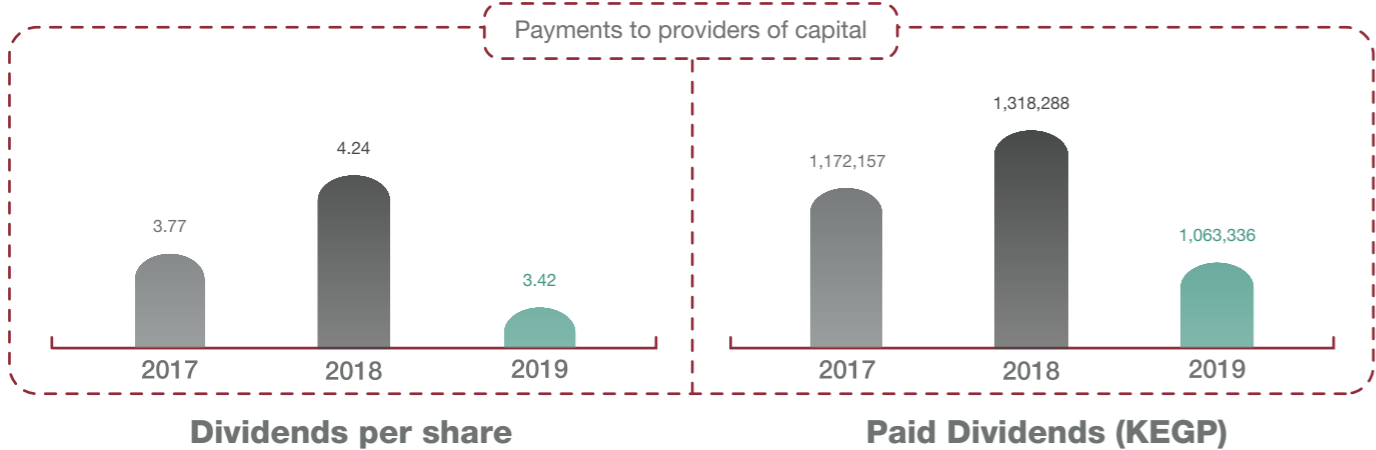
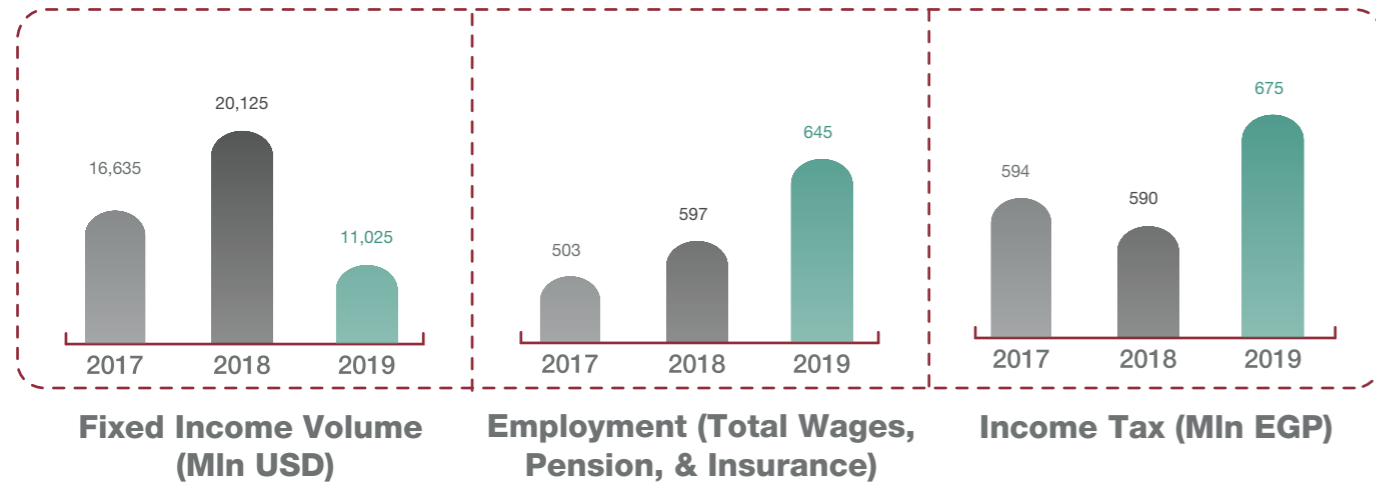
In view of the inflation pressure on the different segments, Crédit Agricole Egypt has launched, over 2017, 2018 and 2019, several finance programs to increase the financial abilities of different segments: employed and self-employed loans, teachers' loans, used cars finance, instalment plan on credit cards "Taqsit" (Read on Our Customers).



## Our Direct Economic Value Creation

We are also proud of our economic contribution to the Egyptian economy through the creation of value for our stakeholders.

Our direct monetary value added to local economies can be highlighted by, but not limited to, our employees, shareholders, and community.



## Our Awards

- Ranked 1st in Secondary Market Trading under Primary License 2017 – Ministry of Finance (Note: Ranking discontinued by Ministry of Finance)
- Best Fund over 10 years in MENA Region for EFG Credit Agricole I Growth and Regular Income Fund by Thomson Reuters – Lipper Fund Award – MENA Markets – 2018

## Driving Economic Efficiency

With the complexity of the banking industry and the challenges of combining traditional customer-relationships within the fast-growing age of digitalization, digital transformation and operational efficiency were equally and strategically essential. To achieve the strategic priority of growth and customer satisfaction while leveraging on innovation, a robust effort has taken place to achieve both key points, keeping in focus the continuous improvement by capitalizing on customers' needs, optimizing capacities and saving resources.

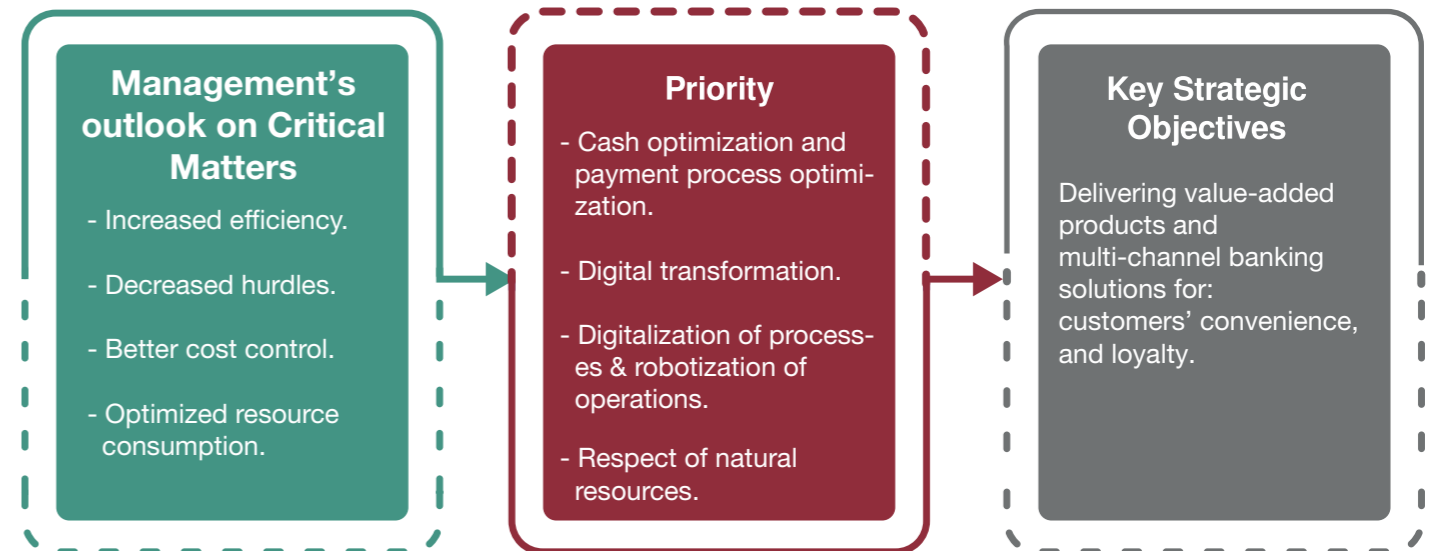
An investment in the intellectual capital was undergone to support the ongoing transformation while keeping control of operating expenses and resources, which resulted in Crédit Agricole Egypt being more efficient, posting a recurring net income increase year on year, in addition to the lowest cost to income ratios among peer banks operating in Egypt.

The bank's business efficiency practices were implemented with the objective to accelerate the

digital transformation process by promoting a digital culture and a mindset across all functions of the bank, and implementing a progressive revisit of the bank's processes and strengthening the information technology's infrastructure to further enhance efficiency and improve the customer's experience.

### Main enablers

- CA Group support and guidance through the milestones set of its medium-term plan.
- CA Group DNA to respect natural resources.
- Strong infrastructure
- Clear plan for digital transformation.

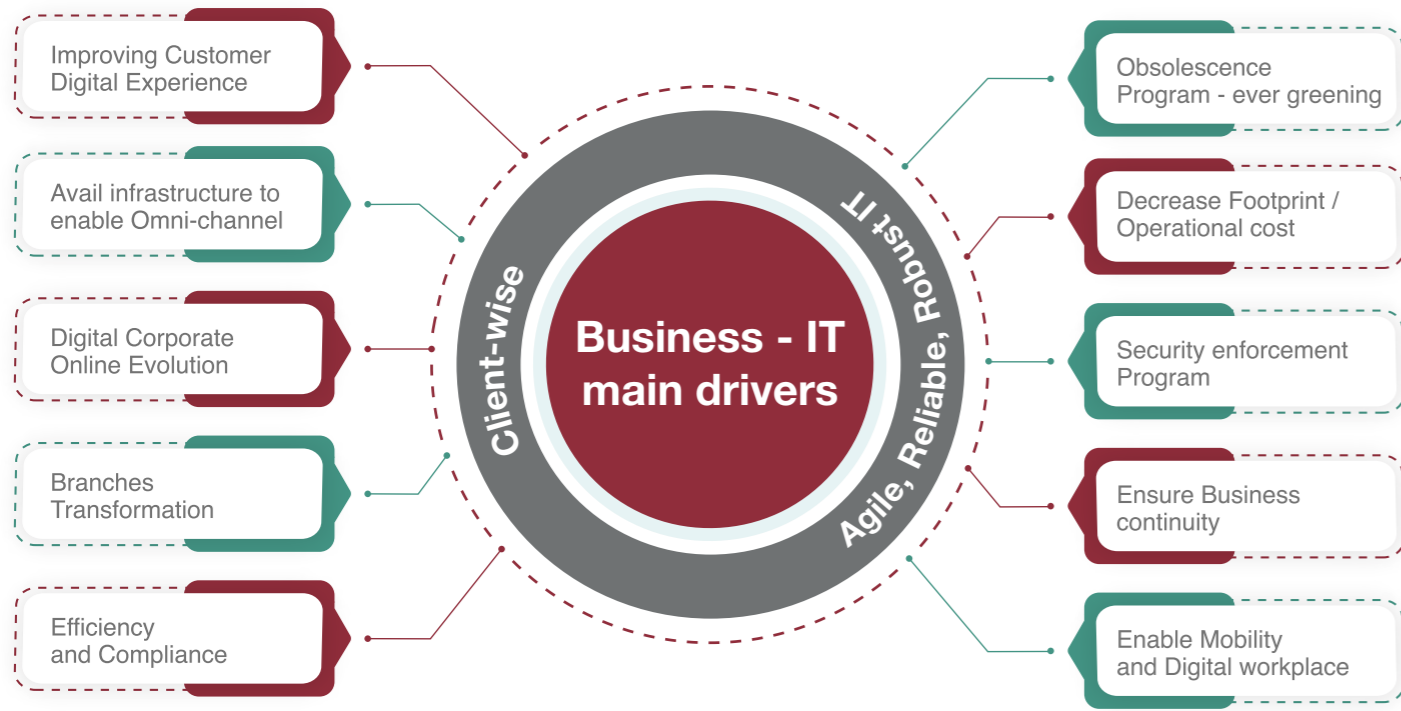


## Our Digital Transformation

To respond dynamically to the business requirements and define needed investments in the bank's foundation, an extensive exercise was conducted to identify gaps and create a target model which includes acquiring new state-of-the-art solutions, updating of systems, solidifying infrastructure with a more flexible and modern one that enables the bank to cater for capacity growth, shorter time to market, and availability targets. Following the group's model and standards in terms

of digital banking and security while leveraging on innovation, was set as a roadmap to ensure:

- Flexibility of the core applications
- Presence of a data warehouse-based profitability platform along with good analytical tools.
- Existence of robust primary data center and adequate space for expansion to cater for upcoming business growth plans



### Achievement

- Infrastructure consolidation and servers' virtualization - relocate the data center and increase of its capacity
- Systems evergreening
- Improve digital workplace and utilization of new collaboration tools such as Jabber, WebEx, SharePoint.
- Apply data centric approach with proper data resource management.
- Revamp the integration platform to pave the way for the omni-channel solution and implement a platform application program interface (API)
- Support network transformation.
- For branches, implementing new digital signage and queuing, optimizing network bandwidth, enabling Wi-Fi for customers, and providing necessary technology for bank Store and Corner concept.
- For ATMs, implement a modernization project for the systems and security
- Support and avail tools for automation for banking processes (Straight Through Processing, Robotics and new integration platform)
- Launch banki by Credit Agricole platform along with the constant update of its different services and addition of new features
- Implement the Group MTP project "Customer at the Heart", introducing the latest Customer Relationship Management System (CRM) in addition to a state-of-the-art marketing tool

### Impact

- Reduction of IT operational spending and increase of service quality and availability.
- Contribution to the reduction of power consumption
- Support the business growth.
- Improvement of the quality of operations and reduction of incidents
- Ensure better user experience for higher efficiency.
- Ameliorate understanding of customer behavior to support the customer-centric approach
- Optimize customer experience
- Better customer experience
- Increase efficiency, optimize resources and delivery time
- Shift customers towards digital services and decrease commuting needs
- Increase customer engagement and satisfaction.



## Performance

### Natural Capital

Contribute to the bank's effort to decrease the carbon footprint by reducing:

- The Bank's power consumption through the virtualization of servers and consolidation and update.
- Customers' commuting through the new digital services

### Manufacturing Capital

Total IT related capital expenditures from 2017 to 2019: 230 M EGP NB. Approximated figure

### Intellectual capital

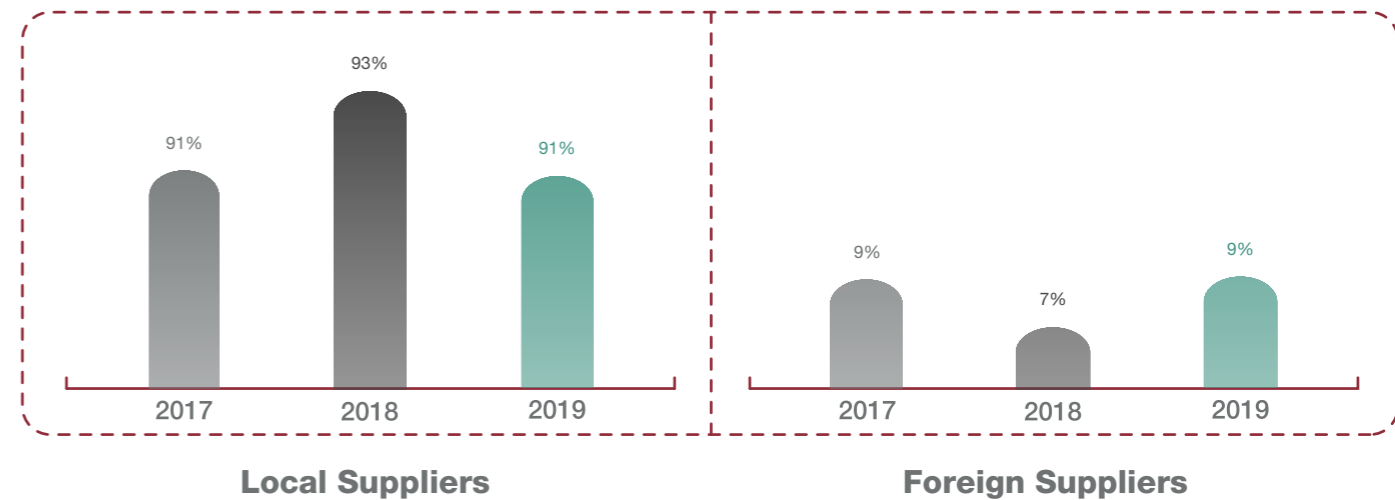
Introducing banki by Credit Agricole Egyot platform of digital services new technologies: data based marketing tool, tag management, data mining, EDR (Endpoint detection and Response) security enhancement, robotics, Engineered systems



## Our Supply Chain

Crédit Agricole Egypt procurement sourcing has 3 categories: technical(covering IT), banking professional services and low value spend (covering logistics, safety, and related services), and other goods and services (covering Marketing, Communication, HR).

Although the bank deals with both foreign and local suppliers, we rely mainly on local suppliers with a percentage of more than 90% on average for the reporting years.



## Our Operational Challenges and Efficiency Solutions

To achieve efficiency relying on digitalizing and innovation, different projects were conducted on the bank's level to face the identified 3 main challenges:

- Human: reduce effort and stress on our employees in branches for better performance

- Intellectual: simplify processes for better turn-around time
- Natural: decrease natural resources consumption for slowing environmental pollution.



### Business Impact Analysis for Continuity

#### Objectives

Business Impact Analysis (BIA) is a process that allows us to identify and prioritize critical business functions and predict the consequences of a disruption in one of those functions. BIA is an essential component of the bank's business continuity plan; it includes an exploratory component to reveal any vulnerabilities and is considered as a planning component to develop strategies for minimizing risk.

#### Actions

The scope of the conducted BIA exercise covered all the bank's functions and relevant services in order to define necessary recovery requirements. As a result of the exercise of gaps validation, the decision-making body is continually working on the required actions and investments to remediate the defined gaps.

#### Results

The BIA project has defined the processes and activities related to the Business Continuity Plan / Disaster Recovery Plan such as the impact assessment of different issues and risk scenarios, activities, resources and investment to be recovered on priority bases in case of disaster and identification of product/service delivery requirements following a disruptive incident.



### Go Digital

#### Objectives

The Go Digital project was launched in 2017 with the aim to reduce paper consumption through digitalizing and changing the staff's culture. Different actions were conducted on the internal and external level and several actions were taken in order to reduce printing and digital archiving for secured, easy and long-term retrieval of old files.

#### Actions

- Enrollment under the scanning & microfilm centralization center for the Finance and HR departments documents.
- Amendment of procedures to avoid printing unnecessary papers in certain areas such as fund transfer, retail operations and clearing center.
- Launch the e-statement and fees application on printed version to encourage customers to move to digital statement.

#### Results

The comparison between 2016 and 2018 is indicative on the level of the Operations department: 1M A4 papers was saved as a result of optimization actions and paper consumption decreased with 50%.



### Cash Optimization

#### Objectives

- Optimize payment processes by applying innovative digital-based solutions towards an efficient client centric model.
- Increase of operations efficiency by centralizing some activities in the Head office.
- Improve business efficiency by allocating more resources to commercial and service activities.
- Decrease engagement in non-value-added transactions that can be easily executed through the newly introduced digital channels.

#### Actions

The performance was driven by the aggregation of multi-dimensional mechanism which includes the following:

- The introduction of new concepts side by side with the proper understanding and implementation of the technological advancement. Examples include but are not limited to implementing 5 banki Store, 15 banki corners, 16 additional ATMs, 1 cashless branch, banki Wallet.
- The smart implementation of lean optimization on some painful processes with the aim of eliminating wastes and non-value-added activities. With this concept, 18 processes had been successfully transformed.
- Within the lean optimization approach, focus also is on the continuous improvement of the processing turnaround time for essential activities such as trade finance, not only to reach, but also to exceed the market benchmark (50 min.).
- In addition, the change management is considered the dominant gene based on which both, the customer level and the front level, have been reformulated, such as in the cases of "New Tariff strategy", and "Global Bank Transaction Dashboard".

#### Results

- 4.4% increase in remote channels contribution in bank transactions.
- 28% increase in number of transactions done through alternative channels.
- 9.8% decrease in bank physical cash volume.
- 12.3% decrease in transportation and insurance cost.



### Robotic Process Automation

#### Objectives

Meet customers' expectations by optimizing crucial processes to shorten delivery time and improve resources allocation.

#### Actions

Implementation using UiPath tool for automation of 7 processes in 2019.

#### Results

Increase of productivity by 40% and decrease in man hour and cost by eliminating repetitive tasks.



### Cards Personalization & Mailing Integrated Solution

#### Objectives

Acquiring an online solution for more secured, rapid and cost saving cards personalization and mailing.

#### Actions

Upgrading in December 2017 the cards personalization & mailing infrastructure through replacing the existing machines with a fully integrated online cards personalization & mailing solution instead of going through the lengthy process of the off-line solution.

In addition to the production of new cards, the new system supports cards renewal, important project such as cards migration, re-carding and the new closed community cards.

#### Results

Production of + 600,000 personalized cards (including renewal, replacements and new issuance)





**Our  
Community**

## Our Foundation Overview “Together We Care”

Commitment to supporting the community has always been an intrinsic value of CA Group with its mutualist roots. It is fully integrated in the Group’s project 2022. Since its establishment in 2006, Crédit Agricole Egypt has been engaged to serve the community. Under the slogan “Together we care”, the bank has taken in 2012 a structured and focused approach for its CSR activities creating a dedicated committee to identify the bank’s roadmap taking into consideration the Group FReD’s initiative and the national goals.

Its strategic framework and its guiding principles were set serving its road map in accordance with the bank’s strategy and responsibility towards the community.

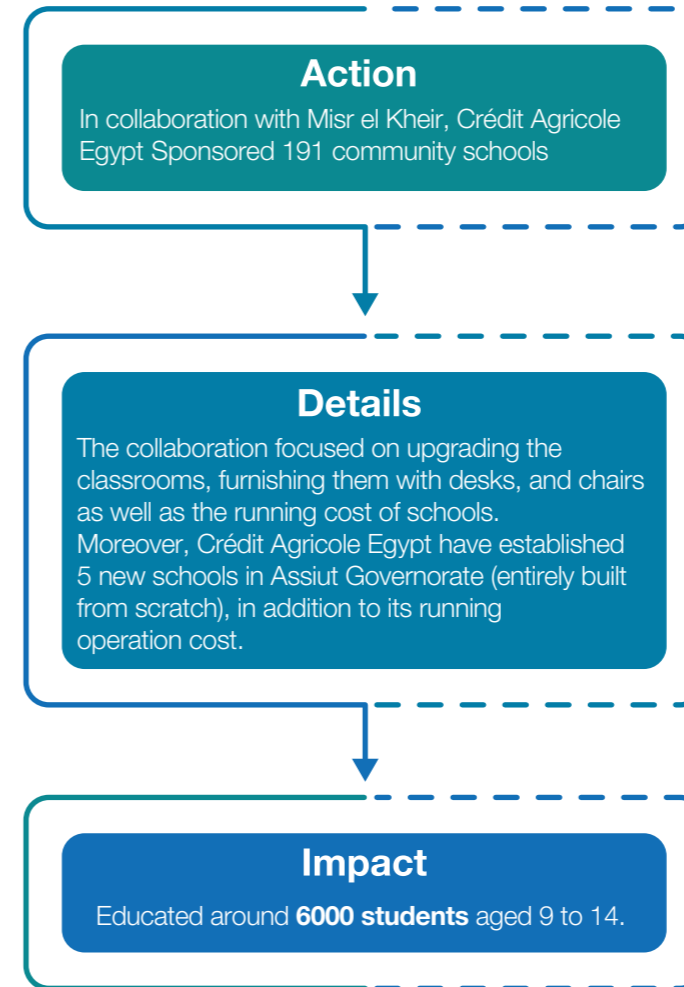
Crédit Agricole Egypt Foundation for Development was established in 2017 as a non-profit NGO licensed by the Ministry of Social Solidarity. Fully owned by Crédit Agricole Egypt, its mission is to drive national development by bringing support to the needy segments through sustainable projects. Launching Crédit Agricole Egypt’s Foundation for Development is at the core of Crédit Agricole Egypt’s strategy and Crédit Agricole Group’s fundamental values, which are based on creating an impact on the community where the bank is operating.



## Education

### Rural Community Schools

We assess the areas and population where we can most be a true collaborator to the governmental efforts. When prioritizing national budget spending, public schools cannot operate in rural areas with less than 500 students enrolled and active. Therefore, Crédit Agricole Egypt took upon itself to invest in selective community schools in upper Egypt by partnering with Misr El Kheir.



### “Ebhar Misr” Program for Talented Children

With a focus on youth, a dedicated youth program “EBHAR MISR” (Mesmerizing Egypt) was launched in collaboration with “Education First Foundation”, to encourage and motivate talented students in the area of technology, sciences, art and music.

The program was established to include students aged 14 to 18 from across Egypt, where the first round participation reached a total of **200 Students**.

A selection of 25 highly gifted students has been made and were provided with an intensive two week course in a summer camp. The selection was based on technical interviews to offer the program to the most deserved students.

Through a panel of experts, the **25 students** have presented prototype for their projects, and the top 3 ideas were sponsored for travel to a one-week camp in a special school for gifted children in Florida, USA.

Starting 2019, the program was expanded through a digital platform to extend coverage and reach a higher number of applicants, to automate and digitize Ebhar Misr’s program with a huge data base of all gifted students from all over Egypt. This initiative was launched under the patronage of the Ministries of Education and Social Solidarity.

### Meet Rahina- Literacy Classes

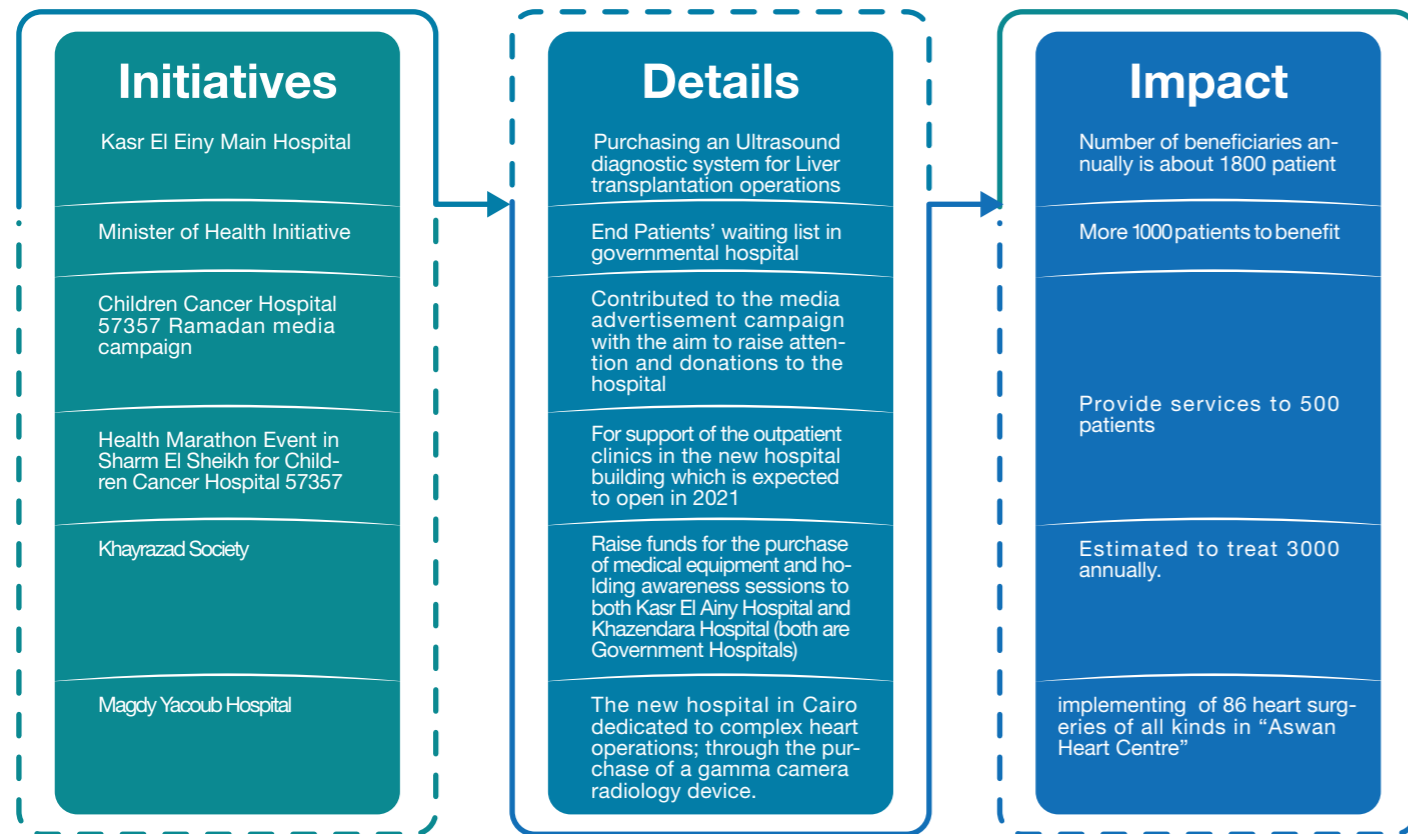
The program was initiated to provide literacy classes to the residents of Embaba with the support of Rotary Cairo North. The number of beneficiaries becoming literate from this program reached around 700 people.



• Ebhar Misr students attending the educative camp

## Health

Being a top national priority and a pressing need, the Foundation has adopted several initiatives in the health sector.



## Social Empowerment

### GESR For Entrepreneurs Programs

The program is an incubator for entrepreneurship and start-ups in the field of technological/scientific solutions that addresses social challenges. The incubator is a 6-9 months program that receives participants' ideas from inception to prototypes, then advance by turning them into market-

fitting products that are suitable and compatible to the needs and demands of the relevant sector of interest.

4 projects were financed by the Foundation in the fields of Environment & Agribusiness partnering with Misr Elkheir

- Cultivation and Production of Organic food
- Production of bio fertilizers
- Production of wide range of Agriculture products
- Converting sewerage disposals to bio-energy

### Family Empowerment Program

CA Egypt Foundation supported 200 families in the poor village of Ezbet Kheirallah under "Family Stabilization Program" to alleviate the standard of poverty of these families and upgrade them to an enhanced level through

education, health, and entrepreneurship. The number of beneficiaries reached around 1000 including these families and their relatives who attended a part of the program such as awareness sessions.

### Pioneers for the Future 'Boost Her' Program by Arborus

Crédit Agricole Egypt, out of its social responsibility vision, is proudly participating in this program along with other French entities working in Egypt, through providing economic empowerment opportunities to young Egyptian ladies through targeted training, capacity building, and job preparation where the selected girls attend renewable 3 months' internship in the bank's different business areas.

Throughout the ongoing program Crédit Agricole Egypt has accommodated more than **40 girls** in different business areas where a mentor is designated from the a mentor from the hiring department to provide the trainee with the needed learning, development, social and emotional partnership.

### Face

Crédit Agricole Egypt has partnered with Face since 2014 to support in creating a world in which deprived and vulnerable children in Egypt receive protection, love, education as well as innovative and sustainable solutions to become strong, happy and independent adults. FACE runs its programs in an efficient and

professional manner, conducting internal and external monitoring and evaluations in order to measure and improve its social impact. The partnership had changed the life of more than **39 children** through providing them protection, hygiene, medical care, and emotional support.

### Women Empowerment in Poor Villages

The program depends on revolving micro loans fully managed by the Ministry of social solidarity.

Number of beneficiaries reached **1000** in 2019 and expected to double increase in the coming years.

### Federation of Egyptian Banks

Crédit Agricole Egypt contributed in Egyptian government's plans to fully develop the infrastructure of the slum areas in Helwan where beneficiaries out of this project exceeded **10,000 households**.

### Institut Europeen de Cooperation et de Developpement- IECD

Training and supporting **200 micro** and small entrepreneurs to successfully manage their new businesses by strengthening their management skills.

## Employees' Engagement

Our Employees have been deeply involved in the bank's social responsibility activities. They willingly share their time and effort to extend their support to the community. Furthermore, the

bank has launched an initiative to double all staff donations in special occasions such as Ramadan, under the slogan "in Crédit Agricole Egypt, 1+1=3".



- 100 Million Seha campaign
- Blood Donation in favor of 57357 Children Cancer Hospital combined a vitamin D test for Crédit Agricole Egypt staff
- CSR winter campaign 2018 and 2019 : collecting donations from staff in order to build rooftops for houses of unprivileged families
- Kesa2 campaign : Staff donate with their old and unused clothes to unprivileged families
- Abu El Reech staff campaign : collecting donations from staff for patients at Abu El Reech)

- Ramadan boxes packing
- Recycling paper initiative: since 2017, Crédit Agricole Egypt employees were encouraged to "bring from home" all the paper, books and magazines they do not need. The paper collected around 1 ton in 3 years, has been donated for recycling to ameliorate the living conditions of needy families. (Read on Our Environment).
- Waste segregation initiative: in 2019, the staff in the head office is actively participating in the segregating of waste as part of their responsibility toward the planet. Waste is donated for community support.





**Our  
Environment**

## Our Green DNA

Being a responsible bank, Crédit Agricole Egypt considers the respect of the environment as part of its commitment to the community and the coming generations. Accordingly, the bank has been following a rigorous strategy based on

efficient management of all resources and use of green energy. Crédit Agricole Egypt was able to achieve best-in-class energy efficiency & operation rates in Egypt and to become a reference in respecting the environment.

## Aligning with the Group Strategy

In the light of its recently launched medium term plan, Crédit Agricole Group 1st European Leader in Responsible Investment and signatory of many binding agreements for the respect of the environment- is bringing its commitments further towards the environment. The objective is to make green finance a growth driver for the Group, by accompanying its customers in their energy transition, promoting sustainable investment policies and planning a total phase-out from thermal coal in accordance with a Paris Climate Agreement aligned timetable.

In addition, the Group is committed to reduce its carbon footprint (energy efficiency and mobility plans) and to offset its carbon emissions. This strategy will be rolled out by all its entities and subsidiaries of the Group. Consequently, Crédit Agricole Egypt is bolstering its commitments and actions in favor of reducing its carbon footprint and encouraging energy transition, thus paving the way of a decarbonized economy in Egypt.



## Creating an impact

Since 2012, Crédit Agricole Egypt has been following the FReD index, the Group CSR initiative with a dedicated pillar for the environment. Hence, Crédit Agricole Egypt has embarked on a journey to respect the environment and has taken several initiatives and actions to reduce its Carbon footprint. A progressive and collaborative effort has taken

place to achieve environmental sustainability and combat climate change, through a main framework based on different streams noticeably eco-friendly practices, using renewable energy and effective resources management relying on the digital transformation.

## Towards Environmental Sustainability in Egypt

Crédit Agricole Egypt succeeded for the first time in Egypt and North Africa in obtaining the platinum LEED certificate by the U.S. Green Building Council (USGBC) for its Head Office named Unity Building for its iconic design; out of which the building was set on reducing impacts on human health and on the environment through better site selection, construction, operation and maintenance.

The bank's head office has been designed not only to save energy, use less water, generate less waste and provide a higher level of indoor quality and comfort, but also to represent the enterprises' commitment to their social responsibilities for environmental protection, sustainable development and emission reduction. The design and construction of this building is based on the consideration of the triple bottom line: PEOPLE, PLANET and PROFIT.



**1st Platinum LEED Certified Iconic Head Office in Egypt**





## Inauguration of the Largest Bank Owned Solar Panel Station

Crédit Agricole Egypt has installed and operated a PV station on the rooftop of its Head Office in the 5th Settlement, Cairo with a capacity of 201 kWp and an average annual production of 294,972 kWh which represents 7% from total electricity consumption of the head office and is equivalent to the consumption of 305 households

The generated clean energy leads to avoid GHG emissions per year that are equivalent to 550 thousand kilograms or saving 1200 trees.

The power station was designed according to the highest global standards, to reduce impacts on human health and the environment, and to rationalize power resources. This endeavor is in line with the government's push to meet greater energy needs from renewable sources, that was inaugurated by the Minister of Electricity and Renewable Energy, Mohamed Shaker, in 2017, in recognition of the longstanding efforts of the bank



**Head Office solar panel station:**  
Production equivalent to consumption of 305 households per year  
Clean energy equivalent to saving 1200 trees per year



## Expanding the Usage of Renewable Energy on its Branches

Continuing to promote reliance on renewable energy, in 2018, Crédit Agricole Egypt has equipped its 6th of October City branch with a solar-power plant with total capacity of 74.2 kWp and average annual production is 112,782 kWh, covering 40% from the branch total annual power consumptions. The plant's average contribution to the branch consumption is 30-45% monthly and the energy saving per year is sufficient to cover the consumption of 105 households.

The generated clean energy lead to avoiding emissions per year that are equivalent to 32 thousand kilograms or saving 420 trees.

The Bank will pursue the expansion of the usage of renewable energy on its branches in the coming years.



**Branch solar panel station:**  
Production equivalent to consumption of 105 households per year  
Clean energy equivalent to saving 420 trees per year



## Energy Optimization

CAE employs the best practices for optimizing energy consumption across all its premises.

In its state of the-art head office, Crédit Agricole Egypt uses the best operating practices and deploys systems updates to enhance efficiency and minimize energy waste in main head office by 3% between 2016 and 2019.

As for its branches, Crédit Agricole Egypt has achieved 6% energy optimization between 2016 and 2019 by using Smart automated operation, replacement of normal

lighting fixtures with low consumption led light and energy monitoring and benchmarking.

### 3-year Energy optimization across all premises:

- ✓ 60% less in energy use
- ✓ 40% less in water use
- ✓ 35% less of CO2 Emission



## Efficient Consumption of Resources

The Bank has launched in 2017 an internal initiative "Go Digital" to rationalize the usage of resources comprising paper reduction through the digitalizing of processes and creating an awareness campaign for the staff. In the light of this initiative, the bank has launched the e-statement service to integrate the customers in this initiative in favor of the environment. (Read on Operational efficiency). Moreover, 1/3 of our customer are registered in our online banking services that help reduce paper consumption and mitigate Green House Gaz (GHG) emissions. (Read on Our Digital Transformation)

### Paper Recycling

Since 2017, Crédit Agricole Egypt has launched a new ongoing initiative matching with the bank's eco-friendly values. It involves Crédit Agricole Egypt staff as the main player. The initiative is to collect old paper to be delivered to a charity organization. In 2019, this initiative has been

**Total green power production from 2017 to 2019**

1,172,290 KWH

**Evolution resources in consumption from 2017 to 2019**

Electricity -10%

Gas +3%

Water -2%

further developed to add the Bank's shredded paper. The over 1 ton collected from both the bank and the employees has been donated to NGO Resalah to purchase artificial limbs.

### Green Areas

Desert plants have been in Crédit Agricole Egypt's Head Office through the green areas that consume less amount of water, in addition to being watered by recycled gray water. In spite of the Bank's growth of activities and performance year on year, the efficient management and optimization of resources had led to an equilibrium in the bank's consumption of resources and sometimes significant saving.

### Water Connection

Crédit Agricole Egypt is targeting to reduce the water consumption of its branches by 20% by 2022 through replacing the conventional water taps in branches with IR water taps for water saving.





**Our  
Employees**



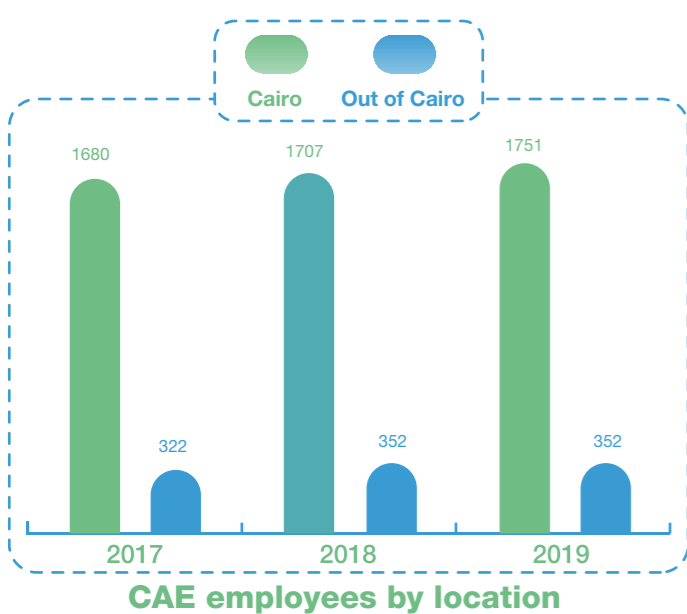
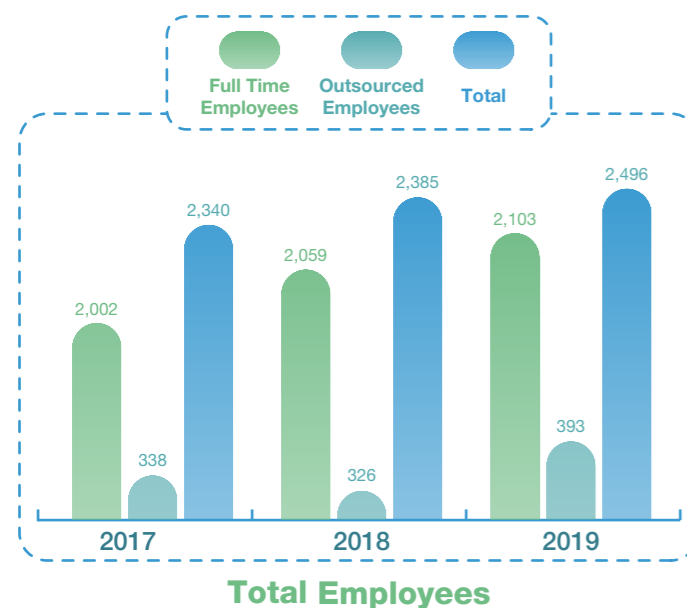
## Our Human Capital

(102-8)

Building on the Group's vision to 'offer long-term value for all stakeholders, Crédit Agricole Egypt has committed itself to providing a sustainable work culture as well as healthy and safe environment for its most cherished asset, its employees.

Having a key strategic objective to be positioned among the top "Employers of Choice", Crédit Agricole Egypt pays effort towards maintaining employees' satisfaction and engagement through a positive and enriching employee experience.

At Crédit Agricole Egypt, our employees include full time staff and outsourced staff. Full time employees constitute around 85%, on average, of the total number of employees for the reporting years (2017-2019). Accordingly, for the purpose of this report, the figures disclosed in this section 'Our Employees' refer to Crédit Agricole Egypt full time employees.



## Creating Job Opportunities Across the Nation

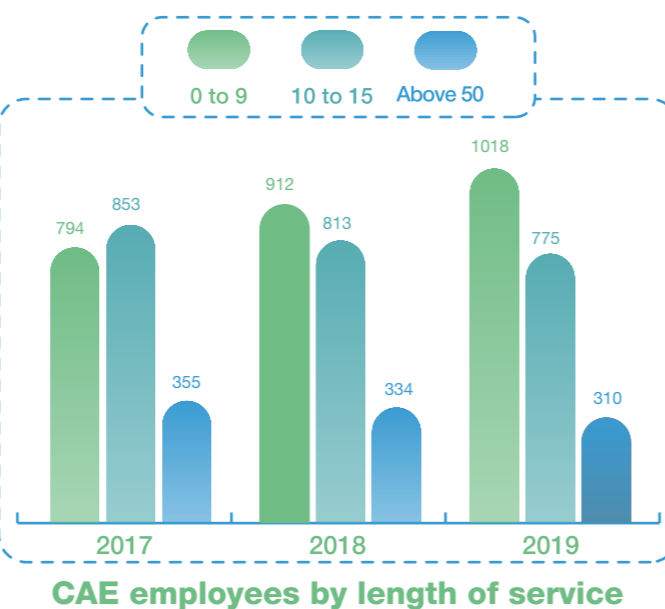
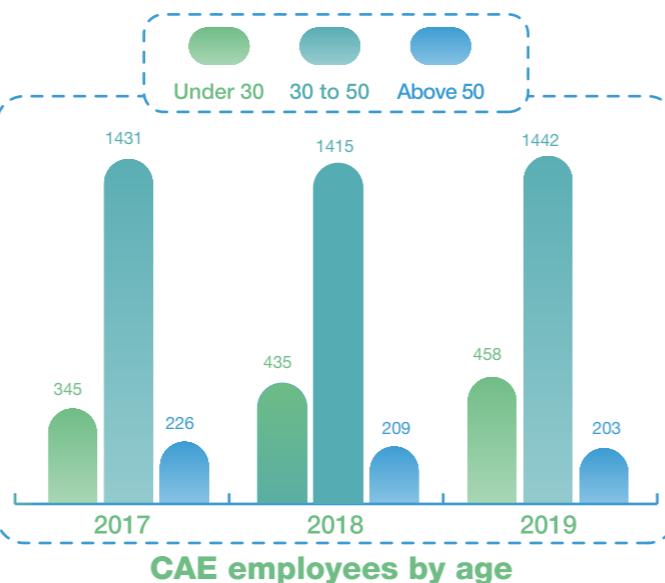
Crédit Agricole Egypt remains an international bank deeply rooted in the Egyptian territory and the national context. With more than 40 years of presence throughout the different banks that have created Crédit Agricole Egypt, the Bank relies on the Egyptian calibers who represent its main asset.

Crédit Agricole Egypt also focuses on location in hiring, since new recruits are hired from Cairo as well as from outside Cairo, where the new hires in 2018 from Cairo represent around 14.4% of total hires (401-1). This expands the social impact of the organization.

Recruiting with consideration to the geographical distribution is one of the bank's commitment to contribute to those areas' economic drive, while creating value to our clients. Our proximity does not only entail accessibility and availability of our relationship managers for the clients, but also their understating of their variant cultural needs that expand as the length of our vast land and at the depth of this nation's historical diversity.

It should be noted that 15% of CAE employees are working outside cairo; 90% of these employees are hired from local communities.

Total number of job opportunities created in 3 years +600 jobs



## Investing In Our Human Capital

Placing the customer at the heart of our operations, the continuous investment and building of human capital has a pivotal role in enhancing customer experience. It involves a number of projects to advance staff skills and competencies to meet the customer relationship excellence objectives.

consideration the individual and departmental needs. The average training hours per employee has seen an average increase of 2.4% reaching 38.9 h/employee in 2019, compared to the previous year. (404-1)

In alignment with the business objectives, an extensive training plan is implemented on yearly basis taking into

From 2017 to 2019 a total of 238,100 hours were conducted covering the whole bank's population. On a yearly basis, an average of 220 training courses are offered to employees. (404-2).



### Exhaustive Training Platform

**In-house training center** consisting of different training rooms and training Lab for practical courses & an auditorium room that can accommodate up to 200 attendees.

**Post-graduate program** is in place to support further development & education of the staff with different subsidized offers for learners.

**E-Learning platform** is available for staff to log in from anywhere to view their upcoming courses or access e-learning courses to enhance their knowledge and skills.

- Average training hours per employee 39 hours
- Total 3-years training hours 238,100 hours
- Average number of availed training 220 courses

**E-learning library** launched in May 2019, it is an instructional and interactive tool to create a flexible and effective learning experience. (401-2)



### Tailored Curriculum

**Induction program to anchor the bank's culture and knowledge:**

A 3-days induction program is provided to all new hires. They discover all about the Group and Crédit Agricole Egypt's milestones and strategy. New staff are familiarized with different departments' activities, code of conduct & Crédit Agricole Egypt values.

such as tellers, operation officers and relationship management, to ensure acquiring the right knowledge and business etiquette to serve customers according to the bank's benchmark. On-the-job-training is available to enhance the sales skills and techniques of the assigned front liners. Proximity Banking has a dedicated department with ambassadors whose mission is to provide an on-the-job training on how to propose products based on customer needs. It also constantly provides tips and tricks to enhance the customer relationship management.

**Front liners and Sales development:**

Tailored programs are availed to different functions,



## Dissemination of the Group culture

### International exposure:

Building on our European heritage and experience, Crédit Agricole Egypt's staff are constantly offered courses and on the job training sessions by CA group in an effort to enhance their skills and build their level of belonging to the Group

### Building the Compliance culture:

Conformity to regulations, transparency, protect the

customers and safeguard the bank are part and parcel of the Group's DNA. Accordingly, a series of compliance courses are availed to all staff using different tools to raise their awareness towards the diverse disciplines of Compliance. In 2019, more than 1400 staff were trained on compliance through classroom courses and 100% of staff accessed different compliance e-learning courses to ensure optimal human capital development.



## Excellence academy in line with the Group Medium Term Plan

CA is putting in place an academy in order to set as a factory to provide the bank with ready succession lines across all bank functions. Crédit Agricole Excellence

Academy is focused on developing and enhancing the capabilities required to run a professional banking strategic business throughout the organization.

## Valuing Our Workforce

Staff loyalty is a strategic objective for Crédit Agricole Group that is adapted in all its subsidiaries. It comes on top of Crédit Agricole Egypt's priorities. Crédit Agricole Egypt have committed itself to maintain its Employer Brand through a variety of tools on the short and long run: employee benefits, salary adjustments and retirement fund.

staff recommendation for the bank as an employer, the survey assesses employee's feedback regarding critical issues such as their sense of belonging, career progression, management approach and vision regarding the strategy of the Bank.

Staff engagement and participation in this yearly exercise is of importance to indicate staff willingness to be part of this entity and contribute to its growth.

For this purpose, the Bank implements a career progression scheme on diverse levels: fair promotion system, training for skills development, and agile mobility across the different lines of business. The Bank recruitment relies mainly on young calibers and fresh grads to fill the junior positions availed following senior staff's climbing their career ladder. This creates ongoing internal opportunities of comprehensive career development paths by offering senior openings for skilled talents within the same career line or across the bank.

In 2019, 55 employees have changed their lines of business to have a new exposure of the banking activity and increase their scope of expertise.

On the Group level, a yearly survey is conducted to measure staff satisfaction, "Employee Engagement & Recommendation Index (ERI)". On the basis of the

Among the loyalty monitored indicators are the retention rate, with an attrition rate comparative to the market of 5.99% (401-1), and the years in service as at end of 2019.

Our employee's satisfaction and recognition is reflected by the low turnover by region, where outside the Capital Skirts, only 14 out of the total of 352 employees have chosen to take another career outside the bank (401-1).

To ensure a conform and professional working environment, Crédit Agricole Egypt applies both its Group's code of ethics, and its own Code of Conduct. In case of unethical or unlawful behavior, an escalation mechanism is in place starting from reporting to treatment approach according to criticality level. (102-17)

Number of staff benefiting from mobility across departments in 3 years  
150 employees



## Recognition and Benefits

Crédit Agricole Egypt employees enjoy a number of benefits such as HR Staff Loans, Medical Care for employees and their families, Life Insurance,

Crédit Agricole Egypt Staff Fund, HR Staff Loans, stock ownership, and summer vacation packages. (401-2)

### Staff Loans

Preferential conditions and rates with a tenor up to 10 years

### Stock ownership

Diverse schemes for stock ownership availed by CA Group

### Medical Care

Very wide network of medical care for the staff and their families

### Recreational plans

Subsidized summer trips to the staff and their families either domestic or overseas

### CAE's Staff Fund

Security and safety through financial insurance benefits during working age and in case of retirement, disability or passing away (disbursement of 75-150 month pay)

### Wages and compensation

Annual increase plan in consideration to the national context, market evolution and recognition of employee performance. (202-1)



## Developing the organizational system in line with the bank's growth

Crédit Agricole has partnered with key HR consultants in the market such as Korn Ferry HAY global organization on all remuneration strategies and Willis Watson, a leading global advisory, on the benefits packages including medical, life insurance, HR Staff

loans and Crédit Agricole Egypt staff fund. The purpose of these partnerships is to continuously become abreast with market HR trends at and thus be able to match these trends to our bank's strategies within Human Capital management.

## Diversity and Equality

The essence of sustainability is carried through Crédit Agricole Egypt operations in every way, as it promotes a culture of social health, diversity and equal opportunity on both gender and age levels.

Believing in the importance of diversity and inclusion, women are well-integrated in the banking working force. Furthermore, women are well ranked in senior positions across the bank



## Our Female Employees

Respecting diversity and equal rights, Crédit Agricole Egypt set among its objectives to ensure a high percentage of women on the job and in managerial functions. When observing our employees' structure, 33.55% are females. A ratio that reflects a true diversity and an evident acumen of our belief in women's role in our bank and in the industry. This percentage has been steadily and proudly increasing since 2016 (405-1). In addition, women were represented in the board of directors.

Women to men 33.5%  
Women in managerial positions 33%  
Women in new hire 45%

The ratio of new hires from women has been steadily increasing since 2016 from 37.3% to reach 45.6% of all new hires in 2018, which shows the bank's commitment to equality. (401-1)



## Valuing Our Youth

The distribution pattern of employees by age group shows an inclination towards the age group between 30-50 which is a strong proof of youth valuing.

Population below 30 years 20%  
New hires below 30 years 70%

It is clearly shown that the focus is on younger generation, who have been a major asset in our path for innovation and culture change. It is also the foundation for building a sustainable long term human capital basis. Over 70% of our new hires are under the age of 30 as of 2016 statistics. (401-1)

## Digitization for Better Care

As part of the digital transformation across the bank, Crédit Agricole Egypt signed partnership with RAYA holding, an auspicious investment conglomerate, to manage our HR system integration and management.

A set of advanced HR applications have been developed through implementing a new HR digitized system, ensuring the facilitation and efficiency of the HR services.

## Vibrant Engagement for Solidified Culture

Crédit Agricole Egypt launched in 2015 internal communication strategy to foster a strong corporate culture where employees are fully aware and engaged of the organization's objectives and plans

### The strategy was built on the following objectives

- Create a Crédit Agricole Egypt culture where we live our values
- Grow the link with CA Group
- Boost staff satisfaction and loyalty
- Align staff to the bank's strategic goals
- Foster staff interaction, involvement & engagement

### 3 interconnecting pillars were implemented to support the set objectives

- Communication
- Engaging Activities
- Staff Benefits and Recognition

### Global approach

- Increase communication and make it more regular
- Cover all the bank news
- Focus on middle and senior management as the link for a bi-way communication

### Staff benefit all year long from events such as

- Yalla Offers
- Yalla Fitness
- Yalla Travel offers
- Yalla N' Game bi-weekly fun hour in Unity
- Staff Kids Recognition Celebration
- Seasons Celebration and activation





**Our Corporate  
Governance**

## Our Values and Code of Ethics

(102 - 16)

Crédit Agricole Egypt inherits its core values and commitments from its mother company Crédit Agricole deeply anchored in the French society being derived from mutualist origins. Accordingly, our long-standing values of customer focus, responsibility and solidarity are drivers of the Group's actions and dictate its *raison d'être*. To cascade this identity and values, an on-boarding training is availed to all new hires (Read on Human Capital).

In line with the Group's identity and in adaption to the local context, Crédit Agricole Egypt has elaborated its Code of Conduct, identifying rules and behavior to be implemented in the daily working life. Published on the bank's intranet in English and Arabic, the Human Resources department is responsible for the elaboration, dissemination and respect of the Code of Ethics, mandating that every member of the staff to acknowledge receipt for acting accordingly.

## Board of Directors

To underpin the bank's growth and balance the interests of the main stakeholders, Crédit Agricole Egypt follows the international and local standards and ensures the main principles of good governance: right and equitable treatment of shareholders, consistency, responsibility, accountability, disclosures and fairness.

Segregation between the duties of the Chairman and Managing Director in accordance with Crédit Agricole Group practice and local best practice as per CBE Governance Regulations namely separating the oversight functions from the Management functions. In addition to the rich composition of the board of directors with diverse skills and expertise of the members. (102-23)

### Board Duties & Responsibilities

(102-26)

The board of directors ratifies the bank's strategic orientations and oversees their implementation. It reviews the bank's operation, the risk management, audit and control systems, financial reporting process, compliance with laws and regulations, all of which are discussed by the board at least once a year through the Risk and Annual Internal Control report

Among the board duties, it addresses:

- Bank performance, nomination of board members and committees.
- Conflicts of Interest.
- Appointment and dismissal of External Auditors as imposed by the regulations.
- Relations with shareholders and minorities.
- Key performance indicators.

Meetings of the Board can be held by modern means of communications, Telephone/Video conference...etc. subject to the security guidelines issued by the Central Bank in August 2018. Extra-Ordinary General Assembly was called to amend Crédit Agricole Egypt by-Laws to allow tele/video conferencing for Board meetings as per the new companies' law and its executive regulations. In addition, the General Assembly can be held by electronic means and shareholders can vote electronically.

## Risk Management

While our clients are confidently assured by the strength of our balance sheet, risk is at the very heart of our organization, with compliance in the daily actions of every employee to safeguard our financed projects and the best interest of

### Board Composition and Committees

Its 11 members, elected by the General Assembly in 2019 for 3 years, own comprehensive profiles that bring global expertise through a combined professional experience of Crédit Agricole France, Egyptian and Regional Directors with a variety of experiences in Accounting, Finance, Investment Banking, Corporate Governance, Strategic Management, Risk Management, Corporate Banking, Operations, Information Technology, Digital Banking, Multinational Companies, Small and Medium Enterprises (SMEs), Structured Finance, Legal, Compliance, Audit, Leasing, Insurance, Customs, and Taxes, both on local and international levels. (102-27)

In accordance with the related local law and instructions, the board has 3 main committees (102-22):

- **Risk Committee:** controls the executive frameworks, measures and rules. It addresses the different types of risks that might face the bank.
- **Audit Committee:** monitors the control environment & risk management within the bank
- **Governance, Nomination & Remuneration Committee:** overlooks the bank's corporate governance and staff remuneration

For detailed information, please refer to Crédit Agricole Egypt Corporate Governance report 2019.

our business and shareholders. Seizing opportunities to secure sustainable levels of profitability and risk mitigation are clear objectives that guides our Risk Management.

Based on a risk mapping and with the contribution of each operational business line, all levels of control are regularly updated, where the supervision and monitoring of permanent control device is also part of the Risk Management function.

The Chief Risk Officer (CRO), is a member of the Executive Committee of the Bank and benefits from the independence

### Risk Committee

The Risk Committee examines the strategic direction of the risk policy using measurements of credit, financial, market, liquidity and operational risks under current regulations to allow a knowledgeable and cautious resolution to our material issues and ensures a sound progress that builds on the bank's existing competitive advantages. The committee is responsible for controlling the bank's risks as defined by CAE board of directors, journeys with a prudent approach to risk,

necessary for the exercise of the missions with direct access to the Board of Directors. With proper deployment, coherence, and pertinence, the CRO ensures the highest levels of risk management, monitoring, and control framework. The CRO also ensures that the risk level is compatible with the directions, policies, and limits set by the local supervisory body, as well as the Group's directions in terms of risk appetite.

to particularly (but not exclusive) Credit risk, Operational risk, Financial risk, Compliance and Legal risks.

The Risk Strategy and Risk Appetite declaration are updated on yearly basis under the supervision of the Chief Risk Officer (CRO) and presented to the Committee for validation before final board decision. In addition to the annual review, status of risk limits is presented quarterly.

## Control Environment

Crédit Agricole Egypt has a strong internal control system consisting of all the internal organization, committees, department, procedures, mechanisms and systems designed to control business activities and risks of all kinds

### Compliance

Compliance and risk culture are deeply rooted in Crédit Agricole Egypt business activities in which all equipment and staff training are availed to ensure the proper abidance of the local and international standards/regulations.

Some of the actions taken adopting the "Smart Compliance" group initiative by automating some of the activities ensuring compliance, for example:

- OFAC (the Office of Foreign Assets Control) data remediation requirements
- Launch of whistleblowing automated tool for anti-corruption
- Workflow for KYC (Entities & Individuals)

Other actions on the human development level includes but not limited to:

- Since 2018 Compliance started eye opener awareness campaign through tips emails to all staff members.
- In 2019, more than 1400 staff were trained on issues through classroom courses and 100% of staff accessed different compliance e-learning courses to ensure optimal human capital development, and field coaching to the branches on compliance issues/culture to promote the face to face communication.

and ensure that the Bank's strategy and performance is compliant with both CBE Local regulations and the Group's standards and norms.

- Training is also availed on the organization's anti-corruption and fraud policies and procedures to 87% of the staff, progressing from +60% of employees in 2018 and 54.5% in 2017. (205-2)

Crédit Agricole Egypt has also launched an anti-corruption compliance program fostering a culture of ethics and compliance within the bank's operations, with international best practice. To showcase this achievement, Crédit Agricole Egypt has obtained the ISO 37001: 2016 Certification in Anti Bribery Management from Euro Compliance. As a result of these efforts, highly compliant business environment and activities are in place with well-trained staff who can flexibly respond to the different situations. Additionally, no significant corruption or fraud cases reported (205-1) (205-3)

**Information Security:** to solidify the information and communication technology (ICT) and cyber risk management, a dedicated structure has been put in place, with main responsibilities of assessing all relevant business processes from an IT risk view, defining tailored indicators and setting-up an enhanced ICT risk assessment method to reduce operational risk. No substantiated complaints received concerning breaches of customer privacy. (418-1)



**COVID-19  
Response**

## A mobilization for the support of our customers and society

Crédit Agricole Egypt has actively responded to overcome the challenging COVID-19 economic crisis, and according to its set sustainability strategy and responsibility, giving the priority for the support of its customers and society, while maintaining the path of its operations with a vigilant approach.

Therefore, Crédit Agricole Egypt has acted in full alignment with the Central Bank of Egypt's measures and has mobilized its forces to pursue its operations and services across all its channels aiming to be closer to its customers and safeguard their safety during this critical time.

Thus, in order to alleviate the impact of the crisis, the bank has implemented waivers of certain fees and granted moratorium to corporate and individual facilities including loans and credit cards based on its customers' requests.

The COVID-19 crisis has confirmed the pertinence of the bank's strategy. In accordance, the bank is pursuing its development plans to provide its customers with the appropriate banking service and solutions from one side and amplify its business and operations, while keeping risks under control with a good percentage coverage.

### For Our Customers



#### Apply CBE measures

- Credit dues have been postponed starting March 2020 for 6 months, applying the prevailing interest rate on the postponed amount and without late charges fees, in implementation of Central Bank of Egypt's decision.
- All local transfer fees between accounts and between wallets and between account and wallets in EGP are waived till end of 2020.

- Withdrawal fees from any Credit Agricole Egypt or other bank ATM in Egypt are waived till end of 2020.
- Avail digital means to request cancelation of postponement of credit dues for more convenience.
- Display a full clear communication on website to explain CBE measures and implementation.



#### Safety

- Apply intensive safety and sanitization measures inside branches and allow social distance in waiting areas.
- Avail waiting areas outside branches. Handicaps and elderly people are allowed to wait inside the branch and to be provided with a chair.
- Placing signs for social distancing at branches and in

- front of ATMs.
- Increase customers awareness towards the risks of using cash and being present in crowds and encourage them to use their cards and digital services.
- Accelerate the launch of new features on CAE digital services for more convenience.



#### Promotional campaigns

##### Medics thank you initiative

Confirming Crédit Agricole Egypt concrete actions, an exclusive medical sector promotion is launched for the first time in Egypt from April to June 2020. The promotion includes 0% fees on banking services, competitive interest rate, free life insurance, 5% cashback up to EGP 1000 on credit cards utilization.

##### 10% Cash back promotion combined with a donation for medics' protection

On the occasion of Ramadan and to cater customers' needs, 10% cashback are offered on purchases using CAE visa credit cards. 9% of the cashback will be delivered to customers and 1% will be donated to the community in order to purchase medical gears for doctors in quarantine hospitals who are fighting against COVID-19.

##### Encouraging digital services utilization in favor of customers' safety with a donation for impacted daily workers

CA Egypt has launched a double purpose campaign during Ramadan to encourage customers to use digital channels "banki platform" to perform their financial

##### Bankers thank you initiative

To thank all the bankers who are working till the last second catering customers' requests, Crédit Agricole Egypt launched the bankers thank you initiative during May-June 2020. The promotion included a special cash loan interest rate up to 7 years with 0% admin fees and HDBC as well as 50% DBR. The loan amount is up to EGP 750 K.

transactions. Using digital platforms will ensure the customers' safety and avoid congestion of branches with customers. At the same time, CA Egypt donates EGP 1 to

CSR initiative per each banking transaction carried out electronically in order to support daily-wage workers who have been severely impacted by COVID19.

### For Our Staff

- Allow smart working when possible and work on shift basis to reduce contamination risks between teams.
- Favor digital communication: videoconferencing, teleconferencing instead of physical meetings.
- Limit local trips, stopping international trips and reducing commuting between premises
- Stop gatherings, training and activities for mass number.

- Secure proper hygienic workplace through intensive cleaning and distributing.
- Distribute sanitizers around all premises as well as masks and gloves to staff
- Enforce instructions for maintaining social distance and placing signs for social distancing wherever possible
- Take staff temperature on daily basis
- Avail E-learning awareness course about COVID-19

### For Our Community

#### Crédit Agricole Egypt Foundation for development supports governmental quarantine hospitals

Believing in the importance of giving back to the community especially during this pandemic, CA Egypt Foundation for Development has collaborated with Ahl Masr Foundation to support the governmental quarantine hospitals that are in severe need for medical equipment to serve the COVID-19 active patients. The foundation has funded the purchase of 3 artificial ventilators, fully equipped intensive care units and Ultrasound devices besides other fundamental equipment needed in ICU units for 4 hospitals in Delta and Upper Egypt.

impacted due to COVID-19. This comes within confirming the bank's solidarity for working all together for the welfare of the community.

#### Staff fundraising campaign for medics' protection

The bank's staff got their share in giving back to their community through staff fundraising campaign that aimed to purchase full medical protection kits for the medical teams in quarantine hospitals and safeguard them against COVID-19. In return, CA Egypt has doubled every EGP donated. By the end of the campaign, CA Egypt staff and the bank were able to provide healthcare workers with 1,500 medical protection kits.

#### Crédit Agricole Egypt Foundation supports daily-wage workers

CA Egypt Foundation for development joined 'Kheir We Baraka' foundation in its initiative 'supporting daily workers' to support thousands of families severely

#### 2 customers' promotional campaigns to boost cards and digital utilization and support community

See Customers above





# **Our Financial Highlights**

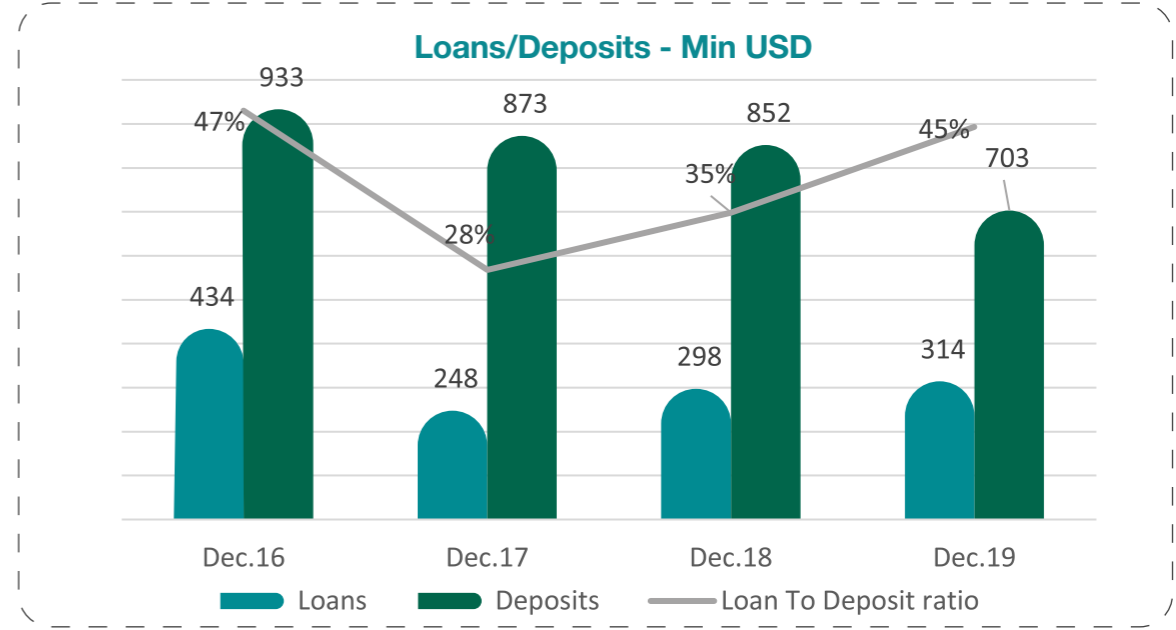
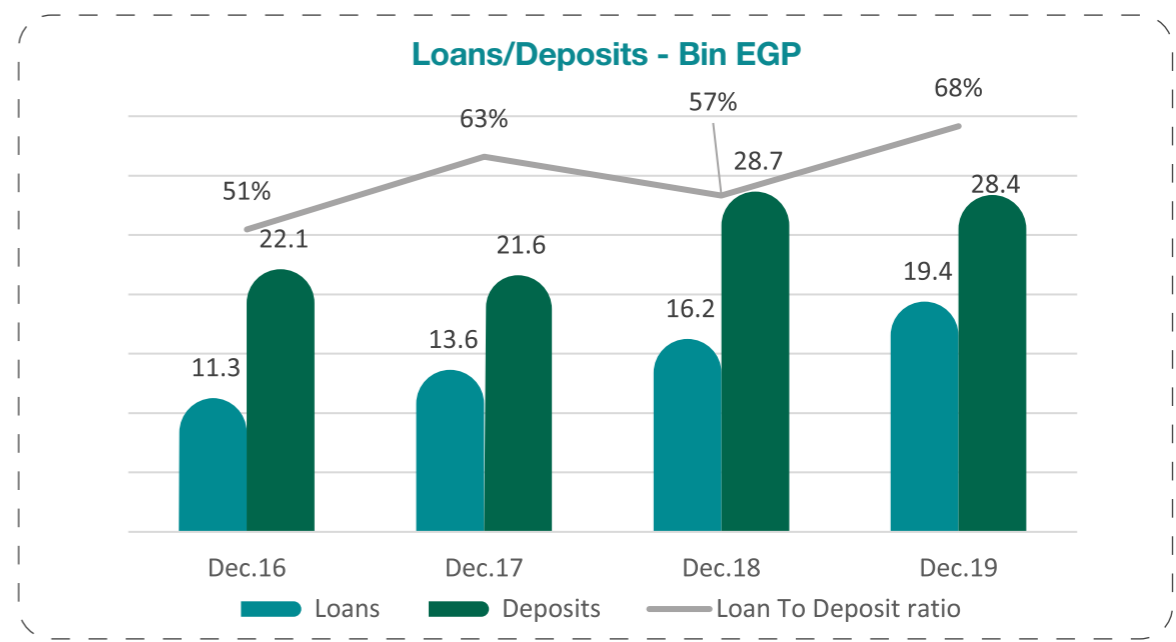
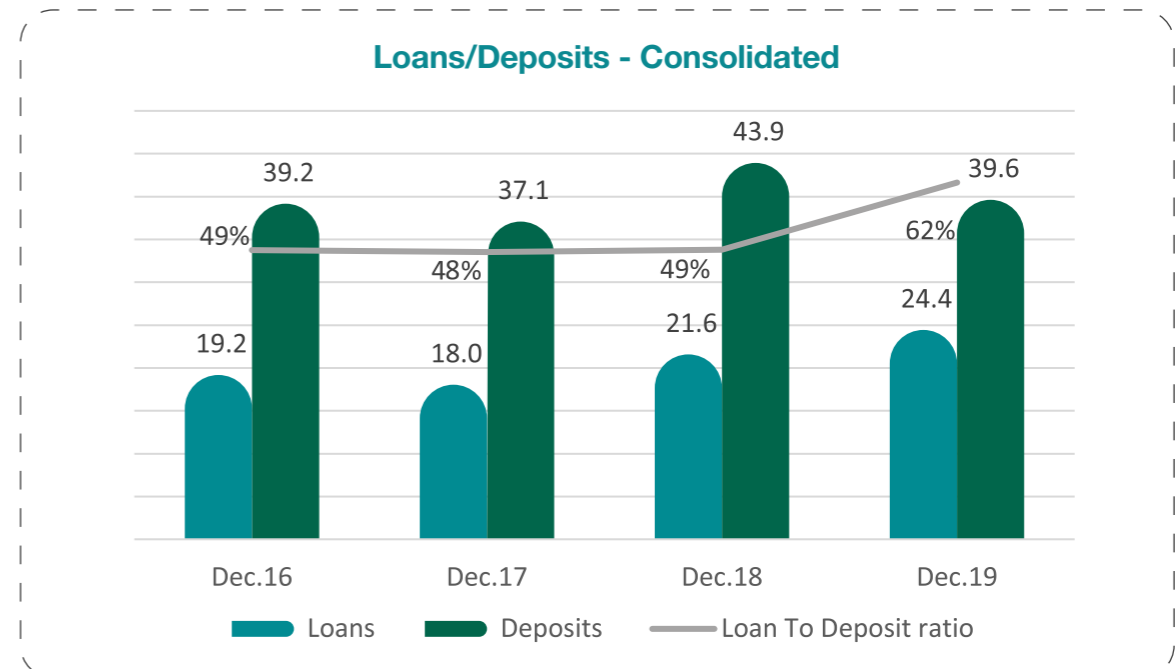


# Financial Highlights

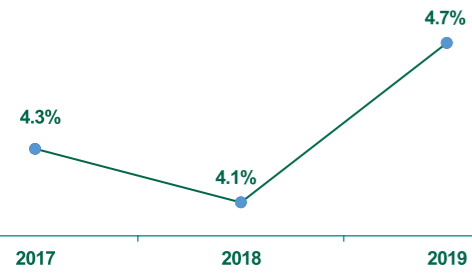
MIn EGP	2017	2018	2019
Loans	17,859	21,528	24,424
Deposits	37,083	43,935	39,637
Loan to Deposit ratio	48%	49%	62%
Total Equity	5,390	6,198	7,210
Capital Adequacy Ratio	18.55%	20.31%	18.25%
Net Banking Income	3,756	3,864	4,054
Net Profit	1,958	2,200	2,361

	2017	2018	2019
Corporate Loans Weight	65%	68%	69%
Retail Loans Weight	35%	32%	31%
Banks Placements / Total Assets	26%	21%	14%
Investments / Total Assets	24%	26%	28%
Retail Deposits Weight	50%	45%	53%
Corporate Deposits Weight	50%	55%	47%
LCY Deposits / Total Deposits	58%	65%	72%

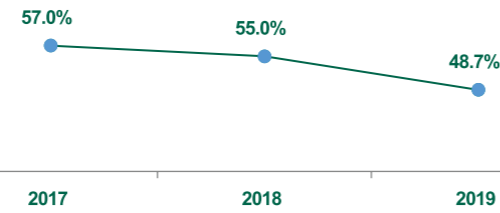
Analysis		2017	2018	2019
Loan portfolio mix (%)	Corporate	65%	68%	69%
	Retail	35%	32%	31%
Non-performing loans ratio (%)		2.9	3.3	2.9



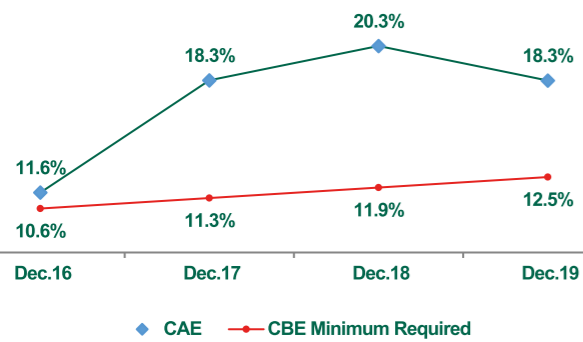
### Return on assets



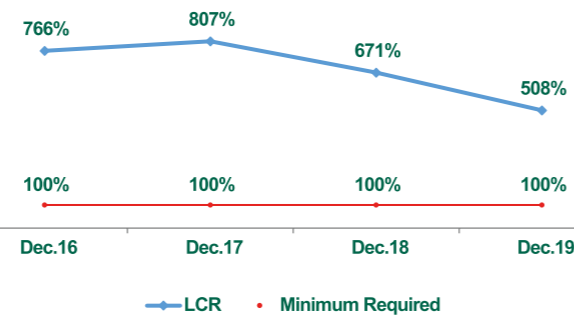
### Return on equity



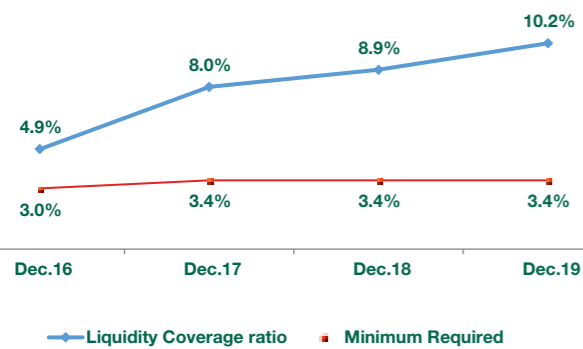
### Capital Adequacy Ratio



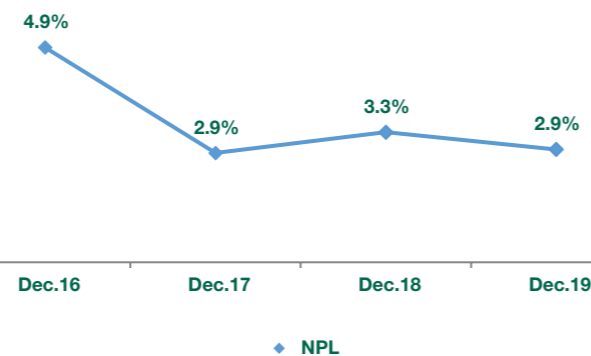
### Liquidity Coverage Ratio (LCR)



### Leverage Ratio



### NPL



## GRI Content Index

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G102-25	Conflicts of interest		For detailed information, please refer to Crédit Agricole Egypt Corporate Governance Report 2019
G102-26	Role of highest governance body in setting purpose, values, and strategy	P. 85	Board Duties & Responsibility
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G102-49	Changes in reporting		This is CAE 1st published Integrated Sustainability Report
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G102-53	Contact point for questions regarding the report		Report Parameters
G102-54	Claims of reporting in accordance with the GRI Standards		Report Parameters
G102-55	GRI content index	P. 95 - P.98	GRI content index
G102-56	External assurance	P.100	External assurance
<b>Economic KPIs</b>			
G201-1	Direct economic value	P.55	Our Direct Economic Value Creation
G201-3	Defined benefit plan obligations and other retirement plans	P.80	Recognition and Benefits
G202-1	Ratios of standard entry level wage by gender compared to local minimum wage	P.80	Recognition and Benefits
G203-1	Infrastructure investments	P. 63 - P.68	Our Community
G203-2	Indirect economic impacts	P. 63 - P.68	Our Community

Disclosure /KPIs	Category of information	Page number(s) or URL references	Read On
G205-1	Operations assessed for risks related to corruption	P. 86	Control Environment
G205-2	Communication and training about anti-corruption policies and procedures	P. 86	Control Environment
G205-3	Confirmed incidents of corruption and actions taken	P. 86	Control Environment
<b>Environmental KPIs</b>			
G205-4	Reduction of Energy Consumption	P. 73	Energy optimization
G205-5	Reduction of GHG emissions	P. 73	Energy optimization
<b>Social KPIs</b>			
G401-1	New employee hires and employee turnover	P. 78 - P.79 - P.81	Our Employees
G401-2	Benefits provided to full-time employees	P. 78 - P.80	Our Employees
G404-1	Average hours of training per year per employee	P. 78	Investing in Our Human Capital
G404-2	Programs for upgrading employee skills and transition assistance programs	P. 78	Investing in Our Human Capital
G405-1	Diversity of governance bodies and employees	P. 81	Our Female Employees
G 413-1	Operations with local community engagement, impact assessments, and development programs	P. 63 - P.68	Our Community
G 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P. 86	Control Environment

## List of Acronyms

- (API) - Application Program Interface  
(ATs) - Automated Teller Services  
(CAE) - Credit Agricole Egypt  
(CACIB) - Credit Agricole Corporate and Investment Banking  
(CBE) - Central Bank of Egypt  
(CC) - Credit Card  
(CRM) - Customer Relationship Management System  
(CRO) - Chief Risk Officer  
(CSR) - Corporate Social Responsibility  
(DC) - Debit Card  
(EDR) - Endpoint Detection and Response  
(ERI) - Employee Recommendation Index  
(ESG) - Environmental, Social & Governance  
(EXCO) - Executive Committee  
(FCY) - Foreign Currency  
(FDI) - Foreign Direct Investment  
(ICT) - Information and Communication Technology  
(LOBs) - Lines of business  
(MFI) - Micro-Finance Institution  
(MTP) - Medium-Term Plan "Ambitions Strategiques 2020"  
(NGO) - Non-Governmental Organizations  
(OFAC) - Office of Foreign Assets Control  
(RM) - Relationship Manager  
(RPA) - Robotic Process Automation  
(SMEs) - Small and Medium Enterprises  
(UNEP FI) - United Nations Environment Program for Financial Institutions  
(UNGC) - United Nations Global Compact  
(USGBC) - U.S. Green Building Council



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### Independent Assurance Statement

#### To the Board of Directors Crédit Agricole Egypt

DCarbon is a leading sustainability and environmental consultancy based in Egypt and registered under the Egyptian law no. 159 for the year 1981 and its executive regulation. DCarbon assists public and private organizations in understanding and addressing their economic, environmental, and social impact. DCarbon is a member and partner with multiple global establishments in the field of corporate sustainability. We are a certified training partner of the Global Reporting Initiative (GRI), a GRI Gold Community member, and an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD).

DCarbon was engaged by Crédit Agricole Egypt (CAE or the bank) to perform an independent assurance on its Sustainability reporting process ('the Report'). As an independent assurance provider, we were asked to assist the bank in assessing and enhancing its value creation framework and to ensure the adherence of reporting to the IR and GRI reporting principles, contents elements, disclosures and sector-specific key performance indicators; all aimed to: 1) support the improvement of CAE's non-financial performance and internal processes, 2) implement the integration of Value Creation approach through Capitals, and 3) strengthen the trust and credibility of stakeholders in the bank's sustainability journey, value creation and impact on the short, medium and long term.

#### Assurance Scope and Boundaries

The scope of assurance has included data and information for the period between January 1, 2017 to December 31, 2019 for operations in Egypt, based on the Global Reporting Initiative (GRI) Standards and the Integrated Reporting Principles; the latter in alignment with the Credit Agricole Group's reporting practices. Adopting those two global approaches simultaneously added width and depth to the bank's integrated thinking; while leading to a transformational approach to the bank's reporting practices as featured in this report.

For this report, which marks the bank's base-year reporting cycle, the scope of our assurance focused on the reporting process and the quality of the reported indicators, yet taken into account the verification of a sound integration of value creation approach, considering the following:

- As part of the Credit Agricole Group, the report integrates the Group's Medium-Term Plan (MTP) as core to CAE strategic direction. With an outlook on externalities, national priorities, local market uncertainties and CAE's evolving customer centricity, the report presented CAE's risk management approach towards its material topics.
- The integration of all six capitals as part of the bank's operations and their consideration within the bank's portfolio required expert judgment to empathize areas of interaction and to assert the quality of reporting. Thus, the report captured the agility of the business model, focused on the bank's strategic objectives and the outcomes on Capitals' Trade-offs. Impact (per capital) is lightly monitored through mapping to the UN Sustainable Development Goals.



Considering the scope of assurance, the alignment to the Group’s directions, and the reporting framework adopted, our Assurance Boundaries focused, within the limitations of data provided, on the following:

- Availability, affordability, and quality of Capitals over the reporting period
- Connectivity of the business activities and the proper focus on material issues
- Consistency and comparability of results year over year
- Completeness and conciseness of data through verification of Stakeholders Engagement Plan and Implementation
- Reliability of information through verification of data collection process
- Alignment of material issues to internal/external risks, anticipated threats, opportunities and strategic objectives
- Sound analysis of Materiality Identification process, including stakeholders’ inclusiveness, magnitude of impact on the bank’s Value Creation and Likelihood of occurrence in light of market analysis (as presented in this report)
- Review of disclosures on the various topics represented through quantitative and qualitative indicators to ensure, both, future comparability, and context.

The assurance scope did not cover:

- Data and information outside the reporting period indicating looking-forward statements by the bank or the Group.
- Verification statements indicating testimonial, opinion, success stories, and / or aspiration.
- Verification of claims (limited to data and information presented)

#### Assurance Provider’s Role

The Bank’s Integrated Assurance Plan for this reporting cycle included:

- Our assurance duties as described in the “Assurance Scope and Boundaries” of this document
- Our key assurance-functions as foreseen for both the IR Framework and GRI Standards are described in the “Assurance Procedures” of this document

We have ensured that the report narrative and data provided represented adequate view to the provider(s) of capital and to all stakeholders in order to support the decision-making process through the completeness and connectivity of financial and non-financial data.

We engaged in designing the procedures that allowed the gathering of appropriate evidence to support the value creation framework through the outcomes of the various capitals, particularly those that required qualitative considerations.

We streamlined an adequate and necessary degree of comparability of indicators to national counterparties. Our focus was more inclined to determine that the definitions of used terms are applied consistently in this single report and as per the Group and CAE’s MTP, while addressing national directives and practices.

In addition, part of our role was to validate the connectivity of material topics of strategic nature in this report to the Group’s IR reports and the CAE’s ESG audits by the Group.

#### Responsibilities of the Management

The management was responsible for the preparation and fair presentation of the selected information included in this Integrated Report, in accordance with the IIRC criteria and GRI Standards. It was responsible to assert that the internal controls enabled the preparation of information, free from material misstatement. Through our prolonged engagement with the bank, we have observed that the leadership that governed the release of this integrated report has actively proven their periodical oversight of the process and the team involved in the process.



Our responsibility was to express a conclusion on the selected information included in this Integrated Report, based on reasonable assurance engagements. Back-end reviews and data assessments were conducted taking into consideration the Group Strategy, Egypt’s National Sustainable Development Agenda and the regulations of the Central Bank of Egypt. The nature, methodologies, timing and extent of procedures selected depended on our engagements with the bank, the data provided, the oversight and review check-points by the delegated top-management representative, and finally based on final approval of the bank’s Board of Directors. A close engagement was conducted with the Board Members to fully comprehend the approach and methodologies of the bank and the Group.

Our reasonable assurance engagement included inquiries to professionals of CAE involved in preparation of reported data. It also included applying analytical procedures to evidence supporting the issuance of a reasonable assurance conclusion on the report content. The reasonable assurance engagement involved the performance of additional inquiries where independent reviewers and auditors may become aware of matters that might present significant misstatements or representation of information.

#### Assurance Team

The assurance was conducted by a multidisciplinary independent team including experts and researchers for auditing sustainability, environmental, social and economic information and abiding to our values of integrity, confidentiality, professional competence, objectivity, and due attention.

*Sustainability and Risks Audits: Dr. Ehab Shalaby*

*Economic Audit: Dr. Ahmed Yehia Belal*

*Environmental Audit: Mr. Hesham Eissa*

*Financial Data Analysis: Dr. Mohamed Shalaby*

*ESG, Strategy and Materiality Audits: Ms. May Elwany*

*IR back-end Reviews: Ms. Alia Azzam*

*Social back-end Reviews: Ms. Sarah El Miligy*

*Reporting Principles Reviews, Verifications of management oversight :Ms. Amira El Masrafawy*

*Technical Design: Ms. Amira El Masrafawy*

#### Conclusion

We have reviewed the Sustainability Report of Crédit Agricole Egypt. Considering the risk of material error, we received all necessary explanations from the bank to support sufficient evidence to our assurance conclusion. Based on the activities performed and evidence received, in our opinion, Crédit Agricole Egypt has complied, in all material respects, with the IR Framework and its principles, and with the GRI Standards for sustainability reporting criteria: Core Option.

This report defines a marker in the Assurance and Reporting Standards in the National Banking Ecosystem, both under the IR Framework and the GRI Standards, thus narrative were extended to an accepted level to balance the required quantitative disclosures and qualitative descriptions, and that the definitions and report scope have provided sufficient clarification to various stakeholders. We anticipate, this new national benchmark will be supporting the integration of ESG as the foreseen future standards-setting in the country.

**May Elwany**  
**Board Member**  
**& Lead Report Auditor**

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



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We provide our Sustainability/Integrated Report online,  
which allows us to reduce the amount of paper we print and distribute.

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