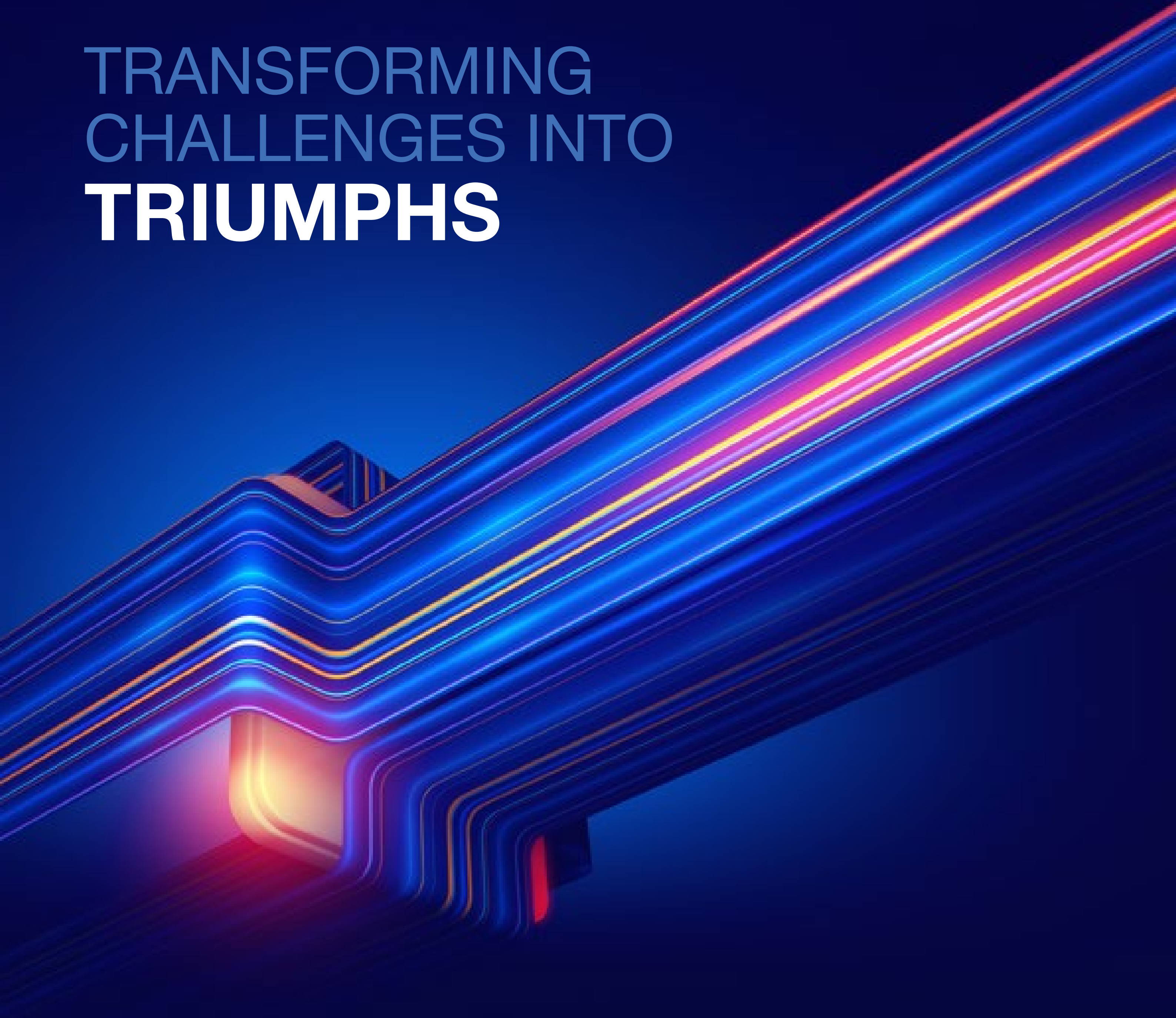
THE BANK TO TRUST

TRANSFORMING CHALLENGES INTO **TRIUMPHS**



ANNUAL REPORT
2023

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CIB serves an expansive network of retail customers, high-net-worth individuals (HNWIs), enterprises, and institutions that drive the Egyptian economy.

ANNUAL REPORT
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CIB Introduction

y-o-y increase in consolidated net income to EGP 16.11 billion

21%

CIB's strategy focuses on strengthening its core business to serve current and potential customers in the corporate, SME, and retail segments.

At a Glance

CIB, Egypt's leading private-sector bank, is an award-winning institution dedicated to creating outstanding stakeholder value and providing superior customer service solutions to a broad range of clients. The Bank furnishes clients with innovative solutions to both satisfy their banking needs and facilitate their financial pursuits.

Both CIB's dynamic business model and commitment to fully integrating world-class technology into its services and products allow it to maintain its leadership status in the market, and provide staff with an engaging work environment, while generating mounting value. The Bank serves an expansive network of retail customers, high-net-worth individuals (HNWIs), enterprises, and institutions that are essential drivers of the Egyptian economy.

In fostering a well-established network of 208 branches and banking units, as well as a workforce comprising 7,917 employees, CIB provides tailored, client-centric services to clients in the corporate, commercial, retail, wealth, and small and medium enterprise (SME) spheres. The Bank works to deliver the most streamlined, efficient banking service offering in the Egyptian market. CIB also operates two representative offices, one in Dubai and the other in Addis Ababa, boosting business further through these key market channels while capitalizing on the synergies inherent in CIB's business model as a means of driving value for clients.

The Bank has three strategic subsidiaries: CIB Kenya Limited, Damietta Shipping Marine Services (DSMS), and Commercial International for Finance Company (CIFC), in which CIB's shares are 100%, 49.95%, and 99.83%, respectively. In addition to CIB's strategic subsidiaries, the Bank has direct ownership in two affiliates: Al Ahly Computer Equipment Company (ACE) and T.C.A Properties, in which it owns 39.34% and 37.7%, respectively. For several years, CIB has also been proud to be titled the Most Profitable Bank operating in Egypt and the Bank of Choice for over 800 of Egypt's largest corporations. It has been awarded numerous accolades from prestigious bodies throughout the year, including Best Private Bank by Global Finance, as well as Best M&A Deal and Best Securitization House in Africa by EMEA Finance.

+2
Million Clients

7,917
Employees

1,339
ATMs

EGP/BN
170.5
Average Market Cap

EGP/BN
56
Revenues

208
Branches

Financial Highlights

	FY23 Consolidated	FY22 Consolidated	FY21 Consolidated	FY20 Consolidated	FY19 Consolidated	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Common Share Information Per Share															
Earning Per Share (EPS)[1]						8.59	4.83	6.10	6.26	7.33	7.26	5.76	4.56	3.58	3.55
Book Value (BV/No of Shares)						29.9	22.7	35.0	40.2	35.3	29.3	24.4	18.4	14.4	16.3
Share Price (EGP)[2]															
High						84.1	48.0	64.0	59.5	83.5	96.5	88.8	73.6	47.4	51.3
Low						41.7	22.5	41.0	59.0	82.7	67.0	71.1	30.8	28.9	32.6
Closing						72.7	41.5	52.0	59.2	83.0	74.1	77.4	76.4	38.1	49.2
Shares Outstanding (millions)						3,020	2,983	1,970	1,478	1,469	1,167	1,162	1,154	1,147	908
Market Capitalization (EGP millions)						219,367	123,715	102,453	87,464	121,963	86,439	89,865	88,155	43,692	44,673
Value Measures															
Price to Earnings Multiple (P/E)						8.46	8.59	8.52	9.46	11.3	10.2	13.4	16.8	10.6	13.9
Dividend Yield (based on closing share price)						0.76%	1.30%	2.62%	0.00%	1.51%	1.35%	1.29%	0.65%	1.97%	2.44%
Dividend Payout Ratio						5.8%	10.0%	20.0%	0.0%	15.6%	15.3%	15.4%	9.70%	18.5%	29.9%
Market Value to Book Value Ratio						2.43	1.83	1.49	1.47	2.35	2.53	3.17	4.14	2.65	3.02
Financial Results (EGP millions)															
Net Operating Income	55,999	32,898	26,696	25,881	23,019	54,578	32,752	26,755	25,839	23,018	20,351	15,192	11,370	10,165	7,717
Provision for Credit Losses – Specific	4,270	1,585	1,680	5,019	1,435	4,287	1,512	1,677	4,989	1,435	3,076	1,742	893	1,682	589
Provision for Credit Losses – General															
Total Provisions	4,270	1,585	1,680	5,019	1,435	4,287	1,512	1,677	4,989	1,435	3,076	1,742	893	1,682	589
Non-interest Expense	10,076	7,372	6,183	5,626	5,049	9,766	7,177	6,096	5,553	5,045	4,223	3,119	2,433	2,028	1,705
Net Profit	29,635	16,114	13,272	10,238	11,801	28,768	16,130	13,420	10,300	11,804	9,556	7,550	5,951	4,641	3,648

[1] Based on Net Profit Available for Distribution (After deducting Staff Profit Share and Board Bonus) and unadjusted to Stock Dividends and ESOP.
[2] Unadjusted to Stock Dividends.

	FY23 Consolidated	FY22 Consolidated	FY21 Consolidated	FY20 Consolidated	FY19 Consolidated	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Financial Measures															
Cost : Income	17.1%	21.2%	22.8%	20.7%	21.6%	17.0%	20.7%	22.4%	20.5%	21.6%	20.3%	20.4%	21.3%	19.7%	22.9%
Return on Average Common Equity (ROAE)[3]	39.7%	25.1%	21.7%	19.2%	29.5%	38.6%	25.1%	21.9%	19.3%	29.6%	33.1%	32.7%	34.0%	32.8%	30.3%
Net Interest Margin (NII/ Average Interest Earning Assets)[4]						7.55%	6.10%	5.67%	6.75%	6.48%	6.43%	4.97%	5.47%	5.74%	5.41%
Return on Average Assets (ROAA)[3]	4.06%	2.86%	2.88%	2.53%	3.26%	3.95%	2.87%	2.93%	2.55%	3.26%	3.02%	2.72%	2.70%	2.90%	2.87%
Regular Workforce Headcount						7,917	7,700	7,308	7,071	6,900	6,759	6,551	6,422	5,983	5,403
Balance Sheet and Off-Balance Sheet Information (EGP millions)															
Cash Resources and Securities (Non-governmental)[5]	336,908	209,044	136,211	131,858	63,270	336,711	209,387	136,502	131,708	63,226	69,030	63,673	73,035	34,097	19,430
Net Loans and Acceptances	235,808	196,578	145,887	120,347	119,946	234,647	195,599	145,078	119,632	119,946	106,377	88,428	86,152	57,211	49,398
Assets	834,866	635,832	498,236	427,842	386,742	832,527	633,643	496,651	426,145	386,697	342,423	294,771	263,852	179,193	143,647
Deposits	677,237	531,617	407,242	341,169	304,448	675,310	530,125	406,101	340,087	304,484	285,340	250,767	231,965	155,370	122,245
Common Shareholders Equity	90,481	67,758	68,848	59,476	51,880	90,300	67,721	68,928	59,405	51,800	34,147	28,384	21,276	16,512	14,816
Average Assets	735,349	567,034	463,039	407,292	364,602	733,085	565,147	461,398	406,421	364,560	318,597	279,312	221,523	161,420	128,700
Average Interest Earning Assets	655,193	505,581	411,014	363,922	328,296	652,498	503,323	409,075	362,981	328,296	290,869	258,315	203,625	145,835	117,133
Average Common Shareholders Equity	79,120	68,303	64,162	55,678	43,054	79,010	68,324	64,166	55,602	42,973	31,265	24,830	18,894	15,664	13,465
Balance Sheet Quality Measures															
Equity to Risk-Weighted Assets[3]	22.3%	19.3%	27.5%	29.0%	24.3%	22.3%	19.3%	27.5%	28.9%	24.3%	16.9%	15.6%	13.3%	15.7%	15.8%
Risk-Weighted Assets (EGP billions)	382	331	234	201	199	382	331	234	201	199	186	169	150	96	84
Tier 1 Capital Ratio[3]	22.0%	19.2%	26.9%	28.1%	23.6%	22.0%	19.2%	26.9%	28.1%	23.6%	16.2%	14.9%	12.9%	15.0%	15.7%
Capital Adequacy Ratio[3]	26.2%	22.7%	29.9%	31.4%	26.1%	26.2%	22.7%	29.9%	31.4%	26.1%	19.1%	18.0%	14.0%	16.1%	16.8%

[3] After Profit Appropriation.
[4] Based on Managerial Accounts.
[5] Including CBE Deposit Auctions.

Our History

Commercial International Bank (CIB) was founded in 1975 as Chase National Bank, a joint venture between Chase Manhattan Bank and the National Bank of Egypt (NBE), with ownership of 49% and 51%, respectively. In 1987, Chase divested its ownership stake as part of a shift in its international strategy. NBE acquired that stake, renaming the former joint venture Commercial International Bank (CIB). Over time, NBE's ownership stake in CIB declined, falling to 19% in 2006. That year, a consortium led by Ripplewood Holdings acquired NBE's remaining stake. In July 2009, Actis, a Pan-African private equity firm specializing in emerging markets, acquired 50% of the Ripplewood Consortium's stake. In December 2009, Actis became the single largest shareholder in CIB with a 9.09% stake after Ripplewood sold its remaining share of 4.7% on the open market. The emergence of Actis as the predominant shareholder marked a successful transition in the Bank's strategic partnership. In March 2014, Actis undertook a partial realization of its investment in CIB by selling 2.6% of its stake on the open market, maintaining its seat on the Board. In May 2014, the private equity firm sold its remaining 6.5% stake to several wholly owned subsidiaries of Fairfax Financial Holdings, making the latter the sole strategic shareholder in CIB. Fairfax is represented on CIB's Board of Directors by a non-executive member.

1975	• Establishes as Chase National Bank, the first joint venture bank in Egypt • Becomes the first Egyptian bank to introduce an Institutional Banking Risk Rating Model
1977	• Becomes first private sector bank to create a dedicated division providing 24/7 banking services to shipping clients, with a primary focus on business in the Suez Canal
1987	• Chase Manhattan divests its stake in the Bank, and the Bank changes its name to Commercial International Bank (CIB)
1989	• Selected by BSP to become its agent in Egypt
1991	• First Egyptian commercial bank to arrange debt swap transactions • First bank to launch a smart card center in Egypt
1993	• Concludes Egypt's largest initial public offering (IPO) for a domestic bank, which was 1.5x oversubscribed, selling 1.5 million shares in a span of 10 days and generating EGP 390 million in proceeds
1994	• First bank in Egypt to connect with the international SWIFT network
1996	• First Egyptian bank to have a Global Depository Receipt (GDR) program on the London Stock Exchange (LSE)
1998	• First private sector bank with investment rating (after Luxor incident), rated BBB by S&P • First bank to link its database to the Misr for Central Clearing, Depository, and Registry (MCDR) Company • First Egyptian bank to form a Board of Directors' Audit Committee
2001	• First Egyptian bank to register its shares on the NYSE in the form of ADR Level 1 program • First bank to introduce FX cash services for five currencies through ATM
2005	• First bank in Egypt to launch a page on Bloomberg for local debt securities
2006	• First to adopt a pricing policy according to client risk rating to abide by Basel II requirements • First Egyptian bank to execute an EGP 200 million repo transaction in the local market • First and largest Egyptian bank to provide securitization trustee services
2007	• Only bank in Egypt chosen by UNIFEM and World Bank to participate in the Gender Equity Model (GEM)
2008	• First bank to use Value at Risk (VaR) for trading and banking book for internal risk management requirements, despite there being no regulatory requirements
2009	• First regional bank to introduce unique concierge and Mastercard emergency services • Only Egyptian bank recognized as "Best Bank in Egypt" by four publications — Euromoney, Global Finance, EMEA Finance, and the Banker — in the same year
2010	• First Egyptian bank to establish a Global Transaction Service department • The only bank in Egypt able to retain one of the top two positions in the primary and secondary markets for Treasury Bills and Treasury Bonds • First and only Egyptian bank to enforce business continuity standards • CIB Foundation becomes the first in Egypt to have its annual budget institutionalized as part of its founding institution's bylaws, as CIB shareholders unanimously agree to dedicate 1% of annual net profit to the Foundation
2011	• CIB-TCM becomes pioneer in trading in almost 114 new and unconventional currencies
2012	• First Egyptian bank to officially establish a Sustainable Development Department
2013	• First Egyptian bank to upgrade its ADRs to trade on the OTCQX platform • First Egyptian bank to sign an agreement with Bolero International, joining the Bolero multi-bank service for guarantees • First Egyptian bank to establish an ERM framework and roadmap • Became first Egyptian bank to use RAROC • First Egyptian bank to introduce an interactive multimedia platform that offers customers the option of interacting with call center agents over video calls

2014

- First Egyptian bank to sign an agreement with the Misr for Central Clearing, Depository, and Registry (MCDR) company to issue debit cards for investors to collect cash dividends
- Launched first co-branded credit card, Mileseverywhere, with national carrier EgyptAir
- Introduced the first interactive social media platform in the Egyptian banking industry
- The first block trading transaction on the EGX took place when Actis sold its 6.5% stake in CIB to Fairfax

2015

- First Egyptian bank to successfully pass external quality assurance on its Internal Audit Department
- Generated highest FX income in 10 years among private-sector banks in Egypt
- First Egyptian bank to recognize conduct risk and establish a framework

2016

- Launches a mobile banking application
- Becomes the first Egyptian bank recognized as an active member of the United Nations Environmental Program — Financial Initiative
- Receives the Socially Responsible Bank of the Year 2016 award from African Banker

2017

- Becomes the only Egyptian bank ranked on the FTSE4Good Sustainability Index

2018

- First Middle Eastern company to be analyzed in a case study conducted by the Leadership Institute of the London Business School
- Established CVentures, Egypt's first corporate venture capital firm primarily focused on investing in transformational fintech start-ups
- Received ISO22301:2012 certification for Business Continuity Management by PECB, a global provider of training, examination, audit, and certification standards, in partnership with EGYBYTE, a leader in the MENA market for IT service management
- Ranks first on the EGX's sustainability index (S&P/EGX ESG) for the fifth year in a row since 2014

2019

- Included on the 2019 Bloomberg Gender-Equality Index (GEI), becoming the first Arab and African company to be included in the index out of the 230 companies, noting that Bloomberg GEI is the world's only comprehensive investment-quality data source on gender equality
- Becomes the only representative from Egypt's private sector to join the Digital Economy Task Force (DETF)
- Launches CIB's Chatbot named Zaki, which uses artificial intelligence, becoming the first bank in Egypt to introduce a chatbot that supports both English and colloquial Arabic
- Becomes a founding signatory to the United Nations Environment Program Financial Initiative (UNEP-FI) Principles for Responsible Banking
- Recognized by Forbes among the top 500 employers globally, coming in 90th place within the top 100 companies in the world

2020

- Acquires 51% of a Kenyan bank, now known as Mayfair CIB Bank Limited in Kenya, through a capital increase for a total transaction value of USD 35.35 million
- Included in the 2020 Bloomberg Gender Equality Index (GEI), becoming the only company in Egypt and one of just a handful from Africa to be included in the index, which features 325 companies representing 42 countries across 50 industries with a demonstrable commitment to the global advancement of women in the workplace
- Ranks 28th on Forbes Middle East's Top 100 Listed Companies in the Arab World, ranking highest of the four Egyptian companies on the list

2021

- Issues a green bond worth USD 100 million, making it the first bank to issue green bonds in the private sector
- Ranks 24th on Forbes Middle East's Top 100 Listed Companies in the Arab World
- Becomes a founding member of the Net-Zero Banking Alliance (NZBA)

2022

- Named Best Bank for SME Banking in Egypt and the Middle East in Euromoney's Awards for Excellence 2022
- Tops Forbes' Top 50 Listed Companies in Egypt
- Alpha Oryx Ltd., a subsidiary of ADQ, acquired 18.595% of CIB

2023

Acquires the remaining 49% of its Kenyan subsidiary, thus making it a fully owned subsidiary of CIB under its new name **CIB Kenya Limited**

Leadership

Board of Directors

Mr. Hisham Ezz Al-Arab
Non-Executive Chairman

Mr. Hisham Ezz Al-Arab is the Chairman of the Commercial International Bank (CIB) – Egypt. Prior to his appointment at CIB, Mr. Ezz Al-Arab served as an advisor to the Governor of the Central Bank of Egypt (CBE) for three months. In 2020, Mr. Ezz Al-Arab founded and chaired HE Advisory. With over 40 years of experience as an international banker across Europe, the Middle East, and Africa, he advises corporations on Growth Strategies, Resources Mobilization, and Financial Risk Management. He also provides fundraising advice and strategic counsel to start-up fintechs.

Mr. Ezz Al-Arab is the former Chairman and Managing Director of Commercial International Bank - Egypt (CIB), where he served in that role from 2002 to 2020. During his tenure, he transformed the institution from a wholesale lender with a market capitalization of EGP 1 billion into Egypt's largest private-sector bank with a market capitalization of EGP 100 billion. As the blue-chip component of the Egyptian Exchange (EGX) with ADRs and GDRs listed on the New York and London Stock Exchanges, the stock is the global investment community's preferred proxy for Egypt and a benchmark for the banking industry in emerging markets.

Mr. Ezz Al-Arab's leadership was committed to cultivating and perpetuating a culture of entrepreneurial spirit and meritocracy, as well as to global best practices with respect to corporate governance and risk management. Equally committed to the Bank's global responsibility, in 2013, Mr. Ezz Al-Arab introduced sustainability and gender equality initiatives. CIB was the first bank in Egypt to issue a sustainability report and join the signatories of the United Nations Environment Program Financial Initiative (UNEP FI): Principles for Responsible Banking. The Bank was also included in the Low-Carbon Select Index in the Middle East and North Africa (MENA). In 2019, CIB was named in the Bloomberg Gender Equality Index, the only company in Egypt and Africa to be listed. Mr. Ezz Al-Arab also led the digital transformation of the Bank's processes and practices, including the establishment of a Data Analytics unit, the first such effort at an Egyptian bank. This unit subsequently advised the Egyptian government regarding data collection and analysis.

Recognizing the potential opportunities in Africa, particularly East Africa as a trade hub, Mr. Ezz Al-Arab led the transaction to open CIB Mayfair Bank in Kenya to provide trade finance and credit facilities for the Bank's Egyptian mid-sized corporate customers looking to expand into Africa. He was also instrumental in a fintech initiative for youth in East Africa.

Mr. Ezz Al-Arab has been recognized by several global publications for his leadership and the Bank's performance. He was named Best CEO in Egypt and Africa by EMEA Finance in 2014. In 2016, Euromoney recognized his "Outstanding Contribution to Financial Services in the Middle East." CIB was awarded Euromoney's Best Bank in Global Emerging Markets award, the first bank in Egypt and the MENA region to receive this award. The Bank was also awarded Best Bank in the Middle East in the same year. In 2018, CIB received the Best Bank for Social Responsibility in the Middle East award, and it was named Best Emerging Markets Bank by Global Finance in both 2018 and 2020.

Mr. Ezz Al-Arab is the Chairman of the CIB Foundation, which he founded in 2010. The CIB Foundation has built strategic partnerships with healthcare providers from the government, private, and non-government sectors focused on the health and wellbeing of underprivileged children throughout Egypt. As a result of its efforts, the Foundation has impacted the lives of more than 3.2 million children and is a leading Egyptian voice for universal access to quality healthcare extended to underprivileged children.

Mr. Ezz Al-Arab is a Member of the Institute of International Finance (IIF) in Washington and the Emerging Markets Advisory Council (EMAC), as well as a board member at Ripplewood Advisors MENA. He is also former Chairperson of the Federation of Egyptian Banks, a former board member of the American University in Cairo (where a scholarship in his name was established for dedicated undergraduate students), Smart Africa, and Fairfax Africa.

Prior to joining CIB in 1999, Mr. Ezz Al-Arab served as a banker at Merrill Lynch, J.P. Morgan and Deutsche Bank in London and the Middle East.

Mr. Hussein Abaza

Chief Executive Officer and Managing Director

Mr. Hussein Abaza leads strategy and operations at CIB, an institution with more than 7,900 employees serving more than 2 million customers, including Egypt's 800 largest corporations, online and at more than 208 branches and units, 1,339 ATMs, and 24,229 points of sale nationwide.

Mr. Abaza has been Chief Executive Officer and Managing Director since 24 June 2021, and Chief Executive Officer and a Member of the Board of Directors from March 2017 until 24 June 2021. He also Chairs the Executive Committees (Management and High Lending and Investment Committees). He assumed this position after a six-year run as CEO of Institutional Banking. Prior to this, Mr. Abaza was the Bank's Chief Operating Officer and, from 2001 to 2010, its Chief Risk Officer, responsible for managing credit, market, and operational risk across CIB.

Mr. Abaza is also a leader of the Bank's award-winning Investor Relations program, in which capacity he has helped CIB grow from a market capitalization of EGP 10.8 billion in 2008 to EGP 218 billion as of December 2023. Under Mr. Abaza's leadership, the team managed Ripplewood's 2009 exit from CIB, the entry into the shareholding structure of global emerging markets private equity firm Actis, and the subsequent sale of Actis's 6.5% stake to Canadian insurance firm Fairfax Financial Holding Ltd. in the Egyptian Exchange's first block trading transaction. The Bank's IR program has taken home wins from the Extel / MEIRA poll for five consecutive years, from 2014 to 2018.

In his more than 25 years with CIB, Mr. Abaza has become actively involved in the Bank's regionally renowned credit training program, providing talented young bankers with the theoretical basis and hands-on experience needed to assess the creditworthiness of organizations across all sectors of the economy.

He brings to CIB a sharp interest in financial markets and non-bank financial services, having served as Head of Research and then Managing Director at EFG Hermes Asset Management from 1995 until his return to CIB in 2001. He called on that experience from 2014 to 2017 as Chairman of Cl Capital, a leading Egyptian investment bank and subsidiary of CIB until the Bank exited its investments.

Mr. Paresh Sukthankar

Independent Director

Mr. Paresh Sukthankar has been a banker for over three decades. He was part of the core team that founded HDFC Bank Ltd. in 1995 and helped build it into one of India's leading, most respected financial institutions. At HDFC Bank, Mr. Sukthankar contributed to various key areas, including credit, risk management, finance, human resources, investor relations, corporate communications, and corporate social responsibility. He also led the teams managing HDFC Bank's two acquisitions and its equity capital issuances in the domestic and international markets. Mr. Sukthankar was inducted on the bank's Board as Executive Director in 2007 and was elevated to the post of Deputy Managing Director in 2014. Mr. Sukthankar resigned from HDFC Bank in 2018.

Mr. Sukthankar has been a member of various committees formed by the Reserve Bank of India and Indian Banks' Association. Prior to joining HDFC Bank, Mr. Sukthankar worked in Citibank from 1985 to 1994 in various departments, including corporate banking, risk management, and financial control. Mr. Sukthankar is currently Lead Partner in Sanaksh Advisors LLP, a firm he founded to provide advisory services to private equity, venture capital, and other entities. He is a member of the Board of Management of the Jamnalal Bajaj Institute of Management Studies, University of Mumbai, the Advisory Board of two NGOs (Project Mumbai and KSWA's Yuva Parivartan), and the Academic Council of the College of Supervisors of the Reserve Bank of India.

Mr. Sukthankar received a BCom from Sydenham College and an MBA from Jamnalal Bajaj Institute of Management Studies, University of Mumbai. He has also completed the Advanced Management Program (AMP) from Harvard Business School.

Mr. Rajeev Kakar
Independent Director

Mr. Rajeev Kakar is a seasoned banker, business founder, entrepreneur, and Corporate Board Member with over three decades of global banking experience and expertise in financial services, especially in Emerging Local Corporate, Commercial, MSME, and Retail Banking across multiple countries globally, with a focus on high-growth emerging markets in the Asia Pacific/China, Europe, Indian Sub-Continent, MENA/GCC, and Central/Eastern Europe regions.

Mr. Kakar has a strong track record of successfully operating large banks and financial institutions, as well as leading business turnarounds, with a demonstrated ability to conceptualize and execute multi-country business strategies, lead acquisitions and business/digital transformations, launch green-field financial services businesses, and deliver profitability over a sustained period, while contributing to the community and actively serving on several prominent boards across different countries.

He started his career at Citibank NA, where he worked for two decades, culminating in his role as the Regional CEO – Turkey/Middle East/Africa region until 2006. He then served as the Global Co-Founder of Fullerton Financial Holdings, Singapore, where he served for 13 years on the Global Management Board as its Executive Vice President and Global Head of Consumer Banking. Mr. Kakar was also the CEO – CEEMEA region of Fullerton Financial from 2006 to 2017. During this time, he was the founder of Dunia Finance LLC, Fullerton's UAE subsidiary, which he operated as its Founder Managing Director and CEO until 2018.

Mr. Kakar also serves on the boards of several Bank and Financial Institution, namely Eurobank Ergasias SA (Greece), Gulf International Bank (GIB Bahrain), Gulf International Bank (GIB Saudi Arabia), Commercial International Bank (Egypt), UTI Asset Management Company (India), and Commercial International Bank (CIB) Kenya. He ihas also been a member of the Global Advisory Board of the University of Chicago's Booth School of Business since 2009.

Mr. Sherif Samy
Independent Director

Mr. Sherif Samy is an experienced senior executive and advisor in the areas of financial markets and services, in addition to investment and corporate governance. He is currently non-executive chairman of a real estate asset management company and serves on the boards of directors of the state's project finance arm (the National Investment Bank), the Universal Health Insurance Authority, and to several listed and privately held companies in the education, venture capital, fund management, and private equity sectors. Additionally, he is the Chair of the Audit Committee of the Social Insurance Fund and of the International Advisory Board of the UAE Securities and Commodities Authority. Also member of Board of Trustees of the French University in Egypt.

Mr. Samy served as the Non-Executive Chairman of Commercial International Bank from October 2020 to March 2023. Mr. Samy has also served a four-year term (ending 2017) as Chairman of Egypt's independent non-banking financial regulatory authority (FRA) where he achieved a major legislative and regulatory leap in capital markets, insurance, mortgage, leasing, private pensions, factoring and microfinance.

He served on the board of the Central Bank of Egypt (2013–2017), its Monetary Policy Committee, and Chaired its Audit Committee. He was also Chairman of the Financial Services Institute, the Egyptian Institute of Directors, and a member of the board of the country's National Payment Council and its Anti Money Laundering Unit.

In 2014, Mr. Samy was the first Egyptian to be elected to the board of the International Organization of Securities Commissions (IOSCO); he was reelected for a second term in 2016. He was also elected President of the Union of Arab Securities Authorities in 2016 / 2017. Prior to that, he was the Managing Director of Banque Misr's investment arm, Misr Capital, and a board member of Banque Du Caire. Starting 2007, he was appointed for several consecutive terms to the board of the investment promotion agency GAFI.

Mr. Samy started his professional career with global consulting firm Accenture, where he worked at its Chicago, Riyadh, and Beirut offices. He graduated from Alexandria University's Faculty of Commerce with high distinction and attended numerous executive programs at leading business schools in the US and Europe in the areas of strategy, management, and investment.

Mr. Jay-Michael Baslow
Independent Director

Mr. Jay-Michael Baslow brings to the Board a variety of banking experience acquired during the past four decades. Mr. Baslow spent the last 16 years of his career in Risk Management at J.P. Morgan covering a range of sectors. Prior to his 2019 retirement, he was the Head of EMEA Risk Management for the bank's Wealth Management organization and the Chief Risk Officer of J.P. Morgan International Bank Ltd, its London-based private bank. Prior to that, Mr. Baslow worked in Credit Risk Management, covering a variety of corporate and financial sectors and EMEA regions, including over three years based in Dubai as the Head of MENA Credit Risk, before returning to London as the Head of EMEA Emerging Markets Credit Risk.

During the late 1990s, Mr. Baslow was an investment banking client executive at Chase Securities, covering global telecommunications operators and equipment manufacturers from the bank's New York headquarters. Mr. Baslow started his career with Chemical Bank in the 1980s, first as a technologist and then as a real estate investment banking analyst.

In addition to his banking experience, Mr. Baslow was a strategy consultant in the Media and Telecoms industry at Booz Allen and Hamilton. He co-founded Frictionless Commerce Incorporated, a strategic sourcing software start-up in Cambridge, MA, where he was Chief Financial Officer and a member of the Board and was the Associate Dean for Resource Development at Harvard Medical School, overseeing the major gifts and planned giving operations.

Mr. Baslow received a BA in Mathematics from the University of Pennsylvania and an MBA in Finance from The Wharton School.

Mr. Fadhel Al Ali
Non-Executive Director

Mr. Fadhel Al Ali serves as the Chairperson of Dubai Financial Services Authority (DFSA). He is a strategic leader with a vast range of experience in corporate governance and commercial roles across a variety of business contexts, such as start-ups, rapid growth, fix-it, and turnarounds. He brings 30 years of experience in multiple industries including real estate, hospitality, investment, and banking. He also led several corporate functional organizations such as finance, HR, Legal, Business Excellence, and Marketing and Communication.

Throughout his career, Mr. Al Ali has made remarkable achievements that extend from contributing to the creation of Dubai Holding and managing its 2009 post-recession crisis, to contributing to the creation of its new business model as a strategic investor. Moreover, he recorded the highest ever profit for Dubai Holding since its inception. He also succeeded in issuing multi-currency multiple tenor bonds worth USD 2.25 billion for Dubai Holding Commercial Operations Group.

Mr. Al Ali started his career as a banker in 1989 at Citibank and joined Dubai Holding in 2004, where he served in multiple roles including CFO, COO and, finally, CEO until 2017. This was followed by a four-year stint as FAB's Deputy CEO and group COO until 2021, before chairing DFSA.

Mr. Al Ali joined CIB's Board of Directors in May 2022 as a Non-Executive Board member, representing the interest of Alpha Oryx Ltd. — a subsidiary of ADQ.

Mr. Al Ali holds a bachelor's degree of Industrial and System Engineering from the University of Southern California.

Mr. Aziz Moolji

Non-Executive Director

Mr. Aziz Moolji serves as ADQ's M&A and Alternative Investments Director. He brings to the Board more than 20 years of experience in Private Equity and Investment Banking across North America and emerging markets. He invested over USD 2 billion in transactions across Financial Services, Consumer Products, Industrials, Infrastructure, Education, Hospitality and Logistics.

Mr. Moolji started his career at Goldman Sachs & Co. in 1996 and joined Lehman Brothers in 2005. In 2006, he joined Merrill Lynch & Co. Inc. as Vice President, Financial Sponsors Group, for two years. In 2009, Mr. Moolji joined The Abraaj Group, Dubai, where he served as Managing Director, Private Equity for 10 years, led transaction execution, post-acquisition management, and exits for transactions across the Middle East, Africa, Turkey, Asia, and Latin America. Mr. Moolji also served as Vice President, Investments and Portfolio Management at Dubai Holding for two years until 2021 before joining ADQ.

Mr. Moolji joined CIB's Board of Directors on May 2022 as a Non-Executive Board Member representing the interest of Alpha Oryx Ltd. – a subsidiary of ADQ.

He holds a BS in Electrical Engineering and Management from Massachusetts Institute of Technology, Cambridge. Later, he received his master's degree in finance from the Wharton School of the University of Pennsylvania.

Ms. Hoda Mansour

Independent Director

Ms. Hoda Mansour is an experienced, creative, and self-motivated leader, with more than 25 years of experience in leading multinational software companies including SAP, Oracle, and Microsoft in regional and global capacities that included Europe, Asia, and Africa.

She holds strong technical and business qualifications with a solid track record, having successfully led diverse teams of professionals in highly competitive, complex, and fast-paced environments.

Ms. Hoda was recognized by Forbes Middle East as one of the Top 50 Power Businesswomen in 2021 and 2022, following her previous selection as one of Forbes Top 100 Power Businesswomen in 2020 and Forbes Top 100 most Influential Women in 2018. She was also recognized as one of the Top 50 women in Egypt in 2019 and awarded the Best Distinguished Women Award in the field of Digital Transformation by the Arab Council for Social Responsibility in 2021.

Ms. Hoda was elected as a board member by American Chamber of Commerce in June 2021 and as Vice President and board member of the German-Arab Chamber of Industry and Commerce since September 2020.

In September 2023, Ms. Hoda was appointed as the Chief Operating Officer for Asia Pacific, Japan, Middle East & Africa (APJ, ME&A) at IFS, the global cloud enterprise software company. In January 2024, Ms. Hoda was appointed as a Non-Executive of Board Member of Centamin PLC.

Ms. Hoda is one of the Middle East's leading technology innovators and pioneers. Upon her appointment as Managing Director of SAP Egypt, she made strong progress on Egypt's investment plan, expanding the breadth and depth of the SAP Channel Partner Program, and is continuing to enhance the partnerships with the academic sector to support young talent development and job creation. She joined SAP in Dubai in 2013, where she held various positions, the last being Managing Director for SAP Egypt and Frontier Countries (Lebanon, Jordan, Yemen, Sudan, Libya, and Palestine), before being promoted in September 2021 to Head of Business Process Intelligence (BPI) for Southern Europe, Middle East, and Africa.

Ms. Hoda holds a BSc with Distinction and Honors in Engineering from Alexandria University, in addition to a master's in business administration (MBA) with Distinction from Maastricht School of Management.

Ms. Nevine Sabbour

Independent Director

Ms. Nevine Sabbour is a seasoned banker with extensive experience in M&A, business strategy, banking transformation, financial planning, and management information systems.

She currently serves on the boards of several financial and industrial institutions, including Meris (Moody's Egypt) and the Holding Company for Metallurgical Industries. Ms. Sabbour is a member of the board of trustees of the "We Owe it to Egypt" foundation, as well as "Banking for Women in Egypt," an institution aimed at women empowerment and financial inclusion.

Ms. Nevine holds the position of Director – New Projects and Investments Appraisal at INI Investments Company. She previously held the position of Managing Partner at Panther Associates, a boutique investment house, institutional advisory, and a leading asset management institution. She also served as Chairperson of AAIB Holding Company and was a Board Member at Arab African Investment Management Company, in addition to representing AAIB at the International Capital Markets Association.

Upon her appointment as Head of Business Strategies and Finance Group – Arab African Int'l Bank (AAIB) from 2012 to 2022, she led the Financial Control, Performance Analysis and Budgeting, Strategic Planning/Project Management, Integration/Change Management, Market Research, and Management Information Systems divisions and played a vital role in guiding the bank's performance in terms of growth and profitability.

Ms. Sabbour holds a BA in Economics from the American University in Cairo.

Mr. Jawaid Mirza

Non-Executive Director

Mr. Mirza is a strong proponent and practitioner of international corporate governance and brings with him over 35 years of diversified experience and a solid track record in all facets of financial and risk management, technology, mergers and acquisitions, business turnarounds and operation management.

In the past, Mr. Mirza was also the lead Director with Commercial International Bank of Egypt, as well as Non-Executive Independent Director with South Africa Bank of Athens (Johannesburg). He also served as Non-Executive Independent director with Atlas Mara - a sub Saharan African financial services group operating in seven sub-Saharan African countries. He also served Commercial Bank of Egypt (CIB) as Managing Director & CEO of Consumer Banking and Group COO.

Over the years, Mr. Mirza has worked with global institutions like Citibank and ABN AMRO Bank Ltd where he held several senior positions as CFO European Region, Managing Director and Chief Operating Officer for Global Private Banking, Asset Management and New Growth Markets, Chief Financial Officer for Asian region including Australia, New Zealand and Middle East. Mr. Mirza led several due diligences for acquiring banks in Europe, Asia, and Latin America. Mr. Mirza was also a member of the Top Executive Group (TEG) of ABN AMRO Bank as well as member of the Group Finance and Group COO Board.

Mr. Mirza also serves as Non-Executive Independent Director of Eurobank Ergasis in Greece where he chairs the Board Audit committee and Vice Chair of Board Nomination and Governance committee as well as Vice Chair of Board Remuneration Committee. He is also a Non-Executive Board member of AGT Food & Ingredients (Canada), as well as IDRF (Canada).

Mr. Mirza holds various business management courses from reputable institutions like Queens Business school, Wharton Business school, Stanford Graduate School of Business and also a member of the Institute of Corporate Directors, Canada.

Executive Management

Mr. Hussein Abaza

Chief Executive Officer and Managing Director

Mr. Hussein Abaza leads strategy and operations at CIB, an institution with more than 7,900 employees serving more than 2 million customers, including Egypt's 800 largest corporations, online and at more than 208 branches and units, 1,339 ATMs, and 24,229 points of sale nationwide.

Mr. Abaza has been Chief Executive Officer and Managing Director since 24 June 2021, and Chief Executive Officer and a Member of the Board of Directors from March 2017 until 24 June 2021. He also Chairs the Executive Committees (Management and High Lending and Investment Committees). He assumed this position after a six-year run as CEO of Institutional Banking. Prior to this, Mr. Abaza was the Bank's Chief Operating Officer and, from 2001 to 2010, its Chief Risk Officer, responsible for managing credit, market, and operational risk across CIB.

Mr. Abaza is also a leader of the Bank's award-winning Investor Relations program, in which capacity he has helped CIB grow from a market capitalization of EGP 10.8 billion in 2008 to EGP 218 billion as of December 2023. Under Mr. Abaza's leadership, the team managed Ripplewood's 2009 exit from CIB, the entry into the shareholding structure of global emerging markets private equity firm Actis, and the subsequent sale of Actis's 6.5% stake to Canadian insurance firm Fairfax Financial Holding Ltd. in the Egyptian Exchange's first block trading transaction. The Bank's IR program has taken home wins from the Extel / MEIRA poll for five consecutive years, from 2014 to 2018.

In his more than 25 years with CIB, Mr. Abaza has become actively involved in the Bank's regionally renowned credit training program, providing talented young bankers with the theoretical basis and hands-on experience needed to assess the creditworthiness of organizations across all sectors of the economy.

He brings to CIB a sharp interest in financial markets and non-bank financial services, having served as Head of Research and then Managing Director at EFG Hermes Asset Management from 1995 until his return to CIB in 2001. He called on that experience from 2014 to 2017 as Chairman of Cl Capital, a leading Egyptian investment bank and subsidiary of CIB until the Bank exited its investments.

Mr. Amr El Ganainy

Deputy CEO and Managing Director

Mr. Amr El Ganainy is one of Egypt's esteemed financial industry executives, with over 35 years of experience since his graduation from the Faculty of Commerce, Cairo University in 1985. He started his career at Suez Canal Bank, where he excelled until becoming a Senior Dealer. He then moved to Export Development Bank in 1994, reaching the post of Chief Dealer. In 1996, he joined United Bank of Egypt, as part of the new management team tasked with revamping the bank, as Treasurer and Head of Correspondent Banking.

Mr. El Ganainy joined CIB in 2004 as General Manager Financial Institutions Group, leading the department through his strong business relationships in the market on the local and regional fronts. He is also JP Morgan Chase, London credit certified since 2005. As a result of his prior excellence in taking any organization he leads to a higher level, in 2010 CIB's Senior Management tasked him with launching the Global Customer Relations Department.

In October 2023, Mr. El Ganainy was appointed Deputy CEO and Managing Director. Prior to that, he was the CEO Institutional Banking at CIB since 2017, achieving short- and medium-term strategic objectives, while aligning with the Bank's philosophy, mission, and vision.

Mr. El Ganainy's exposure has stretched globally; he was the first Egyptian and youngest Chairman of the InterArab Cambist Association (ICA) based in Beirut, of which he is currently Honorary Chairman. He was also an Executive Board Member of ACI International based in Paris, in addition to being the Founder and Chairman of ACI Egypt, and he is the Honorary Chairman to date.

He represented CIB in a number of its affiliates, chairing the Board of Directors of Commercial International Brokerage Co. (CIBC) and CI Asset Management Co. He was also a Board Member at CI Capital Holding Co.

With his renowned reputation and widely acclaimed experience, Mr. El Ganainy was selected as an independent board member in large corporations in Egypt, including aviation, tourism, financial services, and telecommunications sectors. He was also elected to the Board of Directors of Misr for Central Clearing, Depositary and Registry Co. for five consecutive rounds from 2005 to 2021.

The experience of Mr. El Ganainy entitled him to be chosen as a member of the consortium to promote a culture of dealing with tourists based on the decision of the Egyptian Prime Minister in September 2022.

Mr. Talha Karim

Chief Risk Officer

Mr. Talha Karim was named CIB's Chief Risk Officer and member of the Bank's Management Committee in 2022. He is responsible for the Risk organization and provides oversight of the Bank's spectrum of risk-taking activities encompassing financial risks including credit, market, liquidity as well as other core risks such as operational, third-party, technology, reputation, strategic, model, and social & environmental, along with controls and governance established for each area as appropriate.

Mr. Karim has over 25 years of experience in Enterprise Risk Management (ERM) in the banking sector. He has worked in both developed and emerging markets, leading and implementing comprehensive and effective ERM frameworks, ensuring all risks are effectively managed within the defined risk appetite, taking into consideration the economic and regulatory challenges. Additionally, he has successfully managed key initiatives related to process reengineering, strategic project management and risk transformation.

Mr. Karim commenced his career in Risk Management in Canada with the Bank of Montreal and then joined Toronto Dominion Bank. He later moved to Bank ABC, Bahrain where he held various senior roles in Risk Management. In 2009, he joined CIB and held multiple positions such as the Head of ALM, Head of Risk Management and Head of ERM with the mandate to expand and transform the areas into a comprehensive function as per best practice which was successfully achieved.

Mr. Karim received a Master of International Business in Finance from the University of San Diego, USA and holds a Bachelor of Science in Finance from Arizona State University, USA. He also holds the following certifications:

- Cyber Risk Governance Certificate, The DCRO (Directors & Chief Risk Officers) Institute, USA,
- QRD (Qualified Risk Director®), The DCRO Institute, USA,
- GAICD (Graduate Australian Institute of Company Directors), AICD, Australia,
- ISO 31000 Senior Lead Risk Manager, PECB, Canada,
- The ACI (Association Cambiste Internationale) Diploma, UK.

In 2021, Mr. Karim co-authored and published in the Journal of Operational Risk, "Measurement of operational risk regulatory capital in the banking sector: developed countries versus emerging markets," and has received multiple awards for achievements in enterprise risk management, liquidity and operational risk for the Middle East and Africa region.

Mr. Rashwan Hammady

Chief Executive Officer, Retail Banking and Financial Inclusion

Rashwan Hammady is CEO of Retail Banking at CIB and a member of the Bank's Management Committee. Since his appointment in August 2022, he oversees Consumer Banking and Business Banking.

Mr. Hammady has spent his career at CIB, having joined the Finance Department in 2004. From 2020 to 2022, he was Head of Retail Segments & Products, where he was responsible for the development and execution of segments, product propositions, sales, and channel strategies for both consumer and SME customers. He was Head of Business Banking for SMEs and Payment Acceptance from 2013 to 2020 and Head of Strategic Planning from 2010 to 2013.

He holds a Bachelor of Commerce in Accounting from Sohag University, and an MBA from the University of Chicago – Booth School of Business. Mr. Rashwan was awarded the Credit Certificate from CIB, the Bank's regionally renowned credit training program, for assessing the creditworthiness of organizations across all sectors of the economy.

Mr. Omar Khan
Chief Operating Officer

Mr. Omar Khan is an accomplished Senior Executive with more than 25 years of experience in financial services, banking, finance, change management, transformation, talent optimization, and enterprise development.

Over the course of his distinguished career, Mr. Khan has consistently showcased a remarkable ability to transform businesses, drive sustainable growth, and optimize operational efficiency.

He started his career in 1994 as Management Associate in Citibank. He worked in a number of areas including Treasury, Market Risk, Service Quality, Finance, and Branch Management. He moved to Abn Amro Bank as Regional Asset Liability Management Head – Asia in 2005. Mr. Khan had a diverse experience in various countries across the world as Canada, Netherlands, UAE, Pakistan, China and Egypt. In 2019, he worked as Group CFO of Atlas Mara Ltd, covering Africa with seven subsidiaries and associate companies.

Mr. Khan passionately served CIB in different positions, being the Chief Operating Officer, a Senior Advisor to the Chairman, and Transformation Consultant, until he became the Chief Operating Officer in December 2023.

Mr. Khan attained his Bachelor of Business Administration in Finance and Marketing from the Institute of Business Administration. He is also certified in Project Management (PMP), Agile Scrum Master, Financial Risk Management (FRM), Investment & Retirement Advice, Wealth Management Solutions, and Six Sigma. Additionally, his experience encompasses working in global and regional organizations, chairing board positions in CI Capital Egypt, Atlas Mara Zambia, Atlas Mara Zimbabwe and Banc ABC Zimbabwe Holding Company.

Mr. Islam Zekry
Group Chief Financial Officer

Mr. Islam Zekry at his current capacity as a group CFO is leading the group Finance and strategy with a proven track record of success in optimizing financial performance, driving growth, fostering innovation, and delivering value to stakeholders, he has a deep understanding of global markets, regulatory environments, and industry trends locally and globally. His experience in the field of mergers and acquisitions enables him to provide strategic financial guidance and make informed decisions to support the organization's overall strategic objectives.

Mr. Zekry was previously appointed by CIB as the first Chief Data Officer in Egypt. He led an impressive team of quants powering capability spanning from data warehousing design and operationalization, visualization, and advanced analytics, to data science, quant finance, and customer insights on big data platforms to make CIB future ready.

Under his leadership, London Business School (LBS) featured CIB's data transformation as a case study in 2018, making CIB the first Middle Eastern company to be analyzed in a case study by the Masters for Advanced Analytics students. Shortly thereafter, Harvard Business School started using the case study in its curriculum.

A large group of international and academic research centers also adopted the models that were built by the team as reference cases for study.

Mr. Zekry is a Steering Committee member at Smart Africa, an international alliance that spans across half the continent with the purpose of accelerating sustainable socioeconomic development in Africa.

He is also one of the actively contributing members in the EU-AU Digital Economy Task Force, which is concerned with the possible ways of cooperation in the field of digital economy between Europe and Africa. This is in addition to his membership of the Digital Transformation Committee of the World Economic Forum WEF.

In addition to his 25 years of experience, Mr. Zekry has well-rounded international exposure to various markets across Europe, Middle East and Africa, as Mr. Zekry is a member of the Chartered Institute of Managerial Accountants in UK, member of FITCH Quantitative Finance Institute in London, as well as Non-Executive-Director at NLB Banking Group in Central Europe.

Bringing 25 years of international experience across Europe, Middle East and Africa, Mr. Zekry is a member of the Chartered Institute of Managerial Accountants in UK, member of FITCH Quantitative Finance Institute in London, as well as Non-Executive-Director at NLB Banking Group in Central Europe.

Under his leadership, Mr. Zekry's team has received multiple prestigious awards and international recognition from global institutions such Euromoney, Global Finance, International Institute of Finance (IIF), Carnegie Mellon University distinguished quants practice award and Digital Awards 50-Silicon Valley.

Mr. Zekry holds a Doctorate in Financial Mathematics and MBA from the University of Chicago – Booth Business School-with outstanding track record in the area of Advanced Financial Analytics and Corporate Economic Performance Management.

Mr. Omar El-Husseiny
Head of Treasury Group

Mr. Omar El-Husseiny is Treasurer CIB and a member of the Bank's Management Committee. As Treasurer, he is responsible for the overall funding and investment, risk management, and trading activities for money markets, debt securities, and structured products. With over 20 years of experience in treasury, capital markets, FX, balance sheet management, and international trading, he constructs structured products and risk management strategies for CIB's largest corporate customers and high-net worth clients. He has been integral to the Bank's successful management of external complex challenges, including economic reforms, foreign exchange, and interest rate volatility.

Mr. El-Husseiny has spent his career at CIB, having joined after completing his Bachelor of Business Administration at the Faculty of Commerce at Cairo University in 2001. He holds an MBA in Banking and Finance from the Maastricht School of Management (MsM) and a Graduate School of Banking Diploma from University of Wisconsin, Madison. In 2019, he completed the Corporate Finance and Credit Program at J.P. Morgan.

CIB's Board members have the range of **SKILLS, UNDERSTANDING, EXPERIENCE, AND EXPERTISE** necessary to ensure high corporate governance standards are maintained.

What We Do

CIB serves enterprises ranging from industry leading corporates to medium-sized businesses.

Institutional Banking, Corporate Banking, and Global Customer Relations Group

Widely recognized as Egypt's leading preeminent corporate bank, CIB serves enterprises ranging from industry leading corporates to medium-sized businesses.

Debt Capital Markets

CIB's position as an industry leader in project finance, syndicated loans, securitization, bonds, and structured finance is cemented by its global product knowledge, local expertise, and capital resources. CIB's project finance and syndicated loan teams facilitate market access for large borrowers, providing them with world-class services with exceptional execution times.

Direct Investment

As a local player that adheres to international standards, CIB actively participates in carefully selected direct investment opportunities in Egypt and across the region, maximizing return on investment.

Financial Institution Group

CIB provides a diverse and tailored set of services designed to suit the needs of banking and non-banking financial institutions.

Treasury and Capital Market Services

CIB delivers world-class services in the areas of cash and liquidity management, capital markets, foreign exchange, and derivatives.

Strategic Relations Group

CIB is dedicated to servicing institutional clients through the Strategic Relations Group (SRG). Highly qualified relationship managers provide customers — including, but not limited to, sovereign diplomatic missions — with exclusive, personalized services catering to their unique business needs.

Enterprise and Governmental Relations Group

The Enterprise and Governmental Relations Group provides world-class, value-accretive services to top-tier local and regional companies under state-owned enterprises, governmental entities, or sovereign authorities. Additionally, the Group creates new business for CIB's other lines of business by offering clients various corporate, digital, and consumer products and services.

Global Transaction and Digital Banking

The Bank's Global Transaction and Digital Banking Group is responsible for managing all corporate and consumer digital channels, ensuring it fully integrates the Bank into clients' daily lives. It develops simple, reliable, and consultative digital experiences that meet customers' needs anytime, anywhere, and on any device.

Retail Banking

Consumer Banking

The Consumer Banking division is central to CIB's dynamic service offering, providing a broad range of retail clients in different customer segments (Prime, Plus, Wealth, or Private) an extensive bundle of products and services tailored to satisfy their needs. These products are diversified from personal to specialized lending solutions, cash management services to credit and debit card offerings.

Business Banking

The Business Banking segment serves over 75,000 SMEs with revenues ranging from EGP 1 million to over EGP 200 million through a network of over 100 experienced relationship managers. The division works with clients across the industry, providing market-leading services and innovative, bespoke solutions for small and medium enterprises as it continues to cement CIB's position as a bank of choice for business owners.

Representative Offices, Strategic Subsidiaries, and Associates

Dubai Representative Office

CIB launched its UAE operations in 2005, offering a full range of products to retail and corporate clients. The office focuses on attracting and channeling inbound investments and cementing relationships with reputable GCC corporations with current or planned investments in Egypt and Africa, in addition to targeting HNWIs and business banking clients with an appetite for the Egyptian market. The office creates a bridge between the GCC and Egypt by building and maintaining relationships with large corporate clients and financial institutions in the GCC, aiming to boost the corporate and trade finance business in Egypt. These strategic alliances are key to the Bank's expansion strategy, allowing it to leverage unique opportunities beyond Egypt.

Addis Ababa Representative Office

CIB established its Ethiopia Representative Office in April 2019 in Kirkos Sub City, Addis Ababa. The office has been fully operational since 19 July 2019. The office works closely with Egyptian corporations operating in Ethiopia, as well as international and local financial institutions, to offer creative solutions for their foreign and local financing needs. It maintains and builds relationships with Egyptian expatriates in Ethiopia and focuses on developing strong ties with Ethiopian banks to pave the way for establishing on-the-ground market intelligence within the country.

CIB Kenya Limited

CIB Kenya Limited (formerly Mayfair-CIB) is an established commercial bank in the Republic of Kenya and was licensed by the Central Bank of Kenya in June 2017. CIB Egypt anchored its regional presence with the acquisition of the remaining 49% stake in Mayfair CIB Bank Limited, making it the first fully owned subsidiary of CIB out of Egypt. CIB Egypt has since focused on financing activities through CIB Kenya, with special focus on growing the Egypt-Kenya trade corridor, building a bridge for Egyptian large corporates and SMEs to do business, and even set up shop in the hub of Eastern Africa, and serve multinational and local SMEs in Kenya.

Commercial International for Finance Company (CIFC)

CIFC was established in June 2022, offering mortgage and factoring facilities, with operations scheduled to start in 2Q23. CIFC is aiming to transform the complicated mortgage customer experience into a simple, fast, and accessible one through offering a streamlined process and providing flexible repayment plans. The company will offer a comprehensive mortgage finance suite introduced in phases: Ijara purchase, Ijara refinance, Murabaha, Musharaka, Portfolio Acquisition, and Financing Usufruct.

Additionally, the company will offer a full factoring product suite to cater for the increasing demand for alternative financial solutions. The solutions will consist of three categories: Export Factoring, Local Factoring, and Import Factoring, including buyer-led reverse factoring programs. Factoring products will provide a wide range of value-added services catering for Multinationals, Large, and SME clients.

Damietta Shipping and Marine Services (DSMS)

DSMS is a shareholding company, established in 1986 through a public offering. CIB acquired a 32% stake in the company in July 2018, which was later increased to 49.95% in October 2020. DSMS is a small-sized company, with minimal operations focusing on marine services, mainly container repairs, fuel tank rentals, and electricity generators.

Al Ahly Computer Equipment Company (ACE)

Established in October 1996 as a joint stock company, ACE maintains a long and strong track record in the field of trading and maintenance of specialized information technology hardware. The company is well-positioned as the system integrator of choice for the government, major banks, and large institutions. ACE sources its original hardware products from recognized companies in the field, such as Sedco, Fujitsu, HP, and Cisco. In 2020, ACE worked with numerous prominent institutions and was awarded a mega tender project from one of the largest national banks in Egypt. Despite challenging market conditions arising from global economic disturbances due to geopolitical conflicts, the company's management successfully increased its maintenance contracts to offset the decline in trading activity, ensuring revenue and profitability sustainability. ACE will continue focusing on enhancing its maintenance experience and expanding its client base, along with introducing new products and exploring additional strategic technology partnerships. The ultimate objective is to increase the company's market share and value against competitors.

T.C.A Properties

T.C.A Properties is an SPV under Talaat Moustafa Group, established through its subsidiary Alexandria Company for Real Estate Investment (AREI) and its parent company TMG for Real Estate Touristic Investment. The SPV specializes in real estate commercial business activities, including the acquisition, leasing, and selling of commercial real estate units, buildings, and/or spaces, and it will be managed by Alexandria Company for Projects Management.

SMEs served.

+7.5K

CIB delivers world-class services in the areas of cash and **liquidity management, capital markets**, foreign exchange, and derivatives.

The Business Banking segment serves OVER 75,000 SMES with revenues ranging from **EGP 1 MILLION TO OVER EGP 200 MILLION** through a network of over 100 experienced relationship managers.

CIB's Stock

CIB continues to hold the highest weight on the EGX30, accounting for around 28% of the index (by end of December 2023).

Since the Bank began offering its shares to the public in 1995, it has become the biggest constituent on the EGX. Investors and analysts view CIB's stock as a proxy for the Egyptian market, with the Bank acting as a mirror for the local banking sector. The economy's growth prospects are generally depicted in the credit outlook, while retail banking is seen as portraying the longer-term story of financial inclusion. In 1996, CIB became the first Egyptian bank to offer its shares on international markets, with a GDR program on the London Stock Exchange (LSE). In 2001, CIB marked another first by being the first Egyptian bank to register its shares on the New York Stock Exchange (NYSE) in the form of the American Depository Receipts (ADR) Level 1 program. In 2012, the Bank began trading on OTCQX International Premier, a segment of the OTCQX marketplace reserved for international-leading, non-US companies listed on a qualified international exchange and providing their home country disclosure to US investors.

In a remarkable performance placing it as the MENA region's top performer in 2023, Egypt's main Exchange Index, EGX 30, 10,296 points or 70.53% since the beginning of the year, with an opening position of 14,598.1 points, closing the year at 24,894 points.

COMI's performance was no different; in fact, it surpassed the EGX 30's huge growth, recording an increase of 75.15% y-o-y. COMI started the year with an opening price of EGP 41.48 and maintained strong momentum until year-end, coming at EGP 72.65. COMI's VWAP during the year was EGP 56.6, with an average daily volume of 5.93 million shares and an average market capitalization of EGP 170.5 billion. Moreover, its average price-to-book ratio recorded 2.45, with a high of 3.28 recorded on 27 November at a closing price of EGP 84.06, and a low of 1.836 recorded on 12 January at a closing price of EGP 41.7. It is worth mentioning that in April 2023, a cash dividend was distributed amounting to EGP 0.538 for every share.

By year-end, the Bank's GDR outstanding position reached 793,833,584 shares, and its ADR outstanding position recorded 28,026,308 shares, representing 27.24 % of total issued shares. CIB continues to hold the highest weight on the EGX30, accounting for 28 % of the index, and free float at 69 %. CIB's stock is one of Egypt's most liquid stocks, as it is considered the most valuable financial institution.

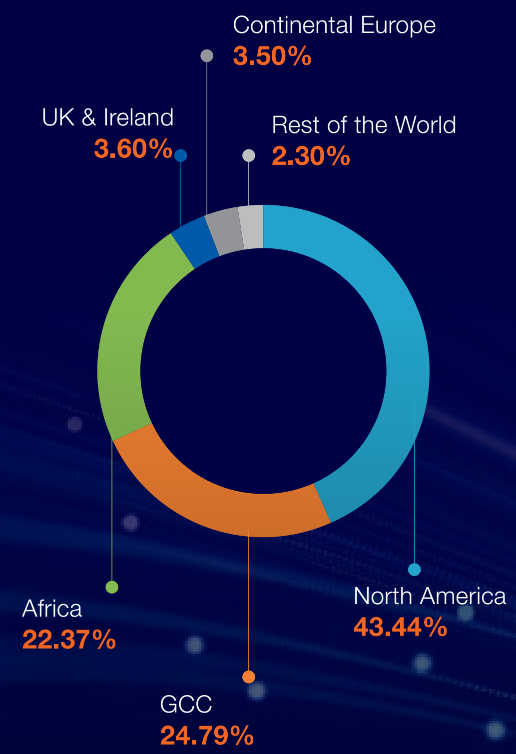
Investor Relations

The Bank's Investor Relations (IR) division maintains a proactive investor relations program to keep shareholders and investors abreast of developments impacting the Bank's performance. The team and senior management alike dedicate significant time to one-on-one meetings, roadshows, investor conferences, and conference calls, sparing no effort in providing the investment community with transparent disclosures while simultaneously ensuring analysts have the information they need to maintain a balanced coverage of the Bank's shares. Throughout 2023, the Bank's IR division dedicated its efforts to accommodate the conferences and calls to which CIB was invited. The team attended three virtual conferences and six physical conferences, accommodated more than 100 meetings, including more than 60 physical meetings. It met with more than 200 companies incorporating a wide range of international, regional, and local institutions. The IR team also conducted four annual rating review meetings with the rating agencies S&P, Fitch, Moody's, and Capital Intelligence.

During the year, disclosures, including regular updates and releases, continued to be periodically made available on CIB's IR website, as well as the EGX, LSE, and OTCQX portals in a timely manner that ensures fair access to information for investors from around the world, allowing them to make informed investment decisions.

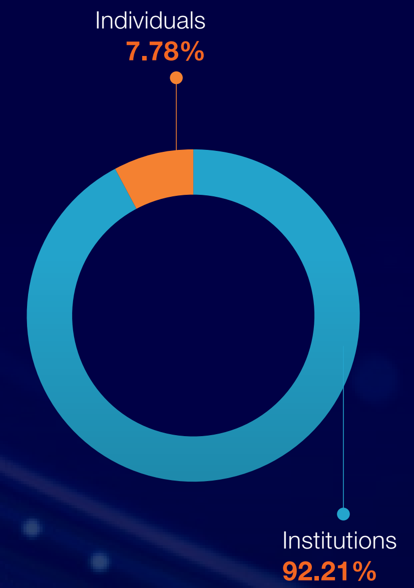
Breakdown of Shareholders by Region

(As of December 2023)



Breakdown of Shareholders by Type

(As of December 2023)



Awards

1993 – 1998

Six-time Recipient of Best Bank in Egypt Award by Euromoney

2005

First Egyptian bank to win the JP Morgan Quality Recognition Award

2006 – 2012

Seven-time Recipient of JP Morgan Quality Recognition Award

2013

First Egyptian bank to win the JP Morgan Elite STP Award

2016

- Socially Responsible Bank of the Year by African Banker
- Best Bank in Egypt Supporting Women-Owned and Women-Run Businesses by the American Chamber of Commerce in Egypt
- Achievement in Liquidity Risk and Operational Risk for the Middle East and Africa by Asian Banker
- Best Retail Risk Management Initiative by Asian Banker
- Most Active Issuing Bank in Egypt in 2015 by the European Bank for Reconstruction and Development
- Middle East Most Effective Recovery by BCI

2017

- World's Best Bank in the Emerging Markets by Euromoney, the first bank in the Middle East and Africa to win this award
- First Egyptian bank to be named Best Bank in the Middle East by Euromoney

2018

World's Best Emerging Markets Bank by Global Finance for the second consecutive year — CIB is the first bank in Egypt and the Middle East to win this prestigious award

2019

The Middle East's Best Bank for Corporate Responsibility - By Euromoney

2020

- World's Best Bank in the Emerging Markets Award by Global Finance
- Best Foreign Exchange Provider in Egypt Award by Global Finance
- Best Treasury and Cash Management Providers in Egypt Award by Global Finance
- Best Emerging Markets Bank Award by Global Finance
- Best Private Bank in Egypt Award by Global Finance
- Best Bank in Egypt Award by Global Finance
- Middle East's Best Bank for Corporate Responsibility Award by Euromoney
- Best Regional Bank in North Africa Award by African Banker
- Best Domestic Bank in Egypt Award by Asiamoney
- Best Digital Bank in Egypt Award by Asiamoney
- Pan-Africa Sustainability Award by EMEA Finance

The World's Best Consumer Digital Banks in the Middle East 2020

- Best Consumer Digital Bank
- Best Integrated Consumer Banking Site
- Best Online Product Offerings
- Best Website Design – Best Mobile Banking App
- Best Information Security and Fraud Management
- Most Innovative Digital Bank
- Best Open Banking APIs

The World's Best Corporate/Institutional Digital Banks in the Middle East 2020

- Best Online Investment Management Services
- Best Online Treasury Services
- Best Online Portal
- Best Integrated Corporate Banking Site
- Best Information Security and Fraud Management
- Best Mobile Banking Adaptive Site
- Most Innovative Digital Bank
- Best Open Banking APIs

2021

- Global Finance Best Bank
- Global Finance Best Digital Bank in Egypt
- Global Finance Best Treasury, Cash Management, Best Trade Finance Provider in Egypt
- Global Finance Best in Financial Leadership in Sustaining Communities
- Digital Banker Best Transaction Banking
- Digital Banker Best Bank for Payment Services
- Digital Banker Best Bank for Cash Management
- Digital Banker Best Supplier Financing
- Digital Banker Best Financial Chain Initiative in Egypt
- Euromoney Best Bank in Egypt
- The Banker Best Digital Bank in Africa
- African Banker Sustainable Bank of the Year
- EMEA Finance Most Innovative Bank in Pan-Africa
- Asiamoney Best Domestic Bank in Egypt
- MEED Best CSR Initiative in Asia and Middle East
- Forbes World's Best Employers list for 2021

2022

- Global Finance World's Best Trade Finance Providers in Egypt
- Global Finance World's Best Foreign Exchange Providers
- The Digital Banker Best Wholesale/Transaction Bank for Digital CX
- EMEA Finance Best Green Bond in Africa
- MENA Sustainable Bank of the Year
- Euromoney Missile East's Best Bank for SMEs
- Euromoney Best Bank in Egypt
- Euromoney Best Bank for Digital Solutions in Egypt
- Country Awards
- Euromoney Best Bank for SME Banking in Egypt
- EMEA Finance Best Local Currency Loan
- EMEA Finance Best Structures Finance Deal in Africa
- EMEA Finance Best Cash Management Services in North Africa
- EMEA Finance Best Payment Services in North Africa
- EMEA Finance Best Trade Finance Services in North Africa

2023

- Best Bank in Trade Finance/MEED
- Best Private Bank/Global Finance
- Best Supply Chain Finance Bank in Africa 2023/Global Finance
- Best M&A Deal in MENA/EMEA Finance
- Lifetime Achievement Award/African Banker
- Best Securitization House in Africa/EMEA Finance
- Best Trade Finance Provider (Egypt)/Global Finance
- Best Bank for Cash Management (Egypt)/Global Finance
- Best Securitization Deal in Africa/EMEA Finance
- Best Bank in Egypt/Euromoney
- Transaction Banking Award/Global Finance
- Best Bank for SMEs in Egypt/Euromoney
- Best Bank for ESG in Egypt/Euromoney
- Best Bank in Egypt 2023/Global Finance
- Best Service for Cash Management/Euromoney
- Best Payment Services in Africa/EMEA Finance
- Best Payment Services in North Africa/EMEA Finance
- Best Cash Management Services in North Africa/EMEA Finance
- Best Trade Finance Services in North Africa
- EMEA Finance Bank of the Year
- Bank of the Year (Egypt)/The Banker

02.

Strategic Direction

2023 consolidated net income

29.6EGP/BN

CIB's strategy focuses on strengthening its core business to serve current and potential customers in the corporate, SME, and retail segments.

Our Strategy

Our strategy has continuously evolved in alignment with dynamically changing market conditions and emerging trends. It remains, however, centered around creating value for our shareholders and meeting customer needs.

Moving forward, our growth strategy is based on further optimizing our commercial activities by capitalizing on our comprehensive suite of physical and digital channels/products, while leveraging on data-driven decision-making to unlock potential opportunities.

Our three main strategic directions are

01 Protect the success of the corporate and liabilities franchises

02 Grow and diversify sources of revenues to achieve sustainability and resilience

03 Become a digital leader in customer service, sales, and operations

VISION

To be at the forefront of change, build for the future, and turn aspirations into reality

MISSION

To transform traditional financial services into simple and accessible solutions by investing in people, data, and digitalization to serve tomorrow's needs today

Based on its mission and vision statements, CIB's strategy focuses on the following growth drivers:

Our Values

- Customer first
- Lead the market
- Agility
- Integrity

Our Pillars

- **A Customer-Centric Business Model** – making data-driven decision to unlock growth, leveraging on automation and data analytics.
- **Digital Transformation and Distribution** – focusing on branch offloading, digital sales, adoption, and engagement, while expanding accessibility to the unbanked and underserved segments via physical or digital mobility.
- **Operational Efficiency** – through digital innovation and prudent cost management.
- **Superior Customer Experience** – to further strengthen CIB's brand equity.

Dynamic Long-Term Strategy

Core Business and Digitization

The foundation of CIB's approach rests on its commitment to being a bespoke bank, a financial-value-creating companion offering solutions and bundles tailored to meet individual needs.

The Bank recognizes the opportunities still available in the retail and SMEs sectors as the country and sectors push for a comprehensive financial inclusion model. Therefore, the Bank will be adopting a value-proposition through a program-based pricing approach as a means of providing a seamless model dedicated to developing our digital capabilities, as well as re-energizing the SME, affluent, and mass segments. The Bank also realizes the potential in the Non-Resident Egyptians (NRE) segment, which is in line with the government's efforts to support Egyptians abroad. CIB aspires to become the core bank for NREs by providing a fully remote service and coverage model.

> The Adoption of **corporate governance best practices** continues to be a key differentiator for CIB.

Institutional Banking will continue to strengthen its leadership position in corporate banking by focusing on increasing its share of wallet with existing customers, while diversifying its lending portfolio toward sectors of the future. This will be accompanied by Global Trade and Cash management solutions to cater for our customers' evolving needs for cash optimization.

Solidifying Our African Roots and Foundation

After CIB's acquisition of the remaining 49% of CIB Kenya in January 2023, the plan is to scale up the bank, aiming to operate it as a business and digital hub within the region, facilitating CIB's strategy to expand across the East African region. The hub will channel trade opportunities between Egypt and Kenya, providing regional integration opportunities and synergies across the continent, leveraging on CIB's knowhow in corporate, SME, and household banking.

Organizational Development

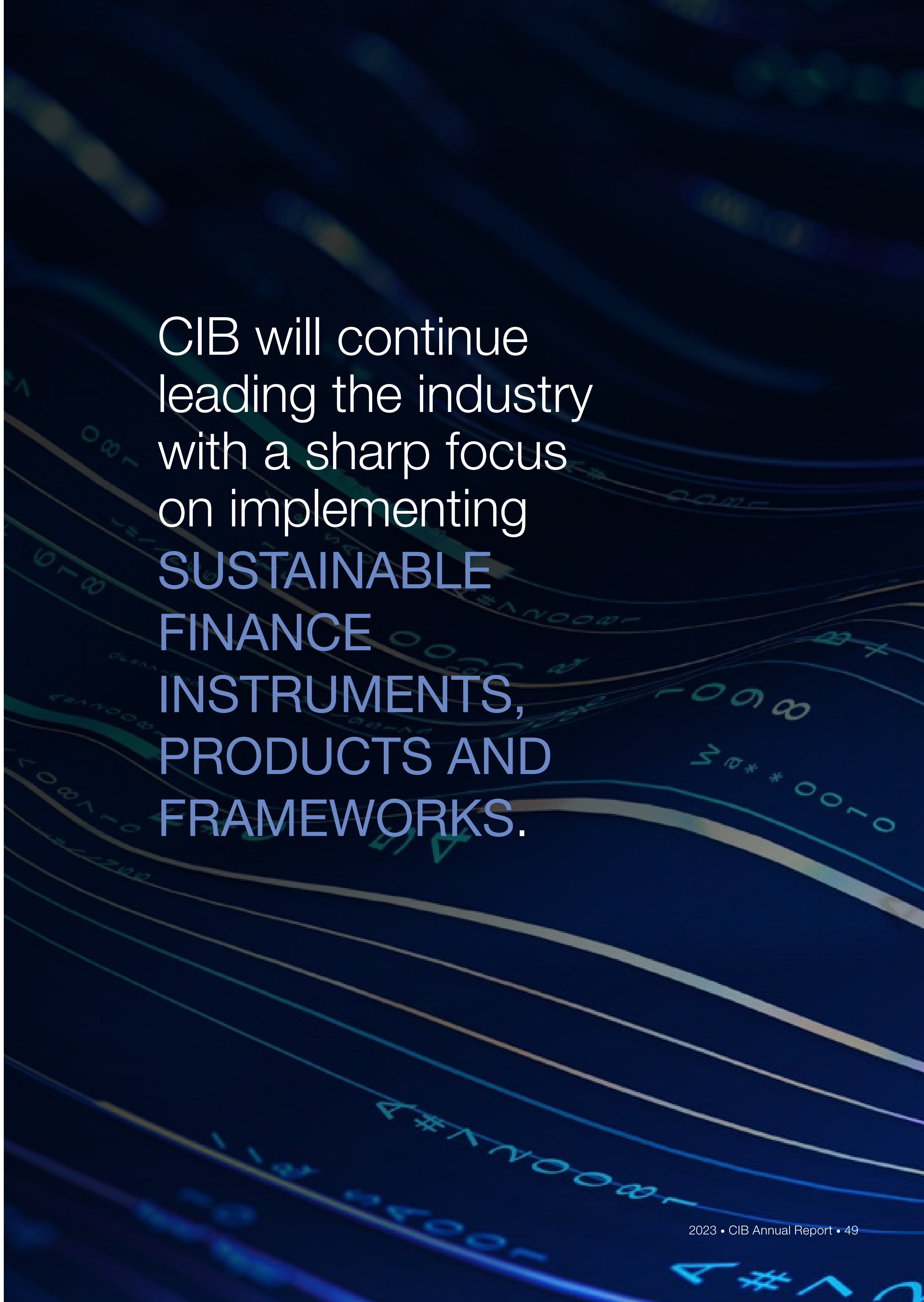
The adoption of corporate governance best practices continues to be a key differentiator for CIB. The Bank continues to promote a culture of sound corporate governance to be a leading example for the banking industry. As part of the organization's development, the Risk Group has evolved as well to support business growth aspirations by developing alternative scoring models to unlock lending at scale.

Our employees are our most valuable asset, the cornerstone of CIB's development. As such, identifying and nurturing talent is a key priority for CIB, especially as new market trends emerge. The Bank will continue to invest heavily in employee training and education as we commit to delivering the best value to our shareholders and clients.

Corporate Social Responsibility

CIB will continue leading the industry with a sharp focus on implementing sustainable finance instruments, products, and frameworks. The Bank will integrate the environmental, social, and governance (ESG) principles into its policies, procedures, operations, and culture. We will continue facilitating and upholding CIB's strategic sustainability pillars: risk, revenue generation, reputation, and E&S impacts. Finally, CIB will develop sustainable finance products that promote energy efficiency, renewable energy technologies, sustainable transportation, green building and cities, pollution prevention, and water and waste management by offering clients financing packages supplemented by top-of-the-line technical support.

We will continue to lead and advocate responsible banking through driving financial inclusion and literacy, supporting women and youth empowerment, and promoting equality.



CIB will continue leading the industry with a sharp focus on implementing SUSTAINABLE FINANCE INSTRUMENTS, PRODUCTS AND FRAMEWORKS.

Value Creation Model

Value creation remains one of the main pillars of CIB's strategy. The Bank works diligently to create value for its shareholders, customers, employees, and society. To do this, it efficiently utilizes its key resources to best serve its strategic priorities, taking into account all prevailing macroeconomic driving forces. This results in both financial and non-financial value for CIB's stakeholders.

Strategic Priorities

Customer-Centricity

- Offering need-based, bundled value propositions, like digital solutions through data analytics
- Quality of service initiatives to enhance customer experience

Organizational Development and Sustainability

- Performance-driven culture
- Social and environmental management system
- Human capital development

Financial Performance

- Asset quality
- Profitability
- Loan growth

Operational Efficiency

- Centralization of operational processes with focus on automation through STP
- Business continuity, cybersecurity, and resilience management

Key Stakeholders

Clients

Employees

Shareholders and Investors

Society

Resources (Input)	Value Created (Outcome)	
Financial Capital Strong financial capital is always reinvested in the Bank's activities.	• EGP 29.6 billion in consolidated net income • EGP 28.77 billion standalone revenues • EGP 90.48 billion net worth • EGP 834.9 billion total assets • EGP 677.2 billion total deposits • EGP 170.5 billion average market capitalization • 39.7% ROAE • 3.59% NPLs • 17.1% cost/income	**Financial Performance** • Ranked number one bank among all Egyptian private sector banks in terms of revenues, net worth, total assets, and deposits. • The largest market capitalization in the Egyptian banking sector, and one of the highest ROEs.
Human Capital CIB's in-depth expertise across different industries is mainly rooted in its skilled, specialized, and dedicated employees.	• 7,917 total workforce, as of year-end. • Received the prestigious ISO 29993 Certification for Learning Services Management System, in recognition of HR's dedication to providing world-class learning and development opportunities. • First private bank to acquire Egyptian Gender Equity Seal (EGES), guided by the World Bank Gender Equity Model (GEM).	**Human Capital** • Highly skilled staff capable of sustaining CIB's path of success and maintaining the Bank's leading position within the market.

Resources (Input)	Value Created (Outcome)	
Responsible Capital Integrating ESG aspects into the Bank's policies, operations, culture, products, and services to achieve sustainable development and act as an advocate of responsible banking.	• Issued Egypt's first corporate green bond. • First bank in Egypt to support the task force for Climate Related Financial Disclosures (TCFD). • Has in place a robust Environmental and Social Risk Management System (ESRM) since 2016, which positions the Bank as the leader in sustainable finance in the Egyptian market and provides clients with the necessary tools and products to aid their transition to a more responsibly profitable economic model. • First Egyptian bank to conduct a debit and credit life cycle assessment. • First Egyptian bank to conduct an Environmental and Social Impact Assessment on borrowing SME clients. • Founding signatory to the UNEP-FI Principles for Responsible Banking.	• Constituent of the FTSE4 Good Index. • Included in the 2023 Bloomberg Gender Equality Index (GEI) for the fourth consecutive year, after being the first Arab and African company listed on the 2019 Bloomberg GEI—the world's only comprehensive investment quality data source on gender equality. • Co-Chair of the Closing Gender Gap Accelerator, supported by the World Economic Forum (WEF). • Included in the new Low-Carbon Select Index in the MENA region, recently launched by the Arab Federation of Exchanges (AFE) and data provider Refinitiv.
Innovation and Technology Innovation is chiseled in CIB's DNA, and the Bank is at the forefront of the market in offering simple, fast, and contextual experiences to its customers with a special focus on digitalization.	• Largest ATM network among private banks at 1,339 ATMs. • A 17% y-o-y increase in mobile banking transaction volume, amounting to EGP 348 billion, and a 15% y-o-y increase in number of online banking customers. • Acquisition channels have been expanded on Smart Wallet throughout 2023 by adding new bank agent stores across all governorates, with around 1.1 million customers using CIB Smart wallet. • During 2023, and despite the severe foreign currency challenges in Egypt, we witnessed online transactions increase by 10% y-o-y in volume, with a value of EGP 95 billion. This had a positive impact on trade finance fees for online deals, which were up 181% y-o-y to EGP 690 million. • CIB ranks first in the Egyptian market in the e-governmental payment space. Corporate payment services (CPS) saw a 45% y-o-y increase in transaction volume, amounting to EGP 43 billion. It also saw a 41% y-o-y increase in the number of customers.	• Expanding digital banking platforms through availing more services to enhance customer experience and sales efficiency and manage costs. • Continuously upgrading the Bank's infrastructure and cybersecurity capabilities to provide a seamless customer experience in a safe environment.

Chairman's Note

Prime segment gross contribution.

840 EGP/MN

We recognize **the transformative power of technology** in shaping the future of banking.

Dear shareholders,

The past 12 months have tested the resilience and agility of your Bank, just as they have every other Egyptian institution. Macroeconomic challenges are at the head of a considerable list of issues that CIB's staff, its Management team, and the Board of Directors have had to deal with.

Despite remarkable changes in the flows of business and capital, not just in Egypt, but globally, CIB has delivered a record year when measured by our financial results. I am grateful to all our employees and our exceptional Management team for this performance, but our guiding principle is that the numbers are just the beginning.

Even in times as challenging as this, it is not profitability that matters, but the quality of that profit. The drivers of growth and profitability today will not be the determining factors in success tomorrow — we know this, just as we know that true value is created by core operations.

This philosophy underpins our strategy going forward and guides the decisions we make as we ensure our Bank remains a beacon of sustainable growth and is able to withstand exogenous shocks, be they regulatory decisions, changes in the business cycle, or new macroeconomic and technological realities.

It is deeply gratifying to me that we have grown despite the complexities of our time, and I am satisfied that our strategy, rooted as it is in resilience above all else, will ensure we capture the potential of what is to come. To do so, however, we must be steadfast when it comes to execution — whatever the challenges we face at home, regionally, or globally.

As we prepare to start our 50th year as an engine of growth for Egypt and its economy, it is clear to me that future will bring its own set of challenges.

Alongside resilience, our strategy is rooted in continued investment in our people, developing a more diverse base of revenues, an even deeper embrace of technology in a way that puts human creativity in the driver's seat, and a robust commitment to cybersecurity.

On the revenue front, our vision extends well beyond the immediate horizon. We have already taken solid steps outside of Egypt with our entry into Kenya. Next, we must build an international franchise that ensures operations outside of Egypt for a sizeable proportion of both our revenues and profits. As longtime shareholders know well, I feel a deep attachment to this continent we share and look forward to seeing African revenues become more and more important to your Bank.

Becoming a multi-jurisdiction institution will also allow us to become more innovative, using more permissive sovereignty as laboratories to explore new ideas and new products and later exporting them to other countries in which we operate when and if the regulatory environment allows.

We have spent a decade investing heavily in technology, new approaches to risk management, and developing a market-leading digital experience. CIB has been at the forefront of change: We were the first Egyptian institution to hire a chief data scientist and the first to embrace artificial intelligence across multiple lines of business.

We will not rest on our laurels: Advances in artificial intelligence will make our people better bankers — and, in the process, help us remain the market leader whether judged by our apps, services, advice, or convenience we offer clients of all sizes. Technology will ensure that we are a bank that better and more efficiently serves our individual customers — and one that is responsive to the changing needs of our

“We have spent a decade investing heavily in **technology, new approaches to risk management, and developing a market-leading digital experience.**

market-leading corporate franchise. Our people will also harness technology to be able to not only respond to challenges and opportunities but also to anticipate them and plan ahead.

In parallel, an evermore complex digital threat environment will demand we make sustained investments in cybersecurity; an investment that is ongoing and will remain unabated.

As we do so, we will always have resilience in mind. No institution is immune from shocks, and the best leaders know that their success is contingent on their ability to respond decisively and nimbly to black swan events. From the global financial crisis to the revolutions of 2011 and 2013 through the foreign currency challenges of recent years, CIB has demonstrated time and time again that it has that inborn ability to be resilient.

Fail to build a resilient institution and you risk becoming complacent — and complacency too often sees institutions resting on their successes. They may find it easy going when times are good, but history is a great banker: It tells us that if you are not actively quantifying and mitigating risk, you will be unprepared for when change or a crisis appear on your radar.

Looking well beyond 2024, I am increasingly confident that the Bank's ability to cultivate and improve resilience as a skill and as a characteristic will be brought into sharp relief. Globally, we are at the beginning of a new period of risk occasioned by changes in regional and geopolitical dynamics. In an increasingly fragmented world, resilience will be the only insurance policy worth having. A fast-changing regional economy will have deep impacts on the flow of capital, and it remains far from settled that the only way forward for global economy is "up and to the right."

The value of resilience and of its cousin, nimbleness, was reinforced for me during the two years in which I was away from your Bank. I learned much from advising fintech and finance companies and from peering into new corners not just of our industry and our nation, but of the wider economy and of other countries.

Returning this year as Non-executive Chairman, I have worked carefully with Management and the Board to ensure that resilience is even deeper rooted in our DNA and in the strategy to which it gives rise. This process has been both exhaustive and exhausting — it has demanded large time commitments from the Board and Management alike. Yet, it is necessary, because we are not in a "business as usual" scenario.

I view the role of Non-executive Chairman as analogous to being the Bridge-Builder-in-Chief between Executive Management and the Board — to ensure the smooth flow of traffic across that bridge as we build trust on both sides.

True resilience is only possible when those trusted with driving the business forward, Management, share the same values and a commitment to quality with those whose duty it is to safeguard the rights and interests of all stakeholders, the Board.

Mr. Hisham Ezz Al-Arab,
Non-Executive Chairman

A Note From Our CEO

2023 profit.

84%

We play meaningful roles in helping individuals **live better lives,** corporate clients **build better businesses,** and **economies create jobs**.

Our performance in 2023 underscores our steadfast commitment to fundamental principles. The record 84% increase in profits is a testament to the efficient management of our cost of funds, strategic pursuit of real loan and deposit growth, and proactive focus on generating fee income. Our return on average equity stood at an impressive 39.7%, positioning us among the industry's top performers. Furthermore, our unwavering dedication to maintaining sector-leading solvency levels reinforces our reputation for stability and reliability. This remarkable performance exemplifies our dedication to excellence and sets a solid foundation for continued success in the future.

This achievement is all the more significant, considering the challenging market conditions of 2023. We faced various obstacles, such as foreign exchange challenges in Egypt, and the spillover effects of global issues, notably the humanitarian crisis in Gaza in the last quarter of the year, alongside a shipping slowdown in the Suez Canal amid instability in the Red Sea region.

Prudence was our guiding principle last year and will remain central to our strategy in 2024. We place a strong emphasis on risk management and maintain a conservative approach to provisions to mitigate any potential decline in asset quality.

As we enter 2024, I am confident that maintaining focus on the fundamentals will enable us to once again achieve the robust profitability our shareholders expect.

Our optimism comes from the same principles that have sustained us since the Bank's inception: a leading deposit franchise and a robust corporate portfolio. Our steady focus on core banking principles remains unchanged, even as we navigate evolving industry dynamics driven by regulation and digitization.

Some businesses that struggled in 2023 will declare in the new year that it is time to "get back to basics" and focus on core operations. At CIB, we have never lost sight of our business model or the singular factor that makes us great: Our people. As we approach our 50th year in the industry, I am more cognizant than ever that the great bankers we employ, from the staff in our branches to risk, from treasury to operations, from our outstanding institutional franchise to business banking and retail, are the core of CIB.

People are the driving force behind everything we do, our people and the values by which they live and work have together ensured we perform ahead of our peers and competitors in the market. They made CIB — and they will continue to make this bank what it is in the years to come.

Our people — some 7,917 of them — reflexively put our customers first, whether that is face-to-face in branches, with Wealth and Private clients, in the C-suite offices of our largest clients, or on our ever-improving digital channels.

People will also be at the heart of our rebuilding at CIB Kenya, where we will actively compete for foreign trade, SME, and wealth management business with a robust management team and experienced board of directors.

In Egypt, we are increasingly optimistic that the economy could decisively turn the corner. We have seen signs in recent months of significant investment — both realized and warehoused — that speak to continued global appetite for the Egypt story. Our economy is one that can rapidly change course for the better: The challenge right now is fundamentally about sentiment. Clarity on foreign exchange policy will unlock fresh investment and magnify the impact of tourism and exports. This policy will also create

> Our people and the values by which they live and work have together ensured we perform ahead of our peers and competitors in the market.

conditions for real economic growth that will see a return to productive lending to businesses that want to grow — our reason for being as bankers.

In the meantime, our continued partnerships with leading international entities have time and again demonstrated our resilience and agility in the face of challenging economic circumstances. We are particularly grateful to have enjoyed in 2023 the unwavering support of our international partners, including the European Bank for Reconstruction and Development (from whom we onboarded a USD 150 million, 10-year subordinated Tier II facility) and the International Finance Corporation (USD 250 million in two facilities to support our capital base and fund green projects).

Our partners continue to take note of our commitment to sustainable banking: Fully USD 100 million of the funding we took onboard from IFC this year was to finance a pipeline of environment-friendly projects that include water treatment and efficiency, green buildings, and renewables, as well as sustainable agriculture projects.

That commitment is also emphasized by our publication in late 2023 of our first Task Force on Climate-Related Financial Disclosures (TCFD) Report, covering the 2021–2022 period. We remain committed to giving investors, regulators, and other stakeholders as much transparency on our approach to emission reduction as we do on our financial performance.

In anticipation of 2024, I acknowledge the challenges ahead. However, I strongly believe next year holds the potential to mark a significant turning point. Regardless of the uncertainties that lie ahead, I am confident in the capabilities of our dedicated team at Egypt's Bank to Trust. Equipped with a robust strategy, comprehensive training, a global perspective, and efficient systems, I am certain that we have what it takes to navigate through whatever challenges come our way.

Hussein Abaza,
Chief Executive Officer

Our continued partnerships with **LEADING INTERNATIONAL ENTITIES** have time and again demonstrated our **RESILIENCE AND AGILITY** in the face of challenging economic circumstances.

BOD Report

Dear stakeholders,

As we navigated through 2023, it became evident that certain challenges persisted, echoing the difficulties that emerged in 2022. The ripple effects from the Russia-Ukraine war continue to shape economic landscapes, giving rise to tightening monetary policies and rising commodity prices, all of which continue to pose significant challenges to global economies.

Closer to home, the unfortunate political crises that turned into a humanitarian predicament on Egypt's borders in Gaza and Sudan have cast a sombre shadow on the global stage. The impact of such events reverberates beyond borders, urging everyone to reflect on our shared responsibility to address and alleviate such a humanitarian catastrophe.

Said geopolitical tensions, in addition to the severe global and regional economic slowdown, had repercussions on Egypt, reflected in interest rate hikes and record-high headline and core inflation, along with a weak pound.

Despite adverse market conditions caused by the simultaneous and sequential global events, CIB has proven the strength and sustainability of its business model by achieving yet another record year of success.

On that note, CIB's Board of Directors is pleased to present to the stakeholders the following report, outlining the key developments in the macroeconomic environment and their impact on our operations.

Macroeconomic Environment

In 2023, the repercussions of the Russia-Ukraine war, which unfolded in 2022, continued to have an impact on Egypt.

The CBE implemented significant interest rate hikes to curb inflationary pressures during the year, where headline inflation rates reached 33.7% in December 2023. Overall, interest rates increased by 1,100 bps since March 2022. Over eight Monetary Policy Committee (MPC) meetings during 2023, the CBE hiked interest rates by a total of 300 bps to reach a mid-corridor rate of 19.75% in December.

> CIB will continue to develop digital capabilities with a focus on value-proposition and a program-based pricing approach.

In October, credit rating agency Moody's downgraded Egypt's credit rating by a notch to "Caa1" from "B3" and S&P Global Ratings downgraded Egypt's credit ratings to "B-" from "B;" with both saying the outlook was Stable. This was mostly due to USD 3 billion in support from the IMF, along with the structural reforms that the government is undertaking to address the economic crisis and stimulate investment. In November, global rating agency Fitch downgraded Egypt's long-term foreign currency issuer default rating (IDR) from "B" to "B-," changing the outlook to Stable, due to increased risks in Egypt's external financing, macroeconomic stability, and the trajectory of the already high government debt.

The Egyptian pound (EGP) has lost nearly 50% of its value against the US dollar (USD) in a series of devaluations since March 2022. The third and most recent devaluation occurred in January 2023, reaching EGP 31 pounds per USD 1. It is worth noting that Egypt received the first tranche from the IMF deal worth USD 347 million, waiting for the disbursement of the third and fourth tranches. Egypt is currently negotiating with the IMF to increase the loan to match the recent economic updates.

Days prior to the January devaluation, in an attempt to absorb liquidity in the market to counter inflation, two public sector banks issued one-year Certificates of Deposit (CDs), offering 25% annual return and 22.5% monthly return, securing EGP 460 billion.

In addition, the foreign currency situation led to tough banking requirements to finance imports, destabilizing trade and making it difficult to import raw materials and machinery. However, the Egyptian government is working on implementing structural reforms to address the current challenges.

The government is also intensifying its efforts to expedite the implementation of its initial public offering (IPO) program and encourage investment. Egypt had launched the IPO program in February to offer state-owned companies to strategic investors by the end of June 2024. Recently, the Sovereign Fund of Egypt (TSFE) achieved significant milestones through the finalization of agreements to sell shares in state-owned companies, amounting to a total of USD 2.5 billion, as part of Egypt's larger target of USD 5 billion for the FY2023/2024 period. The TFSE has confirmed that it had already received USD 5 billion from the sale of state shares in 13 companies between March 2022 and July 2023. This is part of the State Ownership Policy Document, a strategy released in December 2022 to increase the private sector's presence in the Egyptian economy.

In June, Egypt officially submitted its application to join the BRICS group, which will take place officially in January 2024. The bloc's aspiration to create an alternative currency for global trade, potentially backed by gold, and to lessen reliance on the USD, is believed to benefit Egypt in its foreign currency challenges, and could also open doors to substantial investments in the Egyptian economy.

The economy has been expanding, albeit slowly. The CBE reported a 2.65% annual expansion in Q1 2023/2024, compared to 4.4% in FYE2022/2023. Nevertheless, although USD availability remains an issue, Egypt's foreign currency resources experienced notable increase across key sectors. The Suez Canal, a critical source of revenue for the country, recorded a significant increase of 25.19%, reflecting heightened maritime activity and global trade. The tourism sector also saw robust growth, with revenues surging by 26.81%, indicative of a resurgence in international travel and visitor spending. However, remittances fell by 30.85%, signalling challenges in the global economic landscape affecting Egyptians working abroad. Despite this, Egypt's foreign currency reserves displayed resilience, reaching USD 35.17 billion in November 2023, compared to USD 33.532 billion in the same month of the previous year. This upward trajectory indicates successful efforts by the government to boost reserves, ensuring stability and economic resilience amid global economic challenges. It is also important to note that one of Egypt's fundamental strengths is that its banks are well-capitalized and capable of absorbing shock.

In December, President Abdel Fattah El-Sisi secured a third term in office, reaffirming his leadership and the stability he has brought to the country. The Egyptian government is focusing on several important areas to address these difficult times, including tightening control over commodity prices and reducing parallel market activity. The government continues to exert efforts to diversify and strengthen foreign currency resources, acknowledging the strategic importance of maintaining a robust economic foundation.

Strategic Pillars

While our strategy remains ever-evolving in alignment with the dynamically changing market environment and emerging trends, it continues to center on creating value for all our stakeholders. Moving forward, our growth strategy will focus

> CIB maintained its leading position in the Egyptian market in governmental e-payment transactions over the Corporate Payment Services (CPS) platform.

on further optimizing commercial activities by capitalizing on our comprehensive suite of physical and digital channels and products, while leveraging on data-driven decision-making to unlock potential opportunities. Three main strategic themes form the core of this strategy are capitalizing on the success of the corporate and liabilities franchises, growing and diversifying revenue sources to achieve sustainability and resilience, and becoming a digital leader in customer service, sales, and operations.

Core Business

CIB's strategy remains focused on offering solutions designed with individual needs in mind to build a bespoke bank and a financial-value-creating companion for our targeted customer base. The Bank recognizes the opportunities still available in the Retail and SME sectors amid the push for a comprehensive financial inclusion model. As a result, CIB will continue to develop digital capabilities with a focus on value-proposition and a program-based pricing approach to re-energize the SME, affluent, and mass segments and provide a seamless service model through digital means. The Bank also realizes the potential in the non-resident Egyptians (NRE) segment, in line with the government's efforts to support Egyptians abroad. CIB aspires to become the core bank for NREs by providing a fully remote service and coverage model.

Digital Transformation

CIB focuses on creating innovative solutions, new digital channels, and a distinct customer journey that ensures a unique digital value proposition. Ultimately, the success of CIB's digital transformation efforts comes from putting customers' needs first, service development, and innovation across the Bank. The Global Transactional and Digital Banking division advocates for the customer during all process redesigns, digital upgrades, and enhancements, understanding customer needs to improve the experience. The Group is dedicated to developing and promoting its digital banking channels for individuals and corporates, prioritizing those channels while transforming customers' behavior to perceive the physical branch as an alternative.

As a result of CIB's persistent efforts to digitize processes and increase reliance on digital platforms, the majority of the Bank's customer base uses online banking, with 1.9 million internet banking transactions worth EGP 81.4 billion, a 24%y-o-y hike. The online banking customer base reached 1.5 million users, up 15% y-o-y. Mobile banking transactions came in even higher, up 17% y-o-y to 13.3 million transactions worth EGP 348 billion, a 61% y-o-y hike. Online Banking migration rates from total branch transactions reached 98% for credit card settlements, 97% for internal transfers, and 88% for external transfers, while cost synergy heavily increased by 30% y-o-y to reach EGP 3.4 billion as of December 2023.

Shifting consumer behavior toward using the various digital channels has helped the Bank and its customers enhance the overall banking experience. CIB worked on adding new revenue streams through Online Banking channels by offering CDs/TDs booking requests as investment tools. This has transformed online platforms into a highly effective digital sales channel that now contributes 64% of the Bank's total annual bookings in terms of volume and 56% in terms of value. As a result, CIB has reduced branch traffic, enhanced customer experience, and increased the use of digital channels for their unique experience and convenience. The average monthly value of digital bookings in 2023 surpassed EGP 6 billion, boosting total CDs/TDs booking volume by 50% y-o-y and value to EGP 72 billion, a 162% y-o-y hike, in FY2023. Additional account opening requests through Online Banking channels recorded a 40% y-o-y hike, representing 76% of the total additional accounts opened during 2023, while loan and credit card submissions doubled, generating extra leads.

Playing a vital role in alleviating branch traffic, CIB's ATM network grew to reach 1,339 ATMs. The network handled over 79 million transactions, a 9% y-o-y hike, worth EGP 196 billion, up 28% y-o-y. Average monthly dispensed cash reached EGP 11 billion, while average monthly deposits reached EGP 5.6 billion. The migration ratio from branches to ATMs was 97% for eligible cash deposit transactions and 99.1% for withdrawal transactions, saving EGP 598 million. Additional Drive-Thru machines were deployed in select areas, enabling customers to access banking services from the comfort of their cars. Furthermore, a contactless service was launched over our ATM network, marking a significant improvement in customer experience and transaction efficiency.

CIB has also made significant strides in the ever-expanding instant payments domain. Bill payments went live in 2023, adding to the array of services offered. The impact of these initiatives is best reflected in numbers. In FY2023, the instant payment network witnessed extraordinary growth, with transaction volume and value surging to 46 million and EGP 308 billion, respectively. Moreover, the number of CIB customers utilizing IPN soared from 176,000 to 692,000, an astounding 293% increase, underlining the Bank's commitment to innovation and excellence.

Building on CIB's continued support of the government's efforts to automate governmental payments, the Bank maintains a solid partnership with E-Finance Company, the Egyptian government's financial processor. This year, CIB maintained its leading position in the Egyptian market in governmental e-payment transactions over the Corporate Payment Services (CPS) platform, with a 29% market share, as a result of the implementation of aggressive focus business groups for selling CPS products. CPS transactions increased 45% y-o-y in volume to reach 239,000 and 37% y-o-y in value to reach EGP 43 billion. This is in addition to a 41% y-o-y increase in customer base, 16% y-o-y increase in the transaction migration rate to 66%, and 101% y-o-y increase in synergies to EGP 37 million. A key objective for 2024 is to ease the burden of governmental payments on CIB branches by enrolling corporate customers to the CPS platform. We also plan to add other payment types over governmental platforms to ensure customer satisfaction, increase our market share, and maintain our top ranking in the market.

Financial Inclusion and SMEs

In accordance with the government's direction to promote financial inclusion, CIB formulated a five-year financial inclusion strategy to provide easier access to financial services to the most vulnerable segments of society by harnessing its digital acumen. The Financial Inclusion division collaborates with other lines of business to build on existing initiatives, while further developing the Bank's strategy, products, services, and programs. The targeted underserved and unbanked priority segments were identified using behavioral segmentation analysis through insights derived from third-party market research and behavioral and transactional analysis of CIB's existing lower-income customer base.

CIB's Smart Wallet is instrumental in complementing the digital transformation process with financial inclusion. It was primarily developed to serve unbanked customers by providing a convenient, secure, and cost-effective way to make financial transactions through mobile devices. It also helps customers easily pay bills, recharge their mobile lines, transfer money to other wallet holders in Egypt, and deposit or withdraw funds from any ATM machine or any of CIB's authorized Banking Agent outlets. The application also supports contactless payments through QR code purchases. As of end of August 2023, Smart Wallet users reached 1.06 million, with a 21% activity rate for 30 days.

As the government pushes forward with efforts to finance SMEs due to their strategic importance in achieving economic growth, Retail Banking successfully on-boarded and activated a wide base of non-borrowing SME customers over the past 10 years. This base serves as the core of the SME lending strategy to cross-sell assets using the different lending programs, leveraging a strong referral mechanism. Over the past five years, Business Banking grew its asset book by 56%, reaching EGP 8.6 billion in 2023. Operating profit came in at EGP 6.95 billion, while gross profit reached EGP 5.075 billion. On the payment solutions side, the division processed EGP 82 billion in transactions. Business Banking has built a well-established cash and trade management business, growing the client base by 8% y-o-y to more than 83,000 companies during the year. The segment recorded EGP 60 billion in deposits, while trade rose to EGP 50.6 billion, growing 25% and 11% y-o-y, respectively. Moreover, in line with the Bank's strategy to support SMEs and grow the SME lending portfolio, CIB and the Dutch Entrepreneurial Development Bank (FMO), signed a credit guarantee agreement worth USD 50 million to guarantee loans granted to Business Banking borrowing customers, with a special focus on underserved segments that include women and youth.

Business Banking also upgraded the SME contact center as part of CIB's strategy to digitize and offload pressure from branches, while providing customers with round-the-clock banking services by improving alternative channels. The upgrade included Business Banking products and digital services, technical support, and payment acceptance services.

Geographical Expansion

Cementing its presence in Africa, CIB Kenya Limited (formerly Mayfair-CIB) continued to serve as a gateway to Africa for CIB and the Egyptian market, despite the challenging market conditions that predominated the year. Stemming from the prudent risk management culture for which CIB is known, Management decided in 3Q23 to take an accounting impairment on the Bank's Kenyan investment, derived by extreme variations in the macroeconomic assumptions and business plans that were made at the time of the acquisition in 2020. Even with such a conservative approach, Management remains confident that the underlying fundamentals of the Kenyan investment remain valid. As such, measures were taken to weather these economic variations, the strategy was revamped, and key management personnel were recalibrated to implement the new strategy. The cornerstone of our East African expansion strategy, CIB Kenya focuses on trade finance activities and digital banking solutions, particularly growing the Egypt-Kenya trade corridor, enabling large Egyptian corporates and Egyptian SMEs to operate in the hub of Eastern Africa. The bank's niche market is large and medium-sized corporates and HNWIs.

In 2023, CIB Kenya reported a profit of KES 35.5 million, compared to KES 445 million in 2022. Net interest income for the year 2023 closed at KES 775 million compared to KES 773 million recorded in the same period of 2022, a 0.3% increase y-o-y. Non-interest income recorded KES 139 million, a 62% y-o-y increase from KES 86 million in 2022.

Sustainable Banking

The Sustainable Finance division continued the implementation and integration of its Sustainable Finance Pillars across the Bank's operations and functions, after having built a solid foundation of Governance, Policy, Framework Architecture, Systems, and Strategy since 2021. In recognition of the role all internal functions play in the success of mainstreaming sustainable finance, we aimed to bring all internal stakeholders together to ensure the seamless implementation of ESG principals across CIB.

CIB witnessed business growth under its Green Bond Program, the first-of-its-kind in Egypt, where portfolio utilization increased to reach a total eligible loan amount equivalent to USD 136 million. Moreover, the Bank received FX funding from the IFC under a New Green Facility amounting to USD 100 million for green buildings, signed in June 2023 after a thorough due diligence and negotiation process. Additionally, building on its COP27 initiatives introduced in 2022, CIB was present at various regional and global events this year, advocating for the mainstreaming of climate finance innovation, transition finance, the development of region-specific taxonomies, and scaling de-carbonization efforts. Through engagement with leading stakeholders, the Bank is making progress on its ESG ambitions to create value for investors, partners, clients, and the community at large.

Human Development

As CIB continues to achieve substantial growth, the Bank is more committed to developing its human resource management to better support its people as they are fundamentally responsible for our excellence. The Human Resources (HR) division will continue to engage in regular planning to address long-term strategic needs, adhering to our core values and guiding principles. The department's primary objectives are to increase confidence in our operations, attract high-caliber employees, and foster an engaging environment.

HR's talent strategy centers on reinforcing the commitment to attracting, developing, retaining, and motivating highly qualified talents. Investing in our employees remains of paramount importance, as they are the cornerstone of the Bank's success. Thus, leveraging on the skills and experience already available within the organization, CIB's external acquisitions position the Bank for long-term sustainable performance. This year, CIB hired 1,517 employees, encouraged the internal mobility of 924, and promoted 880 employees.

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In alignment with the Bank's efforts to advance its digitization skillset, the HR team continued to incorporate digitization in the training and learning opportunities offered to employees through different learning tools and platforms. This includes a wide network of international digital platforms, such as LinkedIn, Thomson Reuters, Udemy, ARC institute, Harvard, Coursera, Wharton, and the IMF, as well as cross-functional bundles internally developed in conjunction with the business, including Trade Finance School, Legal School, and Arabic Writing videos. In 2023, 1,282 employees received training, and 7,000+ employees completed 15 bank-wide e-learning modules. Additionally, in accordance with CIB's strategy to provide exceptional customer experience, HR laid out the necessary developmental learning tracks, made available with additional courses.

Employee mental, physical, and financial wellbeing continued to be a priority in 2023, in an effort to boost morale and create a positive work environment. The division continued to provide a workplace counselling service and conducted bank-wide webinars on mental health topics to raise awareness across the organization. HR also launched a one-on-one texting service for mental health support. Focus was given to the importance of physical wellbeing through the Wellbeing initiative, providing employees with resources and workshops on a variety of wellness topics, including nutrition, healthy sleep habits, ergonomics, stress reduction, and exercise. HR is also in the process of developing financial wellbeing initiatives to enable employees to live a healthy financial life, empower them to manage their finances, and reduce overall financial stress.

2023 Financial Position

CIB Performance

FY 2023 saw CIB's consolidated net income increase by 84% y-o-y to EGP 29.6 billion. Standalone net income reached EGP 28.8 billion, up 78% from 2022. Standalone revenues grew by 67% from the previous year to reach EGP 54.6 billion. Consolidated net interest income hit EGP 52.9 billion during the year, up 71% y-o-y. The Bank was able to maintain its operational efficiency in 2023, with the cost-to-income ratio standing at 17.1% compared to 21.2% in 2022. Return on average equity (ROAE) recorded 39.7% on a consolidated basis (post-profit appropriation) compared to 25.1% in 2022. Consolidated return on average assets (ROAA) stood at 4.06% (post-profit appropriation) in 2023, compared to 2.86% in 2022. As of year-end 2023, CIB booked a net interest margin (NIM) of 7.55%, compared to 6.10% a year earlier.

The Bank's gross loan portfolio stood at EGP 267.2 billion at year-end, growing 20% y-o-y from EGP 222.7 billion by year-end 2022. This increase met the Bank's strategic objectives in maintaining asset quality and enhancing profitability. CIB's market-share of total loans amounted to 4.97% in August 2023. The Bank pursued deposit growth in 2023, adding EGP 145.6 billion to its base, which grew to a total of EGP 677.2 billion over the year (an increase of 27% from 2022). CIB's share of the deposits market reached 6.81% in August 2023. Loan-loss provision expense for 2023 amounted to EGP 4.27 billion, with loan-loss provision balance reaching an unprecedented EGP 29.2 billion. This was not associated with any asset quality deterioration — as evident by a solid NPLs of the gross loan portfolio of 3.59%, down from 4.86% by year-end 2022, cushioned by a solid 305% coverage ratio — but rather a result of the Bank's conservative risk management strategy and management's decision to cautiously frontload adequate provisions to mitigate any and all potential risks that might arise from such a fluid year. The Bank remains comfortably covered in terms of capital adequacy, with year-end capital adequacy ratio (CAR) recording 26.2% (post-profit appropriation) — well above the minimum regulatory requirement. This year's financial results highlight CIB's solid strategic direction, the Board's invaluable oversight, management's strong leadership capabilities, and concrete execution across the Bank's channels, including brick and mortar operations, digital platforms, and the product and support functions.

In exploring and pursuing all available avenues to ensure a sustainable, comfortable capital base that is less vulnerable to external factors, CIB secured dollar term funding from international financial institutions. In July, the Bank secured USD 250 million in long-term loans from the IFC to support its capital and fund green projects. The first loan is a 10-year USD 150 million Tier II facility, out of which USD 90 million was used to refinance the outstanding subordinated debt facility that was initially obtained from the IFC in 2017. The remaining USD 60 million will be utilized to provide capital to support CIB's sustainable growth plans. The Bank also secured a USD 150 million subordinated Tier II loan from the European Bank for Reconstruction and Development (EBRD), with 10-year maturity, in November.

Appropriation of Income for FY2023

The Board of Directors proposed the distribution of total cash dividends of EGP 1.66 billion to shareholders this year, increasing its legal reserve by EGP 1.44 billion to EGP 6.21 billion, and its general reserve by EGP 22.0 billion to EGP 61.8 billion. This reinforces the Bank's solid financial position, as evidenced by its CAR of 26.2%. The proposed dividend distribution falls in line with the Bank's strategy of maintaining a healthy capital structure to address more stringent regulations, mitigate associated risks, and support the Bank's future growth plans.

The EGX Performance, Stock Performance, and Equity Analysts' Coverage

In a remarkable performance placing it as the MENA region's top performer in 2023, Egypt's main Exchange Index, the EGX 30, increased by 9,705 points or 66.48% since the beginning of the year, with an opening position of 14,598.1 points, closing the year at 24,894 points.

COMI's performance was no different, surpassing the EGX 30's significant growth, with a 75.14% y-o-y increase. COMI started the year at an opening price of EGP 41.48 and maintained momentum until year end, closing off the year at EGP 72.65. COMI's VWAP during the year was EGP 56.6, with an average daily volume of 5.93 million shares and an average market capitalization of EGP 170.5 billion. Moreover, its average price-to-book ratio recorded 2.46, with a peak of 3.28 recorded on 27 November at a closing price of EGP 84.06, and a trough of 1.836 recorded on 12 January at a closing price of EGP 41.7. In April 2023, a cash dividend was distributed amounting to EGP 0.538/share.

CIB is widely covered by leading research houses locally, regionally, and internationally; 13 institutions issued research reports on the Bank during 2023, six of which were local.

Investor Relations Activities in 2023

With the primary role of delivering CIB's story to the investment community at large, the Investor Relations (IR) team has been maintaining an ongoing, open, two-way communication channel between investors, shareholders, and the Bank's executive management. Throughout 2023, the team attended nine conferences, roadshows, and forums, and it accommodated more than 100 meetings, including more than 60 physical ones. It met with more than 200 companies, incorporating a wide range of international, regional, and local institutions.

2023 Business Activities

Institutional Banking

CIB's Corporate Banking and Global Customer Relations (GCR) Groups weathered the ongoing global and local economic pressures, staying on course to meet their operational and financial goals, achieve positive balance sheet growth, and support their portfolio companies to deliver strong results compared to 2022.

Capitalizing on their long track record and expertise in the local market, the Corporate Banking and GCR Groups delivered strong performances during 2023, recording exceptional results. They continued to enhance cooperation and collaboration among the Bank's stakeholders to build the necessary foundation that will shape our future, backed by a significant boost in the new client portfolios, while strengthening the share of wallet of the existing client base. As a result, the loan portfolio reached EGP 176.4 billion during FY2023, up from EGP 142.6 billion in FY2022. Additionally, despite the aggressive and fast-paced macroeconomic developments leading to a series of downgrades in sovereign and bank ratings, the Group was able to achieve substantial 23.7% and 196.9% growth in loan portfolio and gross contribution after tax, respectively. It recorded unprecedented results while arranging and participating with other syndicate banks in an EGP 20 billion securitization transaction.

Additionally, in alignment with Egypt's Green Economy Strategy and the 2030 Sustainable Development Vision, the Groups co-financed the Fayoum Wastewater Expansion Program with the EBRD, the Egyptian government, the European Union's Neighbourhood Investment Facility (NIF), and the European Investment Bank (EIB). The project's overarching goal is to provide 86% of rural Fayoum with sanitation access, up from the current 32%. Moreover, under the directives of CIB's Green Bond and Sustaining Sectors Program and in line with COP27 recommendations, the Real Estate and Education teams were able to sketch the blueprints for the two rebates under the EDGE certification program worth around EGP 300 million, representing 2.8% of the equivalent granted loan to the respective clients. The Groups also extended a variety of environmental-incentivized facilities and programs (e.g. Green Bonds and the Egyptian Environmental Agency Authority – Egyptian Pollution Abatement Program "EPAP III") to finance projects mainly operating in the fertilizers, chemicals, textiles, plastics, and packaging sectors.

Meanwhile, CIB's Direct Investment Group (DIG) secured a healthy level of dividend income from the existing investment portfolio. The division also successfully concluded a 100% exit from four investments in the financial services, general services, and security services industries, and it has generated notable capital gains. DIG also actively solicited and assessed 20 potential investment opportunities in various attractive sectors in the Egyptian economy throughout FY2023.

The Debt Capital Markets' (DCM) Securitization and Bonds Desk has placed CIB at the forefront of the fixed income securities market, with the Bank being named Best Securitization House by EMEA Finance in FY2022, in addition to being awarded Best Securitization Deal in Africa for its successful closure of the largest securitization transaction in the history of Egypt's debt capital markets, amounting to EGP 20 billion in FY2022. In FY2023, the team further cemented its leading market position by advising and arranging six securitization issuances worth EGP 25 billion, capturing a massive market share of 75%. This is in addition to mandated deals worth EGP 27.4 billion, of which EGP 20 billion are expected by year-end.

Following a successful debut in 2021, CIB continued to build its Green Bond portfolio, offering subscriptions in full by the IFC, making it the first bank in Egypt to tap such funding. The Bank also signed a new senior debt agreement with the IFC amounting to USD 100 million for the purpose of green finance. This underscores CIB's commitment to sustainable finance and is a key milestone that will provide innovative and comprehensive financing for our clients and their projects. It will also help promote sustainable solutions to combat climate change, such as renewable energy, industrial energy efficiency, green buildings, and resource efficiency. CIB also signed a new sub debt with the IFC amounting to EGP 150 million.

In 2023, the Development Finance (DF) segment, which serves 27,494 agri-business beneficiaries, approved developmental agri-loans worth a total of EGP 1.02 billion, of which around EGP 800 million is under the Agricultural Development Program (ADP) Sustainable Green Finance initiative. The launch of the initiative, in cooperation with the Ministry of Agriculture and Land Reclamation, has proven successful, with 80% of approved loan amounts coming under the initiative. DF contributed to green funding under the EPAP Project through financing water treatment projects for textile factories, as well as solvent recovery units that absorb gases released by printing inks and recycle them in the production process.

Retail Banking

Retail Banking's continued success in 2023 can be attributed to the unwavering commitment to enhancing the Consumer Banking experience. As interconnectivity increases worldwide, we recognize the significance of seamless, personalized interactions for an exceptional banking experience. Our commitment to enhancing our customers' journeys is reflected across every level of CIB's operations. From innovative product offerings to tailored financial solutions, we strive to exceed expectations at every touchpoint.

2023 was a transformative year for the Consumer Banking division, marked by significant strides in

Internet banking underwent an extended stability plan, resulting in the release of an updated version.

elevating our services to unprecedented levels. We continued to invest in our front-liners and relationship managers through comprehensive training programs through the Retail Banking Academy's inclusive program. This has streamlined the integration process and ensured that the segments and front-liners are equipped with the latest knowledge to provide our customers with exceptional service. We also emphasized the redirection of our Payroll customers from branches toward alternative channels, ensuring a seamless and secure banking experience.

Despite the year's challenging macroeconomic environment and rising interest rates, consumer assets witnessed a slight growth in the personal loans portfolio, reaching EGP 41.4 billion by year-end. The team managed to overcome these challenges by providing tools to enhance sales levels, such as continuing to extend payroll loans, relying on application and behavior scores as test programs to identify high-quality customers.

Following the public sector issuance of high-yielding CDs, CIB issued a new CD with a monthly yield of 22%, requiring a minimum subscription of EGP 3 million.

Reflecting increased consumer confidence in our services, liabilities witnessed a remarkable surge in LCY household deposits, recording EGP 253.9 billion as of December 2023. This marks a 41.9% increase compared to the EGP 178.9 billion recorded last year.

Building on the increased consumer confidence, card acquisitions reached record levels, balancing build-up and a hike in spend levels. Monthly acquisition run rates increased by 14%, and ENR crossed EGP 10 billion, representing a year-on-year increase of 36%. This growth was mainly driven by the expansion of our credit card suite and the elevation of the value proposition of our existing credit cards. On the debit card side, retail spending increased by 48% y-o-y (EGP 56.77 billion as of December 2023 compared to EGP 38.34 billion as of December 2022). The strategy with debit cards was to shift cardholders' behavior, converting cash only users to use Points of Sale (POS) instead of ATMs. Debit card spend reached 30% of total debit card spending, with annual gross contribution of EGP 401.6 million. Moreover, a new service was launched that enables CIB credit, debit, and prepaid cardholders to deposit via other participant Egyptian banks' ATMs, as well as depositing and withdrawing cash from any participant payment service providers' POSs, such as Fawry Plus.

2023 Operational highlights

Operations and IT

The COO area built a strong, cohesive environment between all COO area stakeholders, creating the necessary digital transformation strategy enabled by technological advancement, thereby enhancing products and services and achieving overall operational excellence. Operations continued to accommodate business growth, not only by supporting the digital transformation journey but also improving the efficiency and productivity of front office and back-end operations. IT is progressing with the implementation of a full-fledged stability program aimed to support overall business growth, beginning with the increase in the number of customers. This has necessitated the enhancement of system monitoring and implementing an ongoing stability program across critical systems.

Orchestrating the digital strategy with both our technology and operations activities has required aligning all initiatives to cohesively drive transformation. The banking sector is continuously driven by digital transformation. CIB's successful digital transformation is driven by its ability to reimagine its approach across the business, shape the technology landscape, and innovate an operating model that led to exceptional business achievements while diligently working on lower cost-to-income ratios, increased customer acquisition and retention rates, and a faster time-to-market.

CIB has always strived to be the employer of choice, recognizing that its greatest asset is its people. This year, the COO area continued to foster communication and collaboration between all departments and business lines, allowing for better engagement and productivity. CIB recognizes the significance of developing and empowering employees to keep up with the rapidly changing business landscape, which can be achieved through ongoing training and exposure to enhance employees' capacity and skillset.

In alignment with CIB's digital strategy, the IT team continued to expand its digital journey. This is achieved by facilitating innovative financial solutions, continuously enhancing customer centricity, and providing seamless financial solutions through focusing on the enhanced stability of systems and applications, further increasing customer satisfaction. With a growing customer database and increased transactions, IT underwent a stability program that targets critical systems and digital application stability. The primary focus was to enhance functions, such as core banking and customer-centric applications.

On the customer front, internet banking underwent an extended stability plan that led to restructuring activities, resulting in the release of an updated version. Additional features were applied to bill payments and loan origination forms that provide a more stable performance and high availability, enhancing the customer experience.

Security and Resilience Management

With the ever-evolving complex environment in which we operate, security and resilience have always been key areas of focus for CIB to maintain its leading position in the financial sector. The Bank is committed to protecting its customers, employees, assets, and reputation from a wide range of threats, such as cyberattacks, and different types of disruptive events. Various investments have been made to ensure the robustness of our systems, processes, and capabilities to prevent, detect, and respond to these threats. This enables us to ensure the continuity of our operations and services, as well as our compliance with relevant regulations, industry standards, and best practices.

Further improvements to our employee and customer awareness program were made during 2023 through various internal and external channels to deliver key awareness messages. This allowed us to foster a sense of security within the Bank and for our customers by using our digital and online channels. An additional layer of protection for our mobile applications against malicious attacks, tampering, and reverse engineering was introduced this year, helping secure customers' data and transactions, as well as our trusted brand reputation. Moreover, we revamped the core technology of our Security Operations Center to introduce more advanced capabilities to enhance our monitoring and visibility, as well as improve our efficiency and effectiveness in detecting and responding to cybersecurity incidents. Additionally, 2023 witnessed the expansion of our Business Continuity testing and exercising scope by introducing new testing scenarios and activities to validate the viability of our BCM plans and the reliability of our capabilities to ensure effective response in case of any disruption.

Awards and Recognition in 2023

During 2023, CIB received international and regional recognition across different functional areas and business lines, which serves as valuable endorsements to CIB's continued commitment to delivering excellence in all facets of its business and to its leadership position as a preferred financial services provider in the markets of Egypt and Africa, while also ensuring the highest standards of governance and accountability to all its stakeholders.

Global Finance:
Best Private Bank
Best Supply Chain Finance Bank in Africa 2023
Best Trade Finance provider (Egypt)
Best Bank for Cash management (Egypt)
Transaction Banking Award
Best Bank in Egypt 2023

Euromoney:
Best Bank in Egypt
Best Bank for SMEs in Egypt
Best Bank for ESG in Egypt
Best Service for Cash Management

EMEA Finance:
Best M&A Deal in MENA
Best Securitization House in Africa
Best Securitization Deal in Africa
Best Payment Services in Africa
Best Payment Services in North Africa
Best Cash Management Services in North Africa
Best Trade Finance Services in North Africa

The Banker:
Bank of the Year

African Banker:
Lifetime Achievement Awards

Environmental, Social, and Governance (ESG)

Environment and Climate Change

CIB is a firm believer in the power of global collaboration, dialogue exchange, and stakeholder engagement to bring forth major change and reforms, particularly in the face of climate challenges that are anticipated to impact the region. Accordingly, the Bank continued to maintain its presence across various global and regional events, recognizing the role of dialogue in furthering wider sustainability driven ambitions. During 2023 and building on its COP27 initiatives introduced the year prior, CIB was present at various regional and global events advocating for the mainstreaming of climate finance innovation, transition finance, the development of region-specific taxonomies and scaling decarbonization efforts. Through engagement with leading stakeholders, the Bank is able to further its ESG ambitions to create value for investors, partners, clients, and the community at large.

Following the success of CIB's Green Bond Program, the Bank increased its efforts to provide convenient technical and financial services to face complex environmental challenges for carbon-intensive industries, thereby promoting decarbonization practices. CIB's sustainable finance offerings include Energy Efficiency, Renewable Energy, Green Cities and Buildings, Waste and Water Management, Non-energy GHG, Water Desalination, Energy Management Systems, Building Retrofit, Pollution Prevention and Control, Sustainable Agriculture, Tourism and Transport.

This year, the Bank implemented several steps to address its climate risk approaches, including covering TCFD gap analysis, adaptive capacity assessment, portfolio scans for physical and transition risks, scenario planning, stress testing narratives, and the development of a work plan for climate strategy. It also conducted multiple trainings to support efficient climate risk management.

CIB has a robust Environmental and Social Risk Management System (ESRMS) in place, which is endorsed by DFIs. The Bank upgraded its ESRMS to align with local and global standards. Moreover, CIB has been entitled to foreign concessional priced funds and/or de-risking facilities based on the presence of a robust Sustainable Finance System that led to the successful promotion of ESG due diligence and internal synergies between relevant departments.

Society and Development

Diversity and Inclusion

CIB's commitment extends beyond financial success; we are dedicated to fostering an environment that supports individuals to reach their full potential. We proudly integrate and embrace ESG practices into our journey. Our commitment also extends to promoting equality, inclusion, and diversity. We are keen on providing equal opportunities and treating all employees with dignity and respect. These principles facilitate the attraction and retention of a diverse workforce, creating an inclusive workplace where every individual feels valued.

After conducting thorough analysis to identify areas with low female representation, HR launched the fourth round of the Helmek Yehemena program that aims to promote female empowerment in the workplace in those areas, mainly in the branch network. The program aims to encourage young female talents in the Upper Egypt and Delta regions to join the workforce. It supports women through short training programs to enable them to discover and expand their untapped potential and equip them with the necessary knowledge and skills to become members of CIB.

To help mothers in their transition back to work after maternity or unpaid leave, the She is Back program keeps its female employees informed of any external or internal changes that affect both the Bank and their own respective roles during their absence. In 2023, one round was organized for more than 25 women.

In 2023, the HR team participated in the Carerha summit, the first women's career summit in the MENA region promoting work-life balance and fostering diversity and inclusion in the workplace. The summit centers on the idea that every woman deserves the opportunity to achieve her professional goals, regardless of circumstances. It allowed CIB

CIB is a firm believer in the power of **GLOBAL COLLABORATION, DIALOGUE EXCHANGE, AND STAKEHOLDER ENGAGEMENT** to bring forth major change and reforms, particularly in the face of climate challenges that are anticipated to impact the region.

Differently abled candidates hired

91

to emphasize its commitment toward promoting a more inclusive workplace by sharing a wide range of job opportunities and hosting several activities, including a panel discussion on Women Shaping the Future of Data Science.

In 2023, we continued to reinforce our commitment to cultivating and preserving an inclusive workforce by facilitating employment opportunities for differently abled individuals. This initiative, which commenced in 2020, and the Ader B Ekhtelaf initiative, which was introduced in 2022, both aim to provide job and development opportunities for differently abled individuals across CIB's branches and departments. HR successfully continued the hiring process, reaching a total of 91 differently abled candidates, out of which 19% were women since the start of the program.

Corporate Social Responsibility

During 2023, CIB continued to be part of government initiatives across Egypt, such as Hayah Karima, International Women's Month, International Youth Day, Farmers' Day, and Saving Day through the Smart Wallet program.

In its continuous efforts to support entrepreneurship in Egypt, the Bank has placed significant focus on the fintech space, with the aim of bridging the gap between the financial services sector and the emerging entrepreneurial ecosystem. CIB helps support new start-ups through the largest television competition in the Arab world, El Forsa, hosted by Egyptian TV presenter Lamis El Hadidy. The program targets entrepreneurs who own start-ups that provide unprecedented, innovative solutions with high potential for local and global growth.

As part of the partnership started in June 2021 to improve access to care and meet the demand for cardiac care in Egypt, CIB continued funding the Adult Outpatient Department at the Magdi Yacoub Global Heart Centre. The Magdi Yacoub Heart Foundation took the decision to develop the Magdi Yacoub Global Heart Centre in Cairo to continue and build on the Aswan Heart Centre's legacy of excellence, while tripling the scale of operations and capacity, which will increase reach to help those most in need.

CIB also continued supporting community projects, with a special partnership with Al Moassat Hospital Patient Care Association for the care of patients undergoing bone marrow transplants.

CIB Foundation

The CIB Foundation is committed to supporting children of underprivileged families by extending quality healthcare to those unable to access them. Its efforts include not only donations but also the monitoring of projects' impact. In addition to the direct donations made to its fundraising account, the Bank supports the CIB Foundation with 1.5% of its annual net profit, aiming to actualize its goals of alleviating the burdens of families in need. The CIB Foundation works with private, public, and non-governmental healthcare providers that offer free-of-charge services, therefore widening community reach and maximizing the value of its efforts by achieving positive and sustainable results.

2023 Newly Approved Projects

- **Our Differences…Our Strength**
  EGP 2.5 million to outfit the sensory, psychomotor, and occupational therapy rooms at the National Foundation for Family and Community Development's specialized center in Masr El-Adema.
- **Their Care…Our Responsibility**
  EGP 7 million to fund the annual operating costs of the Ain Shams University Hospital's pediatric congenital heart defect unit, pediatric heart surgical unit, children hospital's pediatric surgical unit, and the women and obstetrics hospital's neonatal unit.
- **The Dream of the South**
  EGP 33.12 million to Aswan University Hospital's pediatric neurological center of excellence for surgical devices and equipment, ward capacity expansion, and the establishment of a simulation training center for junior doctors.
- **One Heart**
  EGP 24 million to cover 160 pediatric open-heart surgeries and 40 catheterizations at Al Nas Hospital, managed by Al Joud Foundation.
- **Super Smile**
  EGP 3 million in collaboration with Rotary District 2451 to fund 100 cleft lip and cleft palate surgeries to be performed in Ganoub El Wadi Hospital, Ain Shams University Hospital, and one private children's hospital.
- **Strong Heart…Stronger Future**
  EGP 20 million for the Magdi Yacoub Foundation to purchase 100 catheterization lab consumables and fund 100 open-heart surgeries to be performed at the Aswan Heart Center (AHC).
- **L'MISR Initiative**
  Dedicated to supporting children's physical and mental health, nurturing them into becoming productive members of society, in line with the Presidential Hayah Karima initiative.
  - **A Warmer Winter**
    EGP 23.76 million for the Egyptian Clothing Bank to manufacture and distribute 120,000 winter training suits.
- **57357 Fighters**
  EGP 4 million annually for a duration of five years (2024–2028) to cover the costs of treatment for approximately 500 children a year.
- **Treatment of Children with Cancer – Ayady El-Mostakbal Hospital**
  EGP 10.8 million to fund the treatment of underprivileged pediatric cancer patients in collaboration with Ayady 4040 Association, with plans to cover the costs of radiation therapy for 670 children in Ayady El-Mostakbal Hospital in Alexandria.
- **Faculty of Dentistry Cairo University – Maxillofacial Unit**
  EGP 200,000 in collaboration with The Faculty of Dentistry Cairo University and Rotary Club of Zamalek, to provide free of charge surgical and dental services for approximately 14,000 children annually suffering from maxillofacial conditions.
- **Step by Step**
  EGP 4.7 million to fund a project in collaboration with the Hand in Hand Foundation to provide prosthetics and physical rehabilitation to 400 underprivileged children.
- **A Journey of Healing**
  EGP 25. 30 million, in collaboration with Shifaa Al-Orman Hospital in Luxor, to equip the emergency department with the latest and most efficient devices and medical equipment and cover the cost of purchasing cancer medication for four months.
- **To a Brighter World**
  EGP 10 million for the Maghrabi Foundation to offer free surgical procedures to 1,000 children in need at the Maghrabi Eye Hospital in Cairo. An additional EGP 5 million to develop a detailed protocol for Retinopathy of Prematurity (ROP) care that defines criteria for screening, treatment, and follow-up services for premature babies who are at risk of developing ROP, in collaboration with the Ministry of Health, national universities, and other health entities.
- **Our Kids…Our Future**
  EGP 12 million to fund a project in partnership with the Ibrahim A. Badran Foundation to supply 48 convoys in underprivileged areas in Beni Suef, led by a team of qualified doctors, to offer examination and treatment services in schools and health centers, as well as sustain the services provided at fixed clinics in Fayoum, Aswan, and Beni Suef.
- **Gift of Life**
  EGP 7.5 million to fund the fourth round of 100 open-heart surgeries to be performed in El Kasr El Eini Hospital, in collaboration with the hospital and the Rotary Club Giza Metropolitan.
- **Kids on Wheels**
  EGP 10 million to fund the purchase of 100 customized wheelchairs and 100 electric wheelchairs for severe cases, such as quadriplegics, muscular dystrophy patients, cerebral palsy patients, and others by Al Hassan Foundation.

Ongoing Projects from Previous Years

- **Strong Heart…Stronger Future**
  Increased the budget dedicated to the Magdi Yacoub Heart Foundation's New Global Heart Center in Cairo from EGP 35 million to EGP 43.75 million. The project is set to be completed over the course of three years and covers the establishment of a pediatric catheterization lab.
- **A Journey of Hope**
  EGP 18.38 million to the Nile of Hope Foundation to fund 65 pediatric open-heart surgeries and 129 catheterizations to be performed at the Nile of Hope Hospital, in addition to purchasing a Heart-Lung Machine (HLM).
- **L'MISR Initiative**
  - ***Sonaa El Kheir Foundation***
    EGP 19.2 million to fund another round with the Sonaa El Kheir Foundation to enable medical convoys providing comprehensive

medical services to reach poverty-stricken areas in Beni Suef and El Behira governorates to serve 95,000 children across 88 elementary and middle schools.

- ***Healthy Children***
  EGP 15 million to fund the second round of the Healthy Children project in collaboration with the Raie Masr Foundation for Development to purchase and outfit three Mobile Clinics (vehicles) and cover the operating costs of 900 medical convoys for children in schools and health centers.

- **Their Care…Our Responsibility**
  EGP 6 million in partnership with the Yahiya Arafa Children's Charity Foundation to fund the annual operating costs of Ain Shams University Hospital's four pediatric units.
- **Our Differences…Our Strength**
  EGP 1 million to outfit the sensory, psychomotor, and occupational therapy rooms in the Asmarat Center, supervised by the National Foundation for Family and Community Development.
- **One Heart**
  EGP 24.36 million to equip Al Nas Hospital's NICU and PICU with new, state-of-art equipment.
- **57357 Fighters**
  EGP 30 million to cover the costs of 5,000 children's treatment.
  EGP 30 million to establish the Digital Pathology Lab at the hospital.
  A final tranche of EGP 4 million as part of the five-year contract (2019–2023) was disbursed to the 57357 Hospital at the beginning of 2023 to support the hospital's essential services.
- **Rehabilitation Center for Children with Cerebral Palsy and Muscular Dystrophy**
  EGP 54 million to establish the first Rehabilitation Center for Children with Cerebral Palsy and Muscular Dystrophy in the region, in line with the presidential initiative.
- **Supporting Health Interventions for Refugee Children in Egypt**
  EGP 3.1 million to treat 240 refugee children in Egypt, in collaboration with the United Nations High Commissioner for Refugees (UNHCR).
- **For a Better Childhood**
  EGP 1.91 million to fund 50% of the annual operating costs of the PICU and NICU of the Benha University Hospital.
- **A Step for Life**
  EGP 12.5 million in January 2021 to establish a specialized center for psychological, physiological, and social rehabilitation of children with disabilities at Beni Suef University, in collaboration with the Awad Charity Foundation.
- **Together We Can**
  EGP 1 million to support the treatment of patients suffering from epidermolysis bullosa (EB), a rare genetic skin disease caused by the absence of VII collagen that attaches the skin's layers together.
- **Superstars Are Born from Scars**
  EGP 39.02 million to fund the outfitting of Ahl Masr Trauma and Burn Hospital's pediatric floor as part of its third collaboration with the Ahl Masr Foundation.
- **Spreading Hope**
  EGP 6.52 million for the Beit Yehmeni program, an initiative by the SFSD that provides a comprehensive package of services to underprivileged families living in unsafe environments with the aim of improving their living conditions, in collaboration with the Sawiris Foundation for Social Development.
- **The Pediatric Surgery Hospital – Part of Ain Shams University Integrated Medical City**
  EGP 100 million to sponsor the surgical wing in the hospital, which equips 10 surgical theaters with the capsule system. The fund will cover medical and non-medical furniture in the 10 theaters.
  The Foundation will also support the new pediatric surgery hospital project.
- **Little Smiles**
  EGP 4.8 million to fund the establishment of a General Anesthesia Unit in Beni Suef University's Faculty of Dentistry.
- **Children Without Risk**
  EGP 7.5 million in collaboration with the Garden City Cosmopolitan Lions Club to establish a fully equipped open-heart surgery room for children in the Mabara El Maadi Hospital.
- **Bridge of Knowledge**
  GBP 880,000 to fund a five-year education and training program for 150 staff members of the Ain Shams clinical team, in partnership with the Great Ormond Street Hospital for Children (GOSH) in London.
- **Heal a Child…Change the World**
  EGP 2.15 million to support the annual operating costs of two residence facility shelters in 6th of October and Imbaba, operated and supervised by Abnaa Al Ghad Foundation "Banati," serving homeless children and children deprived of family care.
- **A Vision to the Future**
  EGP 1.31 million to fund the purchase of a 3D Visualization System at Alexandria University Hospital, in addition to the previously funded Ophthalmology Operation Microscope.

Gift of Life

EGP 4.5 million to fund 90 open-heart surgeries for underprivileged children, to be performed at El Kasr El Eini Hospital, in collaboration with Rotary Club of Giza Metropolitan.

Supporting Squash

In 2023, CIB extended its support of squash to capitalize on the traction its players are attracting globally. We believe that through supporting these talents, more opportunities are generated for Egypt's athletic community, boosting Egypt's ranking in the global arena. Egyptian squash players have dominated the sport both in the men and women categories, as well as individual and team competitions. Egypt has produced five number one rankings in the men's division and three in the women's division in global competitions. As of October 2023, four Egyptian men and three Egyptian women have made it to their respective world's top 10 players list.

CIB has tailored special sponsorships to help talented players maintain their rankings and continue representing the country around the world. As of December 2023, 15 players were recipients of the sponsorships.

Governance

CIB's Corporate Governance plays a vital role in ensuring that the Bank operates responsibly and in compliance with regulations. In order to evolve with the ever-changing market landscape, the Corporate Governance Group proactively monitors industry trends and adapts to new challenges, regulations, and best practices. CIB has consistently demonstrated unwavering commitment to vigorous governance practices in recognition of their significance, enabling the Bank to establish a solid foundation for responsible and successful operations in the financial industry, thus reassuring stakeholders that CIB's management acts in their best interests.

The Bank has developed and implemented a robust corporate governance framework that outlines the Bank's governance principles, policies, and procedures. This framework provides a clear roadmap for decision-making and accountability throughout the Bank. It ensures that governance practices are consistently applied across all levels of the Bank, promoting transparency and integrity. This commitment to maintaining a strong control environment underscores the Bank's dedication to promoting sound governance practices.

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Board of Directors

The Board aims to promote CIB's long-term success, deliver profitable and sustainable value to shareholders, and promote a culture of integrity, transparency, trust, and respect among its stakeholders. CIB Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Bank and the shareholders. The majority of the Board is comprised of independent non-executive directors. Led by its non-executive Chairperson, the Board is primarily responsible for providing oversight of senior management with respect to strategic planning, financial and accounting matters, risk management, human resources, and other internal policies. It ensures the effectiveness of the Bank's internal control systems, manages risk, and secures CIB's institutional reputation and long-term sustainability. The Board ensures that the Bank's purpose, values, strategy, and culture are all aligned, and reviews management performance in that regard.

The Board is cognizant of its role in creating sustainable, long-term value for shareholders and stakeholders. It is committed to achieving high standards of governance designed to protect the long-term interests of all stakeholders, while promoting the highest standards of integrity, transparency, and accountability. The Board ensures the Bank's accounts and financial statements are fair, balanced, understandable, and provide necessary information for shareholders to assess CIB's position, performance, business model, and strategy. The Board's structure complies with prevailing local regulations and international best practices, allowing it to maintain its leading market position. The respective roles of the Chairperson and the CEO, which are separate, are set out in writing and have been agreed upon by the Board. An inclusive culture that recognizes the importance of gender, social, and ethnic diversity is the main driver of the Board's strength. Female representation on CIB's Board is at 18% and independent NEDs at 54%, according to the latest Board structure.

Changes to the Board of Directors During 2023

CIB's General Assembly Meeting was held on 20 March 2023, during which the Board of Directors was elected and appointed for a new term of three years, commencing 2023. On 19 August 2023, Mr. Jawaid Mirza joined CIB's Board of Directors as a non-executive board member.

Mr. Mirza is the founder and Chief Executive Officer of Focal One for Consultancy in Canada. He is a strong proponent and practitioner of international corporate governance practices and brings with him over 35 years of diversified experience and a solid track record in all facets of Executive Leadership, Corporate Governance, Business Reengineering, Change Management, IT Management and Governance, Risk Management, Performance Management, Process Improvement, Financial Analysis, Assets under Administration, International Banking, Auditing, and Global Client Management. Mr. Mirza worked at a number of prominent international institutions, including ABN AMRO Bank, where he held several high-ranking positions in a number of regions around the world, including Central and Eastern Europe, Central Asia, and the Middle East and Africa. He also assumed the duties of Executive Vice President and Chief Financial Officer for the Asia region. Mr. Mirza previously joined CIB in 2008 as Chief Operating Officer, and in 2010 worked as consultant to CIB's Board. He joined CIB's Board of Directors as Non-Executive Independent Member in January 2014 and became the Lead Director in July 2019. Mr. Mirza stepped down in March 2020 as he concluded his term of service on the Board.

Board Committees

Backed by an experienced executive management team, CIB's highly qualified Board of Directors is also supported by specialized board committees. CIB's Board has six standing committees that assist in fulfilling its responsibilities. Each committee operates under a written charter that sets out its responsibilities and composition requirements and reports to the Board on a regular basis. Committees are chaired by the NEDs, who brief the Board on major points raised by their respective committees. Separate committees may be set up by the Board to consider specific issues when the need arises.

To sum it up, despite the challenges faced throughout the year, which are expected to persist, we remain optimistic that the outlook is bright. The government's ongoing efforts continue to bear fruit, boding well for the economy. With these positive indicators and CIB's demonstrated resilience and strength, we look forward to a bright and prosperous future for Egypt as a whole, and for the Bank.

Backed by an experienced executive management team, CIB's **HIGHLY QUALIFIED BOARD OF DIRECTORS** is also supported by specialized board committees.

03.

Our Businesses

2023 Corporate Banking and GCR loan portfolio.

176.4EGP/MN

CIB's lines of business are backed by a team of highly experienced bankers and the help of a strong credit culture across the Bank's core and support functions.

Institutional Banking

Corporate Banking and Global Customer Relations (GCR) Groups

Despite the diminishing impact of the pandemic, a favorable deal with the IMF, increased revenues from the Suez Canal, and a rebound in tourism, the year encountered multiple challenges. Factors including the Russian-Ukrainian conflict, unrest in the Middle East, a global rise in inflation rates, and continued federal reserve interest rate hikes exerted pressure on businesses. Egypt has continued to focus on generating foreign currency inflows by attracting FDIs through asset sales, implementing structural reforms, and reducing the import bill to ease foreign currency demand. Egypt is expected to continue recording positive GDP growth of 3.35% in FY2024, an encouraging indicator in such a turbulent global environment. Navigating through these turbulent global political and macroeconomic landscapes, CIB's Institutional Banking teams successfully weathered the pressures, seizing emerging opportunities for high NIM growth while maintaining a high-quality portfolio. Despite the adversity, CIB stayed on course to meet operational and financial goals, achieving successful balance sheet growth and delivering robust results compared to the preceding year. The Bank remained steadfast in its strategy to support the nation's development and commitment to clients and key strategic industries, expanding its client base to contribute positively to Egypt's broader economic landscape. CIB grew its local currency portfolio, attracted foreign currency deposits, and ensured a balance between liquidity and profitability. Moreover, the Bank leveraged its robust liquidity to exceed the CBE-set target in supporting SMEs, showcasing resilience and adaptability in the face of challenging global economic conditions.

2023 Highlights

Capitalizing on our extensive track record and expertise in the local market, CIB's Corporate Banking and GCR Groups delivered a robust performance in 2023. The Groups achieved exceptional results while fostering collaboration across the Bank's stakeholders, marked by a significant expansion in new clients' portfolios and strengthening the share of the wallet in the existing client base. These efforts saw the loan portfolio grow to EGP 176.4 billion during FY2023, up from EGP 142.6 billion in FY2022. Despite the challenges posed by aggressive macroeconomic developments and subsequent downgrades in sovereign and bank ratings, the Group realized a remarkable growth of 23.7% and 169.9% in loan portfolio and gross contribution after tax, respectively, closing 2023 with record-high results.

In line with CIB's commitment to innovation and modernization, the Bank continues to prioritize digital initiatives, recognizing their pivotal role in improving the customer experience and operational efficiency. Our vision remains focused on supply chain finance, acknowledging its significance in fostering stronger relationships with partners and clients. Despite a challenging economic landscape, the top-line performance remained strong, driven by robust deposit growth and a notable revival in corporate lending. The Group also took steps to further strengthen CIB's strategic objectives by developing the lending portfolio, improving financial performance indicators, and contributing to financing green projects, particularly in education and real estate, with a combined financing amount of USD 0.66 million backed by CIB's issuance of a green bond in collaboration with the IFC.

In alignment with Egypt's Green Economy Strategy and Vision 2030, the Groups co-financed the Fayoum Wastewater Expansion Program with the European Bank for Reconstruction and Development (EBRD), the Egyptian government, the European Union's Neighborhood Investment Facility (NIF), and the European Investment Bank (EIB). The program aims to significantly increase sanitation access in rural Fayoum from the existing 32% to 86%. Additionally, under the directive of CIB's Green Bond and Sustaining Sectors Program, and in line with COP27 recommendations, the Real Estate and Education teams developed the blueprints through two rebates under the EDGE certification program, worth around EGP 300 million. This represents 2.8% of the equivalent loan granted to clients. The Groups also extended a variety of environmental incentivization facilities and programs, such as Green Bonds and the Egyptian Environmental Agency Authority – Egyptian Pollution Abatement Program "EPAP III", to finance projects mainly operating in the fertilizers, chemicals, textiles, plastics, and packaging sectors.

Building on CIB's historical ties with the New Urban Communities Authority (NUCA), the Bank was co-mandated to arrange the largest ever multi-issuance program worth EGP 30 billion, of which CIB's share is EGP 10 billion. The issuance was backed by a receivables portfolio originated by NUCA and capitalizes on CIB's mandate of the largest securitization transaction in 2022. Other projects include extending a medium-term facility for the establishment of a fully integrated healthcare facility on a 9,000 sqm land plot in East Cairo. The facility is set to include 190 beds, 28 outpatient clinics, and seven operating rooms.

The year also saw CIB extend to the tourism sector for the establishment of additional room capacity amid rising tourist numbers. The funding is also directed toward the renovation and refurbishment of various hotel complexes in Greater Cairo and the Red Sea governorate, in line with the CBE renovation initiative, as part of the Bank's efforts to promote Egypt's strategy in targeting 30 million tourists annually by 2028. CIB also played a vital role by providing the needed finance to leading ICT players through extending gross loans and contingent finance ranging between EGP 5–5.7 billion.

In line with Egypt's vision to become a logistical hub in the area, CIB extended a medium-term loan of EGP 1.5 billion to finance the establishment of a state-of-the-art warehousing facility designed to meet the needs of companies in the e-commerce, manufacturing, food and beverages, and technology fields.

CIB also established an Africa Business Desk in Egypt, following the full acquisition of CIB Kenya, to establish and grow African-based business with prominent Egyptian exporters in the textiles, consumer durables, and construction sectors. This is in line with the Group's strategy to focus and support export business to enhance foreign currency flows.

The GCC Representative Office, which became operational in January 2005 and is based in the UAE, serves CIB's interests in the GCC. The office supports business growth in Corporate Banking, Consumer Business Banking, Financial Institutions, Debt Capital Markets, and CIB Kenya.

In 2023, the office was successfully able to:

- Market and materialize several new GCC inbound investment opportunities for CIB. Referred transactions amounted to USD 280 million and EGP 2.9 billion, and materialized transactions recorded EGP 550 million and USD 5 million.
- Support hundreds of overseas Consumer Banking retail clients in meeting their personal financial needs and over 31 GCC Business Banking Groups in conducting business with CIB.
- Support CIB Kenya in opening several new Retail and Corporate Banking accounts, which contributed to the bank's business growth.
- Cooperate with several internal stakeholders to amend policies to facilitate the business of new GCC corporate clients.
- Maintain sound GCC market coverage and formulate proper policies to safeguard CIB's exposure.

2024 Forward-Looking Strategy

In the midst of a global rise in inflation and interest rates, coupled with escalating geopolitical tensions, 2024 is poised to present significant challenges. During 2024, the Group will continue providing financial and strategic support to its portfolio clients, capitalize on sector-specific market expertise to effectively position corporate clients, safeguard interests, and navigate future uncertainties.

In 2024, the Bank will continue growing its innovative product offering and digital solutions for its clientele. Embracing technological transformation, the Group is fully digitizing the entire internal credit lending value chain to achieve efficient and prudent turn-around performance, meeting business needs while capturing dynamic data analytics to ensure sustainable growth.

This is complemented by the continuous development of corporate users' online platforms, ensuring the delivery of a seamless and satisfying banking experience, as well as the introduction of a diverse bundle of attractive cash management solutions and implementation of the new trade transformation project, "CIB Cash and Trade Online" services. This is in addition to the ramp-up of the "Supply Chain Finance" platform to optimize transactional banking channels.

Aligned with the increasing global focus on and demand for responsible banking practices, the Group is dedicated to integrating and promoting sustainable financing. This involves granting a variety of environmentally friendly facilities donor-funded programs and technical assistance, guided by the Bank's specialized in-house Sustainable Finance department. The Group will further contribute by assimilating global ESG standards and engaging in CIB's program "Sustaining Sectors" to create business opportunities, mitigate risks in the corporate banking portfolio, and assist clients pursuing growth through the adoption of sectoral decarbonization pathways.

On a national level, CIB will continue supporting mega projects and investments across key strategic sectors, including export-oriented industries, energy, infrastructure, tourism, food and beverages, education, and healthcare. Despite the challenges faced in 2023, CIB's Corporate Banking and GCR Groups maintain an optimistic view of Egyptian economic fundamentals. The Group anticipates more visible and stable macroeconomic outlook in 2024. Consequently, the Bank will strive to expand its loan book, contributing to a robust national economic cycle while safeguarding asset quality and preserving shareholders' value.

Capitalizing on the Bank's established presence in Africa, particularly through CIB's fully fledged bank affiliate in Kenya, the Group has successfully accommodated and facilitated regional cross-border business for local corporate exporters. Additionally, it is noteworthy that CIB's extensive global reach in all regions — facilitated by Bank's well-established in-house Financial Institutions department and equipped with a wide international network of prominent correspondents — strongly supports the cross-border business strategy.

Direct Investment Group (DIG)

CIB takes pride in offering a wide range of financial services to its customers, including direct investment offerings. The Direct Investment Group (DIG) acts as CIB's investment arm by providing agile financing solutions, such as direct equity financing for customers through mergers and acquisitions, as well as internal private equity advisory services. DIG's mandate is to ensure the maximization of returns by effectively managing investments and the handling of all aspects of the investment process.

2023 Highlights

Despite challenging local and global economic and political conditions, DIG secured a healthy level of dividend income from the existing investment portfolio. Additionally, the division successfully concluded a 100% exit from four investments in the following industries: financial services, general services, and security services, generating notable capital gains. DIG also actively solicited and assessed 20 potential investment opportunities in various attractive sectors in Egypt throughout FY2023.

2024 Forward-Looking Strategy

DIG's strategy is primarily focused on acquisitions in attractive and defensive sectors, such as education, healthcare, pharma, and industrial manufacturing, which have shown significant potential for growth. Our strategy is also geared toward investment expansions, reaching a diversified investment portfolio to secure yearly exits, generating steady streams of dividends and visible profitability for the next three to eight years.

As part of the ongoing bank-wide direction, DIG is also prioritizing green investments that focus on:

- Companies or projects committed to the conservation of natural resources;
- The production of an alternative energy source;
- The implementation of clean air and water projects; and
- The adoption of ESG standards or plans to expand in green projects.

In accordance with the CBE guidelines related to the SME share of the Bank's portfolio, CIB is currently assessing the expansion of its investment portfolio to include investments in the SME sector.

Debt Capital Markets (DCM)

Despite the prevalent challenging environment, DCM continued to deliver positive results and maintain its leading position in the debt capital markets space. This was made possible by its unmatched track record and experience in advisory, underwriting, structuring, and arranging large-ticket syndicated loans and project finance, as well as securitization and bonds.

2023 Highlights

Securitization and Bonds Issuances

DCM's Securitization and Bonds Desk positions CIB at the forefront of the Fixed Income Securities market. The Bank won the Best Securitization House award from EMEA Finance in 2022, as well as the Best Securitization Deal in Africa for its successful closure of the largest securitization transaction in the history of Egypt's debt capital markets, amounting to EGP 20 billion, that same year.

Throughout the year, the team further cemented its leading market position in the market, having advised and arranged six securitization issuances worth EGP 25 billion, capturing a significant 75% market share. This is in addition to mandated deals worth EGP 27.4 billion, of which EGP 20 billion were realized.

The team also closed a series of Sustainability Linked Bonds in the form of Social Securitization, pending FRA approval. Said issuances are aimed to benefit a large segment of underserved individuals in impoverished areas, in addition to empowering women, bolstering CIB's financial inclusion efforts.

Project Finance and Syndications

With a transaction pipeline worth EGP 47.7 billion across several sectors between 2023 and 2024, DCM worked in conjunction with other departments and clients in 2023:

- **Projects with Corporate Banking and GCR Groups:** Closing six transactions in the secondary market in the power and petroleum sectors, bringing CIB's loan portfolio up by EGP 4.9 billion.
- **Private and public sector customers:** Restructuring and re-engineering balance sheets to overcome challenges arising from prevailing economic conditions. We effectively restructured four transactions, with four more expected to materialize during the last quarter of FY2023 and the first quarter of FY2024.
- **Acting as a financial advisor, structurer, and pathfinder bank** to several clients, in line with the team's goal to expand the Bank's role in transactions that generate higher premiums at transaction close.
- **The oil and gas sector:** DCM was mandated as one of the IMLAs to one of the largest syndicate transactions expected to close in FY2023 for a leading public entity. The transaction size amounts to EGP 10 billion, of which CIB's share is EGP 750 million. CIB was appointed as joint IMLA and Book-runner, as well as the technical bank for the transaction.

2024 Forward-Looking Strategy

In terms of project finance and syndications, DCM aims to apply a multi-faceted penetration strategy that can focuses on:

- Screening the market and aligning with GCR and market players to capture new business opportunities across all sectors, with a special focus on growing sectors, such as real estate, transportation, education, healthcare, renewables, and infrastructure.
- Structuring and promoting green loans and sustainable initiatives.
- Marketing and pitching advisory services to existing and potential clients to enhance fee income and capture any financing opportunities with sizable tickets and leading roles in transactions.
- Supporting and engaging with the government and private sectors in the implementation of the privatization program.
- Strengthening relationships with different investors, such as private equity funds and firms interested in investing in the Egyptian market, as well as DFIs and IFIs, to capture any potential financing opportunities with a special focus on LCY needs that may arise for financing, as well as advisory and agency services.

- Supporting existing clients through creative and bankable solutions that serve their business needs, including restructuring balance sheets to overcome existing market challenges.

DCM's Securitization and Bonds team aims to maintain CIB's leading position in Egypt's ever-growing fixed income instruments market by:

- Capitalizing on its relationships with clients and market peers and collaborating with its strategic partners to capture new business opportunities.
- Pitching new deals to its existing NBFI customers in the fields of consumer finance, microfinance, leasing, and mortgage finance, in addition to urban development and real estate. The team will also pitch to new clients in different sectors, such as education services, hospitals, and governmental authorities.
- Focusing on newly introduced products, such as Future Flow Securitization, Green and Sustainability Linked Bonds, and Sukuk, as well as closing a large ticket Sustainable Sukuk issuance in FY2024, the first ever of this magnitude in the Egyptian market. Several other issuances will be launched, valued at EGP 49.8 billion.

Strategic Relations Group (SRG)

The Strategic Relations Group (SRG) is an institutional banking group dedicated to initiating, nurturing, and growing banking relationships with strategic institutional depositors who are essential contributors to CIB's stable funding base. The Group's primary objective is to offer a first-class banking experience while maintaining the balance between mainstream commercial banking activities and its clients' non-commercial needs.

CIB takes pride in being the sole bank operating in Egypt with a focus group exclusively dedicated to servicing prime institutional entities, including strategic clientele consisting of more than 180 diplomatic missions, NGOs, educational entities, and international and local donor agencies. Despite the recent economic uncertainties, SRG continued to conduct its business with foreign entities.

SRG carries out this function through highly qualified relationship managers whose role is to ensure customers receive superior, personalized services catering to their respective business needs.

- SRG provides tailored banking services with a focus on digital banking solutions, including bespoke GTS products and short-term bridge finance facilities for the educational sector to eliminate cash flow gaps that develop throughout the year.
- The team facilitates clients' operations and meets their banking requirements by creating innovative and tailored products and services.

SRG leveraged electronic channels to ensure business continuity and expanded the use of GTS products in accordance with the Bank's strategy. Technology, in particular digital banking, is a key marketing tool that the SRG team leverages when marketing CIB products. It relies heavily on data analytics and digital banking in all aspects of its business decisions, including performance analysis, pricing strategies, and customer behavior analysis. The team also offers customized digital solutions, the collection of tuition and visa fees, the monitoring and reporting of deposit activities, fund management, savings plans, providing a settlement system between tourism companies and airlines, and special offerings for staff loans.

2023 Highlights

Despite continued challenges faced in 2023, the Group successfully leveraged its digital banking solutions to increase its funding base and boost the Group's SOW with existing clients, as well as attracting a considerable number of new-to-bank (NTB) clients.

2024 Forward-Looking Strategy

The Group has become one of CIB's primary channels for corporate lead generators, leveraging existing relationships while simultaneously capturing NTB opportunities by creating a wider networking base. A tailored, short-term bridge finance facility was implemented for the education sector, including universities and schools, to eliminate cash flow gaps that develop during the year. It is poised to become a major attraction for these institutions, helping expand the institutional depositor rate and enhance the utilization of CIB's digital banking solutions.

Treasury Group (TG)

The Treasury Group (TG) is the Bank's primary pricing arm for all foreign exchange (FX) and interest rate products. The TG's accountabilities include FX and FX hedging, fixed income and money market activities, sovereign debt trading, interest rate gap management, and pricing of deposits in local or foreign currency. The TG is one of CIB's main profit generating arms, with a wide range of services and products offered to a large, ever-growing, and diverse customer base.

The TG is dedicated to better understanding, reaching, and growing its diverse client base with large volumes of FX, interest rate, and hedging businesses. The Group works closely with relationship management fronts covering a portfolio of retail clients, as well as large corporates and small companies, from a variety of different industries, both exporters with foreign currency proceeds and importers with significant trade finance activities. Additionally, the TG onboarded major emerging market asset management arms and financial institutions to capture investment flows to Egypt's capital markets. Supported by a strong database, a top-tier front office treasury system, and an expert understanding of customer flows, the TG is well-equipped to engage with and better serve CIB clients.

2023 Highlights

For the past decade, CIB successfully weaved through, thriving during uncertain and volatile times. The TG has always operated with resilience and agility in trying to maneuver CIB's balance sheet and FX position toward serving the Bank's long-term interest, while maintaining and growing client relationships.

2023 was a year marked by geopolitical tensions, proving challenging on the global, emerging, and local fronts. The effects of the Russia-Ukraine conflict continued into 2023, coupled with the impact of the escalating conflict in the Middle East region, leading to a continued increase in most essential commodity prices and rising inflation globally, and making Egypt and emerging markets less and less attractive to portfolio investors. The challenge for CIB was thus two-fold: overcoming the FX liquidity crunch to maintain CIB's client needs and, at the same time, abiding by the highly dynamic regulatory requirements.

By closely monitoring global developments, along with Egypt's economic indicators and financial position, the TG was able to foresee and prepare for a tighter FX market. The Group proactively engaged with its customer base to adequately position CIB to meet its commitments and issue new business in difficult FX conditions, all while abiding by regulatory requirements and maintaining its profit margins. Through its diversified customer base, the TG was able to maintain its FCY inflows and thus cater to its client needs and offer support to the main industries in the economy. The TG successfully supported the Egyptian economy though harsh conditions, winning CIB multiple awards, including the "World's Best Foreign Exchange Providers" country award by Global Finance in 2023.

Meanwhile, the Group efficiently managed CIB's FCY liquidity throughout the year. The strategy was focused on maintaining abundant FCY liquidity on one front and achieving the highest return on excess FCY liquidity on the other. Accordingly, CIB held a more resilient stand against all hits than other banks regarding FCY liquidity.

The TG effectively managed to maintain a solid FCY and LCY liquidity base, serving CIB's clients business cash flow. Serving clients' liquidity requirements was met in parallel with the proper allocation of excess liquidity into various money market tools, maximizing returns.

The TG strategy focuses on balance sheet management to capitalize on the interest movements, while maximizing the gains through tenor mismatching between assets and liabilities. The Group's view starting 2023 was that CIB is moving toward a high-rate environment. Accordingly, the team liquidated a significant size of its LCY bond portfolio and reinvested it in short-term bills, corridor-linked deposits, and floating rate securities to maximize capital gains and capitalize on the rising interest rates, increasing the NII.

2024 Forward-Looking Strategy

CIB's TG continues to lead the transition from product-centric to customer-centric through the service quality it offers to its client base. The TG offers its clients competitive rates, tailor-made investment, and hedging products, as well as research-based advice. The Group stands firm in the belief that such a customer-centric culture will empower CIB and help it sustain and grow its leading position in the Egyptian market. Moreover, CIB continues to work on diversifying its customer base to grow its balance sheet and cater to its clients' needs. The TG also continues to work on the ongoing challenge of catering to the trade finance needs of its clients in a timely manner amid the scarcity of resources in the market.

Retail Banking

Continued household LCY deposit growth to

254 EGP/BN

We recognize **the transformative power of technology** in shaping the future of banking.

Consumer Banking

Reflecting on this past year, we can attribute our success to our unwavering commitment to enhancing the Consumer Banking experience.

As interconnectivity increases worldwide, we recognize the significance of seamless, personalized interactions for an exceptional banking experience. Our commitment to enhancing our customers' journey is reflected across every level of our operations. From innovative product offerings to tailored financial solutions, we strive to exceed expectations at every touchpoint.

We also recognize the transformative power of technology in shaping the future of banking. With the rapid evolution of digital channels, we continue to emphasize CIB's strength in our relationships with our clients, investing in technologies and digital platforms to further demonstrate this. By adopting this healthy mix of the face-to-face interaction with our clients with sustained technological evolution, we aim to redefine convenience, accessibility, and security in Consumer Banking.

2023 Highlights

2023 was a transformative year for our Consumer Banking division, marked by significant strides in elevating our services to unprecedented levels.

We continued to invest in our front-liners and Relationship Managers through comprehensive training programs explicated in the Retail Banking Academy's inclusive program that is provided through two levels. This standout achievement has streamlined the integration process and ensured that the segments and front-liners are equipped with the latest knowledge to provide our customers with exceptional service.

We emphasized the redirection of our payroll customers from branches toward alternative channels, ensuring a seamless and secure banking experience.

Furthermore, we continued our persistent efforts in enriching our segments' offering, introducing two new products that have redefined our offerings. The launch of our Premium Metal Credit Card, designed exclusively for our esteemed Private customers, elevated the standards of luxury and convenience in financial transactions.

In collaboration with Noon, a leading e-commerce platform, we also introduced a co-branded credit card that brings an array of exclusive benefits and rewards to our valued customers. These achievements collectively reflect our commitment to innovation, customer-centricity, and a forward-thinking approach in the realm of Consumer Banking.

The Digital Sales function was introduced in 2023, leveraging on the growing appetite for digital channels. Throughout the year, several initiatives were implemented, including the launch of new customer targeting to achieve more conversions, a revamp of the overall online journey to provide a better customer experience, and automation to increase overall efficiency. This resulted in an overall improvement in conversion ratios across all products, increased productivity, and a higher percentage share of digital acquisitions from total Retail Banking sales.

Prime Segment

The Prime segment has set a new standard for excellence in personalized financial services. Leveraging the power of data analytics, we delved deeper into understanding the unique needs and preferences of our Prime customers, enabling us to offer tailored solutions that truly resonate. By embracing digital methods and innovative technologies, not only have we optimized costs but also revolutionized the customer experience. This was exemplified by a notable reduction in the Average Waiting Times at CIB branches.

The minimum Payroll account opening threshold was raised to EGP 5,000 to enhance service levels and portfolio quality, off-load branches, and maximize cross-selling opportunities.

Digital migration metrics have shown visible improvements, with E-Statement and Internet Banking Subscription penetration reaching 82% and 69%, respectively, as of December 2023, compared to 75% and 65% in December 2022.

In an effort to boost acquisitions, CIB has harnessed the capabilities of the Contact Center Agents in acquisition activities. The pilot phase was successful in 2023, preparing for a full-fledged launch in 2024.

The Prime segment witnessed an unprecedented surge in gross contribution, soaring 435% y-o-y from EGP 241 million in 2022 to an outstanding EGP 1.29 billion in 2023. These achievements highlight our commitment to pushing boundaries, embracing technological advancements, and ultimately delivering unparalleled value to our esteemed Prime Customer.

Plus Segment

In our pursuit of excellence, we have strategically redefined the Plus Segment by adjusting its threshold. Not only have we repositioned ourselves more competitively in the market, but we have also ensured that a wider audience can benefit from the segment.

The Plus Segment added new services to Plus Concierge, which extends beyond traditional financial offerings. This comprehensive service provides a range of both financial and non-financial solutions, designed to meet the diverse and dynamic needs of our Plus customers.

Furthermore, our strategic lifestyle partnerships have flourished, allowing CIB to offer exclusive benefits and privileges that complement the lifestyles of our Plus customers. The Plus Banker Academy reached an impressive milestone with the launch of Level Two. This advanced curriculum places strong emphasis on customer-centricity, business acumen, and leadership competencies, equipping our Plus Bankers with the necessary skills to serve our clients effectively in the rapidly evolving financial landscape. These achievements collectively underscore our dedication to innovation and our commitment to providing unparalleled value to our Plus Customers.

Digital migration metrics improved notably; penetration rates for E-Statements and Internet Banking Subscriptions reached 87% and 92%, respectively, as of December 2023, compared to 79% and 89% in December 2022.

The Plus Segment performed exceptionally in 2023, showcasing remarkable financial growth. The gross contribution for the segment surged from EGP 1.23 billion in 2022 to an impressive EGP 2.39 billion, up 93% y-o-y. This phenomenal growth not only underscores the robustness of our Plus Segment strategy but also reaffirms the trust and confidence our valued clients place in our offerings.

Wealth Segment

2023 was a year of significant advancements for CIB's Wealth Segment, elevating its services for HNWIs with a remarkable revitalization of the Wealth Lounges, transforming them into exclusive areas. These enhanced spaces serve as a testament to our dedication to providing an environment that matches the stature of our esteemed customers.

In response to the dynamic financial market, CIB took progressive steps by raising the Wealth threshold from EGP 1 million to EGP 1.5 million, offering an extended grace period for existing customers to meet the revised criteria.

Additionally, in prioritizing customers' financial wellbeing, insurance limits for customers when applying for loans increased, providing an added layer of protection and peace of mind. We streamlined our lending process for Wealth customers, reducing the unsecured minimum lending period required from six months to only three months, ensuring that our valued clients can leverage their Wealth privileges effectively and efficiently.

CIB also continued to develop partnerships with Egypt's most elegant venues and elite brands for CIB Wealth customers to enjoy premium benefits. As a result, three events were held this year: EGO, the BMW Series 7 launch, and the Le 5eme event.

There has been a good surge in internet banking subscriptions, with adoption rates increasing from 91% to 92%. Furthermore, our push for sustainability and efficiency was echoed in the rise of e-statement adoption, which saw a noteworthy increase from 81% to an outstanding 91%.

CIB Wealth's financial performance demonstrated impressive growth, with total deposits soaring by an 29% y-o-y. New-to-bank customers also grew by 40%.

The segment's gross contribution recorded substantial growth, marking an impressive 63% increase compared to 2022.

Overseas Segment

In line with the Overseas segment's main goal to establish an appealing proposition that truly caters to the various needs of non-resident Egyptians, the Overseas team introduced a remote relationship model for Overseas Wealth customers. Overseas currently provides the most unique proposition in the market, whereby customers can proceed with KYC updates, account activations, and cheque book and debit cards issuances or delivery end-to-end seamlessly from abroad.

On the technological front, CIB Overseas Banking initiated a whitelisting exercise with telecom providers in over 50 countries to ensure that CIB OTP or SMS are received by our clients abroad.

Private Segment

CIB Private remains committed to providing clients with a cutting-edge experience by offering premium services, products, and partnerships that align with their financial goals and lifestyles. In this regard, we increased the capacity of our Private Distribution Team to ensure an efficient span of control, aiming to enhance customer penetration and service levels. In pursuit of enriching our services, we have included global services as part of the concierge services package, enabling customers to enjoy a variety of international VIP services and benefits.

Building on our commitment to developing our skills and offering a top-notch banking experience, we equipped our team with the required knowledge and skills to maintain our position as the strongest financial advisors in the market. Our team of Client Advisors was enrolled in the preparation course of the International Certificate in Wealth and Investment Management – ICWIM program.

In terms of product offering, we increased our unsecured limits to EGP 8 million. The new Metal World Elite Credit Card was also launched, offering unparalleled privileges in travel, dining, and lifestyle.

Liabilities

In 2023, Liabilities witnessed a remarkable surge in LCY household deposits, reflecting increased consumer confidence in our services. Our unwavering commitment to customer needs, effective marketing initiatives, and diverse product offerings have proven instrumental in driving LCY household deposit growth this year, recording EGP 253.9 billion as of December 2023. This marks a 42% increase compared to the EGP 178.9 billion recorded last year.

CIB also launched the Everyday Savers account, offering a daily capitalization interest that has attracted customers across all CIB household segments, allowing their savings to grow faster. Incentivizing customers by offering this type of depositary products, designed especially for our valued customers' appetite for savings, allows them to watch their savings grow steadily and achieve their financial goals faster.

Insurance

While the Insurance business focused on Bundled Products throughout the year, the Individual business continued to be the main driver for revenues, offering higher life and medical insurance benefits for customers. It also enhanced quality practices for the insurance portfolio.

Bundled Products was expanded as an offering to become a key pillar for growing the Insurance business' fee income. The aim is to capitalize on it by bundling Insurance products with CIB Retail products, thus improving the current distribution model.

This expansion included extending the Group Life Insurance business to Business Banking borrowers that reached EGP 1.2 billion insured portfolios since initiation. It also incorporated the revamping of the Credit Shield Business, with 58% income growth compared to 2022.

CIB will continue to utilize its data capabilities to better understand customers' insurance preferences, meet their insurance needs, and increase the penetration of insurance products with the highest contribution fees.

Insurance fees closed the year at EGP 434 million, while volumes for life, health, and non-life insurance reached EGP 973 million.

Consumer Assets

The Consumer Assets business showed growth in consumer lending by 7.68% and credit cards by 36%. This growth can be attributed to the success of moving 90% of the secured loan application approval authority from the Credit Assessment and Fulfilment Unit to the distribution channels and applying the necessary system enhancements to automate most of the flow.

Loans

Despite the challenging macroeconomic environment and rising interest rates during the year, Consumer Assets witnessed a slight growth in the personal loans portfolio, reaching EGP 41.4 billion by the end of the year. We managed to combat these challenges by providing tools to enhance sales levels, such as extending loans to suspended and un-coded payroll companies and relying on application and behavior scores as test programs to identify high-quality customers.

In response to the dynamic financial market, **CIB took progressive steps** by **raising the Wealth threshold** from EGP 1 million to EGP 1.5 million.

The maximum lending amount increased in the payroll program, ensuring that individuals have access to the necessary resources to achieve their financial goals. Additionally, in recognition of the loyalty and commitment of our Plus and Wealth clients, we elevated the maximum loan amounts for salary transfer programs, reflecting our dedication to rewarding their ongoing partnership.

For CIB Private customers, we increased the unsecured loan ceiling for the Asset Under Management (AUM) lending program, enabling them to leverage their wealth for strategic investments and ventures. These enhancements expand our lending capabilities and reaffirm our commitment to providing comprehensive financial solutions that empower our clients on their unique financial journeys.

Moreover, Consumer Loans continued to leverage the portfolio retention management exercises by restructuring secured loans to longer tenors. The purpose is to reduce attritions and increase profitability, offering the customer other cash management solutions and portfolio management benefits.

Finally, after the success of moving 90% of the secured loan application approval authority from the Credit Assessment and Fulfilment Unit to the distribution channels and applying the necessary system enhancements to automate most of the flow, the team has launched the payroll STP for payroll loan approvals. The move marks Phase One of our efforts to continuously enhance internal processes.

Cards

2023 witnessed record card acquisitions, balancing build-up, and a big hike in spend levels. Monthly acquisition run rates increased by 14%, and ENR crossed EGP 10 billion, representing a year-on-year increase of 36%. This growth was mainly driven by the expansion of our credit card suite and the elevation of the value proposition of our existing credit cards.

The first Metal World Elite credit card in Egypt was launched, targeting CIB Private customers. The card represents the pinnacle of luxury, offering unparalleled convenience and exclusive benefits to cardholders that meet their needs and lifestyle, positioning it as a gateway to a world of indulgence and rewards.

Consumer Assets has also launched the CIB-Noon Credit Card, complementing CIB's existing product suite and positioning CIB as the first bank to launch E-Commerce Co-Brand in the country. This card has recorded a very healthy portfolio, with almost 18,000 cards acquired in the first year, reaching total spend of EGP 350 million and a card activation rate of 81%.

On the debit cards side, Retail spending increased year-on-year by 48 % (EGP 56.77 billion in December 2023 compared to EGP 38.34 billion in December 2022). Our strategy with debit cards was to shift the cardholders' behavior, encouraging cash only users to use POSs instead of ATMs.

Debit card spend reached 30% of total debit card spending, with an annual gross contribution of EG 401.6 million. Moreover, a new service was launched that enables CIB Credit, Debit, and Prepaid cardholders to deposit cash via other participant Egyptian banks' ATMs, as well as depositing and withdrawing cash from any participant payment service providers' POSs, such as Fawry Plus.

Mortgage

CIB reaffirmed its commitment to fostering homeownership among middle-income individuals and families. Through diligent underwriting and streamlined application processes, the team strived to ensure qualified middle-income individuals could secure the financing they need with confidence and ease. Our dedicated Mortgage Advisors were on hand to provide Mortgage customers with personalized guidance, making the journey to homeownership a seamless and well-informed one. As a result, numerous families were able to turn their aspirations into reality, establishing a foundation for financial stability and security.

> In 2024, CIB Consumer Banking's main focus will be on **becoming a future-ready bank** to meet the emerging needs of the young Egyptian population.

During 2023, the Mortgage business successfully achieved total sales of EGP 1.08 billion. The free market middle-income mortgage sales, in particular, significantly increased by 177% y-o-y, consequently increasing its share of the middle-income mortgage sales to 62% up from 34% in 2022.

Total Mortgage ENR reached EGP 4.3 billion as of December 2023 versus EGP 3.3 billion in December 2022, with a growth rate of 30%.

2024 Forward-Looking Strategy

In 2024, CIB Consumer Banking's main focus will be on becoming a future-ready bank to meet the emerging needs of the young Egyptian population. CIB will continue focusing on performance-driven culture strategy as our core business and building for the future. We will also focus on accelerating growth and maintaining market share by launching new products, enhancing customers' experience, and investing in people development.

The Assets team will be working closely with other leading businesses to leverage the synergistic power of co-branding and partnerships to expand its customer base and access new markets. This will include a variety of industries to offer card products with exclusive rewards and value propositions. This mutually beneficial arrangement will enable CIB to reach a wider audience and offer its customers a more rewarding experience to drive sales and increase customer loyalty.

Market share of POS volume

17%

> CIB is **dedicated to advancing Egypt's digital transformation efforts** and continues to invest heavily in digital channels.

We are also aiming to leverage our expertise in process optimization to streamline asset acquisitions and reduce turnaround time by introducing new programs, including the Asset AUM-based surrogate program, which will be processed from branches. The Consumer business will continue to be our main driver of revenues, as we are focusing on increasing customer ticket size to drive lower cancelations and provide a better customer experience. The Insurance business will continue to expand Group business by enhancing Retail product bundles.

With a commitment to providing outstanding services and tailored offerings, the Premium segments will continue to offer Affluent banking with the completion of Wealth Management products, enhanced lifestyle-related features, and a strong product offering, elevating the value proposition through introducing a partnership with Elite Lifestyle Management, a world-class concierge company specialized in offering luxurious services. This will provide a personalized banking experience that exceeds customer expectations, strengthening loyalty and satisfaction. The main objective of the year is to achieve the desired market share percentage from non-resident Egyptians and raise CIB's remittance share from the present 0.5% to at least 5%. The Overseas Banking team has conducted a market study on Egyptian expats in the GCC area that will result in developing internal processes to provide the most critical daily banking services remotely, ensuring the end-to-end execution of clients' requests from abroad.

We will continue to focus on enabling online acquisition to improve sales efficiency and attract NTB customers through the online account opening launch on our webpage. Big data will be used to further improve and refine our targeted marketing activities and promotions. We will also work on advancing our digital marketing skills to increase reach and enhance conversion rates per effective reach. Focus will also be on responding to rapidly changing customer behavior, which drives customer satisfaction, loyalty, and advocacy.

Business Banking

Business Banking has built a well-established cash and trade management business, growing the client base by 8% y-o-y to more than 83,000 companies during the year. The segment recorded EGP 60 billion in deposits, while trade rose to EGP 50.6 billion, with a compounded growth of 25% and 11% respectively in the past five years.

Operating profit came in at EGP 6.95 billion, while gross profit reached EGP 5.075 billion. On the payment solution side, the division processed EGP 82 billion in transactions.

Retail Banking's strategy for SMEs over the past 10 years has resulted in the successful onboarding and activation of a wide base of non-borrowing customers. This base is at the heart of the SME lending strategy to cross-sell assets using the different lending programs, leveraging a strong referral mechanism. There has also been more focus on understanding industry sub-segments and critical success factors for SMEs within those segments, with advanced monitoring techniques and an independent early warning function. Business Banking managed to grow its asset book in the past five years by 125% to reach EGP 9.7 billion in 2023.

2023 Highlights

CIB Business Banking received several recognitions throughout the year. It was named "Best SME Bank in Egypt" by Euromoney for the second consecutive year and "Best Bank on Excellence" in providing innovative and effective financial services to SMEs in Egypt by Global Finance. These prestigious recognitions are a testament to CIB's innovative and unique solutions for SMEs that have significantly transformed the customer experience, solidified the Bank's position as the bank of choice for SMEs, and positioned CIB as a leader in the Egyptian market.

Business Banking's asset growth strategy capitalized on augmenting the current lending model with changes in the acceptance criteria, along with adding additional capacity across the relevant chains. In line with the strategy's focus on lending small tickets, Business Banking launched the first-of-its-kind unsecured standalone credit card targeting small companies, and it was a first mover by adding an equal payment plan feature to business cards.

Meanwhile, the newly minted Growth segment targeting small-sized companies doubled its profitability in the past year, offering convenient products and services that cater to the business needs of small enterprises.

The segment also managed to launch a new educational platform for SME clients in 2023, the Growing Together Academy, in partnership with Visa and Al Mentor to support the growth and success of our SME clients with the knowledge, tools, practical skills, and experience needed to grow their businesses. The initiative comes in line with CIB's commitment to supporting SMEs and enriching Egypt's business environment.

CIB is dedicated to advancing Egypt's digital transformation efforts and continues to invest heavily in digital channels to elevate customers' digital experience and offload front-liners through a safe banking environment with the latest banking technologies. As a result, we expanded the list of in-branch services to be available only through the CIB Business Online platform as a part of the Bank of the Future program, which focuses on reviewing the way CIB serves Business Banking customers through convenient digital transactions.

Business Banking also upgraded the SME contact center as part of CIB's strategy to offload pressure from branches and provide customers with round-the-clock banking services by improving alternative channels. The upgrade included Business Banking products and digital services, technical support, and payment acceptance services.

SME Growth Initiatives

In line with CIB's strategy to support SMEs and grow the SME lending portfolio, CIB and FMO, the Dutch entrepreneurial development bank, signed a credit guarantee agreement worth USD 50 million to guarantee loans granted to Business Banking borrowing customers, with a special focus on underserved segments, such as women and youth.

> CIB continued **targeting unbanked customers** through the Bedaya accounts.

Our partnership with FMO will allow us to better target small-sized business customers and provide them with the necessary support during the current global economic challenges. CIB and FMO also established a risk-sharing agreement encompassing the NASIRA risk-sharing facility backed by FMO, the European Union, and the Dutch government (through the MASSIF fund), as well as a technical assistance program provided by the Frankfurt School of Finance and Management for product development and internal/external capacity building.

With sustainability being among CIB's core beliefs, the Bank partnered with the German Agency for International Cooperation (GIZ) to utilize their technical know-how to advance sustainable practices throughout the Egyptian financial sector by conducting awareness sessions and technical assessments. These activities will support the segment in designing new SME products, which will ultimately boost profitability and result in a more sustainable company model.

Furthermore, the Bank partnered with Nile University to develop the first-of-its-kind Sustainable SME Financing course in Egypt. The new curriculum aims to support SME growth and youth capacity building.

For the third consecutive year, as part of the Bank's dedicated efforts to support women in business, CIB and Visa's "She's Next" initiative took place, supporting and empowering the rising number of female entrepreneurs as they run, fund, and grow their businesses. The initiative's goal is to help women-led businesses gain access to and secure the required funding to thrive. The program offers unmatched resources and opportunities to female entrepreneurs through coaching and connecting them with likeminded peers and experts.

On the financial inclusion front and in line with the CBE's initiative and CIB's goal to include the unbanked segments of society by eliminating entry barriers, CIB continued targeting unbanked customers through the Bedaya accounts. In an effort to simplify the account opening process and encourage participation, the Bank reduced the number of required documents.

In 2023, Business Banking became the official sponsor of the Food Export Council (FEC), aiming to support the government's plan to raise Egyptian exports. The sponsorship provided exporters with various financial and non-financial services, including access to finance needed to meet Food Safety Authority requirements, and supported them in utilizing their available funds competently.

Business Banking also established the Quality Assurance department this year. Its main objective is to enhance the customer experience and journey through developing, implementing, and maintaining a system of quality, monitoring end-to-end processes, and supporting the segment's customers and profitability.

Payment Acceptance

CIB maintained its dominant position in Egypt's payment acceptance sector in 2023, attaining a market-leading share of 17% of POS volume. Following the country's push for financial inclusion, the Bank managed to activate all POS and e-commerce platforms to accept the government-backed Meeza card and launched QR acceptance to reach untapped segments. This has made CIB a key enabler of payment business growth, especially with very small merchants.

2024 Forward-Looking Strategy

In the coming year, CIB's Business Banking SME clients will enjoy a bouquet of products and services designed for each segment according to their business requirements. Business Banking will expand the services offered through its different channels, with more consideration for women-led businesses and in cooperation with specialized entities. The division will also continue growing its loan exposure, with an emphasis on the enhanced onboarding process through loan origination and leveraging new programs that target small-sized companies with a small ticket size. It will extend the SME borrowing coverage model to improve credit offerings, particularly outside Cairo, along with SME decentralized hubs to expand geographically in select areas for customer proximity, further enhancing TAT and leading to faster credit decisions.

The team will also place more focus on sustaining the portfolio, capitalizing on the technical assistance that will be provided by the GIZ, to build and test new products and raise internal and external awareness of sustainable finance. Using state-of-the-art technology, Business Banking will build the infrastructure to automate processes to improve the customer experience. It will also invest in its online banking capabilities and remote services to provide clients with convenient and efficient ways to manage their finances around the clock, in addition to giving them access to online governmental payments and payroll services.

Digital Banking

Global Transaction and Digital Banking Group

CIB's Global Transaction and Digital Banking Group has continuously prioritized the development of innovative solutions, digital channels, data analytics, and the overall customer journey to create unique digital value propositions, ensure sales efficiency, and manage costs. Our digital capabilities enable us to best serve our customers and the wider community. Ultimately, the success of CIB's digital transformation efforts comes from putting the customers' needs at the heart of product, service, and innovation development across the Bank. The Global Transactional and Digital Banking Group advocates for the customer during all process redesigns, as well as digital upgrades and enhancements. Accordingly, we are able to translate an understanding of customer needs into clear system requirements, ultimately improving the customer experience. Several services were extended to the Bank's support functions, resulting in notable gains.

The Group is dedicated to developing and promoting its digital banking channels for individuals and corporates, focusing on cementing them as the primary channels and changing customers' behavior to perceive CIB's physical branches as alternative options.

Ongoing investments drive the development of cutting-edge banking digital solutions, such as the implementation of "Banking as a Service" framework and the launch of the revolutionary "Payment as a Service" paradigm. These endeavors aim to foster the seamless integration of both companies and fintechs into CIB's ecosystems, leveraging application programing interfaces to outsource banking and payment services. Through these initiatives, CIB is actively contributing to the creation of innovative and globally recognized technological services.

The Bank of the Future program continues to support the offloading strategy, offloading more customers to more convenient digital channels, and enhancing CIB's digital capabilities to better serve existing and future customers. The Robotic Process Automation (RPA) journey continues to automate some of the Bank's processes to increase efficiency and reduce the workload and need for human intervention for staff, as well as enhance the customer experience and optimize TAT.

As the Digital Instant Payment Network continues to grow in both scale and capabilities, it underscores CIB's commitment to driving innovation in the financial sector, enhancing customer convenience, and supporting the vision for a modern economy. The expansion of the Instant Payment Network by CIB continues to surge in both volume and value, reflecting a growing trend in the financial industry. One of the notable aspects of this expansion is the facilitation of utility payments for customers, making it easier for individuals to settle their bills seamlessly. By enabling such transactions, CIB contributes to fostering a technologically advanced payment landscape, which, in turn, promotes the adoption of a cashless society, aligning with the broader goals of the nation.

Agile Cultural Transformation

CIB's Agile Cultural Transformation achieved a significant milestone with the successful completion of phase one of its Agile program. This phase was meticulously designed to introduce a new RPA system for the processing of credit card and loan applications submitted through online channels. The decision to adopt this new process was guided by several key objectives:

1. **Enhancing Customer Experience:** The new RPA process instigated substantial improvements to the customer experience. It notably reduced the turnaround time for processing loan and credit card applications. This was achieved by relieving the online acquisition team from manual system usage, allowing them to redirect their efforts toward more meaningful customer communication. Furthermore, the online application forms were redesigned to be more user-friendly, making the entire application process smoother and more customer-centric.
2. **Enhancing Productivity:** The implementation of the RPA process resulted in a significant boost in productivity. It enabled a higher number of cases to be processed each month, leading to operational efficiency gains. This not only streamlined internal processes but also increased capacity to handle a larger volume of applications.
3. **Increasing Revenue:** The enhanced efficiency and capacity brought by the RPA process directly contributed to revenue growth. Processing a greater number of cases each month had a positive impact on the revenue generated from approved cases, making it a financially rewarding transformation.

The agile methodology was instrumental in the program's success. It allowed for rapid iterations and continuous improvements throughout the implementation of the new RPA process. Agile practices ensured that the process could adapt and evolve in response to changing requirements and market dynamics. This approach not only ensured the successful completion of phase one but also set the stage for a broader cultural transformation within CIB, emphasizing the importance of responsiveness and customer-centricity in its operations.

Main Areas of Focus

- Maximizing transactional banking revenues and creating new revenue streams.
- Driving and increasing the cost synergy generated from various digital products and channels.
- Increasing efficiencies and reducing service costs.
- Providing new channels and features for customer acquisition.
- Creating new touch points for existing CIB customers.
- Increasing migration and automation ratios.
- Enhancing the customer experience and integrating channels seamlessly.
- Driving product and service innovation.
- Re-engineering various operational processes to reduce TAT and increase efficiency.

Main Divisions

Digital Transformation

The Digital Transformation division is focused on paving the way for the future. Unlike the Digital Channels division, Digital Transformation is a far wider domain. The team is responsible for integrating relevant digital technologies across different touch points, optimizing operations, and creating and enhancing services to support the interactions between the Bank and its customers. The interactions are more widely known as "service design" and are used to deliver value to our customers.

The key enablers are a data-driven mindset, adopting digital approaches, and developing technological solutions that execute changes in a business and tackle disruptions without disregarding the human factors that affect the organization's capacity to achieve its strategic goals. The key activities of the Digital Transformation division include using digital technologies to create new, or leverage existing, business processes and channels; evolve culture; and elevate the customer experience to adapt to changing business dynamics and market disruptions. This innovative vision of business in the digital age is CIB's approach to enabling digital transformation.

Global Transaction Banking (GTB)

Global Transaction Banking (GTB) is a key function of CIB that provides a range of value-added transactional products and services to corporate and business customers. GTB helps customers manage their cash flow and offers trade activities, securities services, and supply chain finance through innovative and integrated digital solutions. It also leverages CIB's digital banking capabilities to offer customers simple, reliable, and convenient access to their accounts and transactions anytime, anywhere, and on any device. This has allowed GTB to become locally and globally recognized for its excellence and innovation in delivering value-added services to CIB customers. The GTB division offers a comprehensive suite of value-added, integrated, and innovative transactional products and services to corporate and business banking customers, including:

- Cash management products
- Governmental payments products
- Trade products
- Supply chain finance products
- GTB business development
- Global securities services products

Digital Banking Channels

The Digital Banking Channels division develops and promotes digital services for Consumer Banking. It monitors and analyzes the performance of these channels and platforms in terms of traffic, segments, products, and services to maximize product penetration and increase CIB's share of customers' "wallet." The division focuses on three core areas:

- Online banking channels (Internet and mobile banking)
- CIB Conversational Channels (Chatbot, Phone Baking, and SMS)
- ATMs and self-service channels

Financial Inclusion Digital Platforms

The Financial Inclusion Digital Platforms division is responsible for managing the technological end of mobile payment solutions. It acts as an enabler of the Bank's financial inclusion strategy to serve the unbanked segment by providing a cost-effective platform that promotes online payments and provides diverse services to attract the unbanked. The division is also responsible for managing the end-to-end delivery of mobile payment solutions from the initiation of business to technical engagement. This includes cross-functional coordination, stakeholder alignment, test strategy, test cases, and business testing management, in addition to preparations for going live and production service management. The division also manages the enhancement of the currently offered services and elevates the customer experience.

Digital Banking Governance and Support

The Digital Banking Governance and Support division is dedicated to managing and ensuring collaboration and compliance among all Group divisions, the Bank's internal stakeholders, the regulator, and other external stakeholders.

Digital Transformation 2023 Highlights

Bank of the Future program

Three years ago, CIB launched Bank of the Future (BOTF), a program that replicates the physical branch experience and redirects customer traffic toward our growing digital channels. Using robotics and operation centralization systems to increase efficiency and minimize service costs, the BOTF program will help establish CIB's digital platforms as the primary channels for serving customers. During 2023, the program continued its extension over two phases for individual and business banking customers; the execution of CDs and TDs booking for the individuals and governmental payment (taxes, customs, social insurance, and unified gateway) for business banking customers were moved from the branch network to the Bank's digital platforms. Both phases were outcomes of extensive collaborative efforts from cross-functional teams that represent several stakeholders across the Bank.

The program continues to enhance BOTF KPIs as follows:

NTB registration in online banking same day ratio (non-payroll) increased from 49% in FY2022 to **86% FY2023.**

CDs/TDs booking ratio via online banking vs. branches increased from 47% in FY2022 to **64% in FY2023.**

Additional account opening ratio via online banking vs. branches increased from 61% in FY2022 to **76% in FY2023.**

The five key pillars of the BOTF are service digitalization, robotics and operations optimization, branch digital experience, digital sales, and Banking as a Service (BaaS). Some of these pillars have made significant progress during 2023, including:

Robotics and Operations Optimization

RPA played a significant role in productivity enhancement and saving time, effort, and cost. In 2023, CIB automated processes using RPA technology and enrolled 10 digital employees to work within the CIB ecosystem, leading the aggregate number of RPAs to reach 29 across the Bank. This led to more time being dedicated to focusing on improving customer engagement, innovation, and accelerating transformation within business activities. Among the benefits, the digital employees marked progress on the Bank's operations and resources, whereby the total number of transactions processed by RPA almost doubled by the end of 2023. Total saved hours reached 285,000 hours through 23 processes currently executed through our digital workers.

Digital Sales

Digital Sales in CIB have transformed the way we engage with our customers, drive growth, and adapt to the evolving business landscape. Through our robust online banking platforms, CIB offers a comprehensive suite of assets and liabilities digital products, empowering customers to explore and purchase products and services, take control of their financial wellbeing, and achieve their saving and financial goals more effectively.

We have worked on adding new revenue streams through Online Banking channels by offering CDs/TDs booking requests as investment tools. This has transformed our online platforms into effective digital sales channels that now contribute 64% of the Bank's total annual booking in terms of volume and 56% in terms of value. As a result, we reduced branch traffic, enhanced customer experience, and increased the use of digital channels for their unique experience and great convenience. The average monthly value of digital bookings in 2023 surpassed EGP 6 billion, marking a 50% y-o-y hike in total CDs/TDs booking volume, and a 162% y-o-y jump in value to EGP 72 billion in FY2023. Additional account opening requests through Online Banking channels jumped by 40% y-o-y, representing 76% of the total additional accounts opened during 2023, while the number of loan and credit card submissions almost doubled, generating extra leads.

Banking as a Service (BaaS)

CIB strives to extend its services to other banks and financial institutions, initiating the journey of transforming our operating units into revenue generating hubs by catering to financial entities. To achieve this, the Bank needs to expose its APIs to integrate with multiple channels, customer ERP, billing systems, third-party vendors, payment service providers, payment aggregators, switches, and payment hubs. Accordingly, we are developing our API Gateway infrastructure as a first step in achieving this strategy, allowing us to make our APIs available. In doing so, the Bank can tap new business opportunities, maximizing customers and developing business-centric API products and packages. This will enable us to create new revenue streams by charging back customers through annual or monthly subscription packages.

In 2023, we focused on exploring and penetrating the market for the ERP integration to a diversified portfolio of different industries and different segments. This resulted in maintaining our brand and product positioning in the market by always leading with unique technological solutions offered to our customers while conducting their daily business operations. In the year ahead, we will explore more integration services and adopt new market trends, allowing CIB to stay on top of the market.

Global Transaction Banking (GTB) 2023 Highlights

GTB streams have diversified through innovative offerings, contributing to sustainable growth and stability. This has translated into streamlined revenues and cost synergies that reached EGP 4.2 billion by the end of 2023.

Cash Management Products

Managing payments and receivables effectively is vital for maintaining liquidity, optimizing working capital, and ensuring financial stability. In an era where businesses are becoming increasingly digitally integrated, efficient and adaptable cash management solutions are crucial.

CIB has recognized the evolution of financial transactions and has taken bold steps to make payment and receivables management a pillar of its strategic vision. With a vision firmly centered on this vital aspect, CIB will lead the charge in revolutionizing financial services.

CIB 's cash management strategy embraces the digital age, offering intuitive online platforms for real-time access to financial data.

1. **Efficiency and Automation:** Streamlined payment and receivables/collection processing minimizes manual workloads, fostering operational efficiency while cutting costs.
2. **Security First:** Robust security measures safeguard sensitive financial data, ensuring clients' trust and peace of mind.
3. **Global Reach:** CIB's international reach simplifies cross-border payments and receivables management for businesses with global aspirations.

CIB offers a variety of payments, collections, and treasury products and services backed by web-based and ERP integration solutions, from account information to state-of-the-art liquidity management solutions. The product offering includes several unique and innovative tailored cash management options, aiming to empower businesses to optimize their financial operations based on their unique needs and standard/tailored information reporting and delivered via a variety of digital solutions. FY2023 saw outstanding performance, with CIB ranking 1st in the Egyptian market in domestic payments. There was a notable increase in transactions, which were up 25% y-o-y to 9.1 million transactions worth EGP 1.4 trillion, an 88% y-o-y hike, generating significant synergies for cash management, which increased 52% y-o-y to EGP 2.3 billion. The customer base also increased by 37% y-o-y.

CIB intends to focus on building and enriching the capabilities of current products, digital solutions, and payment infrastructure by improving speed and agility via the API Gateway, improving delivery of aftersales solutions and accelerating process automation. The CIB Business Online platform will benefit from an upgrade to the user interface experience by enhancing the platform with new features, such as adding governmental payments services. Additionally, a new E-Business Mobile Banking Application will be introduced to CIB corporate customers as an extension to the web-based platform to allow for better accessibility and mobility to our users.

Payment as a Service

In the ever-evolving world of finance and technology, we are spearheading a visionary transformation of bank payment systems. This bold endeavor is driven by the strategic objective of achieving customer-centricity, speed, agility, innovative payment solutions, and leadership. Our mission is to attain a sustained competitive advantage in the rapidly changing global, regional, and domestic payment landscape.

One of the key innovations in this journey is the introduction of "Payment as a Service." This groundbreaking concept enables CIB payments to third-party partners, seamlessly integrated with the Bank. This not only enhances operational efficiency but also allows CIB to keep pace with the ever-evolving world of payment solutions. A significant accomplishment in this quest is the successful integration between international remittance partners and the ACH domestic scheme, enabling companies to initiate domestic payments to ACH scheme directly from their systems. This level of integration fosters efficiency and enhances user experience, placing CIB at the forefront of customer-centric financial services.

CIB also finalized the requirements for enabling payment initiation across various critical domains, including instant payments, payroll transactions, and cross-border payments. This empowers companies to initiate payments through integration with CIB, ensuring a seamless and efficient process.

The adoption of cutting-edge technology is also central to CIB's vision for payment modernization. The Bank has been diligently working on creating the first fully integrated payment hub, which will serve as the core payment system. This hub is designed to increase automation and ensure that payment handling is in compliance with the latest international standards across all available payment rails.

Instant Payment Network (IPN)

In the ever-expanding domain of instant payments, CIB has made significant unique strides. During 2023, bill payments went live, adding to the array of offered services. The instant payment network witnessed extraordinary growth, with transaction volume and value surging to 46 million and EGP 308 billion, respectively. Moreover, the number of CIB customers utilizing IPN recorded astonishing growth, soaring from 176,000 to 692,000. This represents an astounding 293% increase, underlining the Bank's commitment to innovation and excellence. In a world of dynamic change, our vision for payment modernization stands as a testament to our commitment to pioneering the future of banking. With a clear focus on technology, integration, and service expansion, CIB is well-poised to maintain its leadership in the world of payments, ensuring that its customers continue to access financial services that cater to their evolving needs.

In the year to come, a groundbreaking step will be taken in expanding the scope of instant payments to enable IPN through different CIB digital channels. This will empower companies and individuals to make instant payments 24/7, 365 days a year. The move is pivotal in ensuring business continuity and promoting uninterrupted growth for businesses and individuals. Additionally, the implementation of certified, flow-related, IPN, ATM cash withdrawal transactions and payment acceptance as an issuer bank are now pending, awaiting the green light from the network operator for commercial launch.

International Remittances Hub

Ranked the fifth largest recipient of remittances globally, Egypt's financial landscape is significantly impacted by these cross-border fund transfers. International remittances are a bedrock of Egypt's economy. These flows of funds serve as a crucial source of foreign currency, making a substantial contribution to the nation's GDP. The remittances sent by Egyptians working abroad provide Egypt with the foreign exchange it needs to facilitate international trade and ensure economic stability. Additionally, remittances serve as essential sources of investment in housing and infrastructure, thereby promoting growth in construction and related industries. This interaction between remittances and local economic activities results in job creation and poverty reduction.

Recognizing the pivotal role that international remittances play in Egypt's economic and social environments, CIB is taking proactive steps to strengthen the remittance ecosystem. As part of the "Payment-as-a-Service" paradigm, CIB is developing specialized APIs for payment initiation within the ACH domestic scheme. These APIs encompass a range of transactions, including family direct credit, ACH transfers to other domestic banks, wallet, and in-account transfers. These developments enhance the efficiency and accessibility of domestic fund transfers, fostering financial inclusion among Egyptians. Furthermore, CIB is actively working on an electronic international remittance platform designed to streamline integration with exchange houses and money service bureaus in the Gulf region. This initiative aims to enhance the technological infrastructure for international remittances, ensuring a faster, secure, and efficient process for both senders and recipients.

CIB offers a variety of **payments, collections, and treasury products and services** backed by web-based and ERP integration solutions.

Governmental Payment Products

With CIB's continued support of the government's efforts to automate governmental payments, we maintain a solid partnership with E-Finance Company, the Egyptian government's financial processor. The company develops and operates governmental e-payment platforms and channels to enable customs, tax, and other governmental authorities to receive and collect payments through the E-Pay and Corporate Payment Services (CPS) platforms, which greatly improve the customer experience. This year, CIB maintained its leading position and ranked first in the Egyptian market in governmental e-payment transactions over the CPS platform, with a 29% market share, as a result of the implementation of aggressive business focus groups for selling CPS products. CPS transactions increased 45% y-o-y in volume to 239,000 and 37% y-o-y in value to EGP 43 billion. Moreover, CPS recorded a 41% y-o-y increase in customer base, a 16% y-o-y increase in transaction migration rate to reach 66%, and a 101% y-o-y increase in synergies to EGP 37 million, with a positive impact on governmental payment revenues, which were up 82% y-o-y to EGP 322 million. A key objective for 2024 is to ease the burden of governmental payments on CIB branches by enrolling corporate customers to the CPS platform. We also plan to add other payment types over governmental platforms to ensure customer satisfaction, increasing our market share and maintaining our top ranking in the market.

Trade Products

Trade products offer corporate customers the ability to conduct and manage their trade finance transactions online. They provide customers with transparent and clear information about their transactions, while efficiently eliminating paperwork. During 2023, and despite the severe foreign currency challenges in Egypt, we witnessed online transactions increase by 10% y-o-y in volume with a value of EGP 95 billion. There was also a 10% y-o-y increase in transaction adoption rate to 46% and a 95% y-o-y increase in synergies to EGP 42 million. This had a positive impact on trade finance fees for online deals, which were up 181% y-o-y to EGP 690 million. We successfully launched the first phase of the Trade Transformation Program, which aims to position CIB as the preferred provider of Trade Services in Egypt. The program aims to add more integration capabilities to the current platform and increase operational efficiency, reduce transaction timing, and increase productivity, all while maintaining customer experience through increased automation with higher STP levels.

Supply Chain Finance

Supply Chain Finance (SCF) is an effective way for corporate customers to improve their working capital position and strengthen supplier relationships. SCF provides suppliers with access to financing, leveraging the buyer's stronger credit rating. It provides short-term credit, which can optimize cash flow by allowing buyers to lengthen their payment terms while providing suppliers with the option to receive payments earlier. CIB is the first bank in Egypt to bring this kind of digital supply chain finance product offering to the Egyptian market, a testament to its solid position as an innovator. During the year, we managed to hike the SCF portfolio (loans booking) by 37% y-o-y to EGP 1.3 billion. We continued our development of the SCF module over the CIB Business Online platform, working on different kinds of credit facility modules. The SCF module has the flexibility to work with seller- and buyer-centric customers. Looking ahead, we will work on introducing more SCF programs, techniques, and workflows to become compatible with different types of credit approvals.

GTB Business Development

The GTB Business Development team provides the most comprehensive GTB digital solutions for corporate customers' daily banking needs, providing best-in-class digital financial solutions consultancy and acting as the main stakeholder in developing corporate business needs. We conduct in-depth market analysis and research that lead to data-driven strategies, helping us make proactive decisions and stay ahead of industry trends, solidifying our competitive position.

During the year, we enabled different lines of business to improve their GTB KPIs for all corporate digital products and channels. We managed to accelerate migration from branches and manual-initiated transactions to digital channels, optimized cost synergies, increased digital channels' penetrations, and improved customer experience. Several initiatives were developed to support the offloading strategy, including awareness visits and trainings conducted through different means and formats to raise digital channel awareness among CIB's staff, as well as marketing campaigns that were launched internally and externally through multiple channels. In the year to come, we will explore additional segments and industries while enhancing the utilization of our GTB digital platforms.

Global Securities Services

The Global Securities Services (GSS) division provides a full range of custody services that serve the capital market, including equities, governmental instruments, and corporate and securitization bonds in local and international markets, with experience of over 20 years.

The division manages a diversified portfolio worth EGP 783 billion of assets under custody favor of multinational customers who are investing in the local capital market. One of the major key pillars provided is the securitization services, in which CIB has a significant market share as a custodian that reached 36.5% in terms of the value of bonds issued during 2023, attaining EGP 35.5 billion out of EGP 97 billion in the market. This had a positive impact on GSS revenues, which were up 126% y-o-y to EGP 512 million.

GSS is looking forward to expanding in cash settlement services for governmental sovereigns through acting as a service provider for cash settlement for brokerage companies in the secondary market. The new initiative will represent a new revenue stream, enriching market liquidity. The new service is powered by a new central depository, the Egyptian Central Settlement Depository, which specializes in handling such investments and is owned by the CBE and Ministry of Finance.

Digital Banking Channels 2023 Highlights

Online Banking (Internet and Mobile Banking)

Our online banking channels have become the Bank's primary channels for our customers, with a significant increase in usage and penetration rates. Internet banking recorded 1.9 million transactions, worth EGP 81.4 billion, a 24% y-o-y hike. The online banking customer base reached 1.5 million users, up 15% y-o-y. Mobile banking transactions performed remarkably, up 17% y-o-y to 13.3 million transactions worth EGP 348 billion, a 61% y-o-y hike. Online Banking migration rates were also up, reaching 98% for credit card settlements, 97% for internal transfers, and 88% for external transfers. Cost synergy increased by 30% y-o-y to reach EGP 3.4 billion as of December 2023.

The division is set to launch a bill payment feature over mobile banking in order to enrich the value proposition of our digital channels and enable our customers to execute all their needed financial transactions through one single app. Looking forward, we aim to introduce a new user interface (UI) that better caters to our customers' needs and enhances their experience while continuing to offer unique banking services through our online banking channels, such as card activation, mutual fund services, and insurance products. This will serve CIB to add new revenue streams to the Bank's distribution channels, increase NTB onboarding rates, position the online platforms as effective digital sales channels, boost assets and liabilities products, reduce branch traffic, and improve customer satisfaction and convenience.

CIB Conversational Channels (Chatbot, Phone Banking, and SMS)

As we prioritize customer-centric approaches, CIB's conversational channels provide customers with a seamless banking experience, allowing them to engage with the Bank at their convenience. We developed customer journeys across channels, introducing new services and touch points to handle the increased demand, ensure consistent and swift responses to customers' queries, and enhance customer communication proactively. This has led to improvements in customer experience and increased their loyalty, boosting the self-service usage and offloading the Contact Center team.

CIB Chatbot

Zaki the Bot emerged as a powerful tool into our customer service ecosystem by providing instant support and assistance to our customers, eliminating wait times. During 2023, Zaki conducted over 550,000 interactions on both the public website and Facebook Messenger, achieving a cost synergy of EGP 11 million, up 38% y-o-y. To expand our chatbot scope and capabilities, a new bot was launched for the products and services of Global Transaction Banking Customers. The new bot is accessible through the public website and Business Online platform and handles customers' inquiries related to GTB services and products serving different lines of businesses. As for Retail customers, we enriched content and enhanced the navigation experience for the most frequent inquiries to improve the customer experience and offload the contact center team from similar inquiries. In the year ahead, we will introduce Zaki on WhatsApp to provide an additional familiar communication channel that aligns with the customers' preferences. We will also introduce the "Live Agent" feature, allowing customers to seamlessly interact with the Bank's agents and providing a seamless multichannel experience.

Phone Banking

CIB's phone banking adds value to customers by offering services that let them bank more quickly and efficiently wherever they are. In 2023, IVR Migration Rate (% of eligible inquiries from call center to IVR-self-service) reached 85%, while the IVR Resolve Rate (% of calls handled through IVR to all incoming calls) reached 51%. IVR subscribers increased 20% y-o-y to 1.4 million customers, while cost synergy increased 30% y-o-y to EGP 141 million. In 2023, we introduced the dynamic card activation option to allow customers to directly activate their inactive cards once they are identified. The new service contributed to activating 70% of cards that had been activated through contact center and IVR. As for Business Banking and GTB customers, we integrated both hotlines to the Contact Center platform to generate more automated analytical statistics to understand customers' needs and behavior. IVR menus were introduced over both hotlines to enhance the experience of corporate customers. The initiative helped CIB enhance user navigation, enabling customers to reach the proper agent based on priority, paving the way for the introduction of self-service in the future.

Monthly digital bookings

+6 EGP/BN

SMS

SMS alerts have emerged as a strategic communication solution, enabling us to create a seamless and efficient channel for communication that keeps customers informed with their financial activities and relevant updates.

ATM Network

CIB's ATM network grew to reach 1,339 ATMs and handled over 79 million transactions, a 9% y-o-y hike, worth EGP 196 billion, up 28% y-o-y. Average monthly dispensed cash reached EGP 11 billion, while average monthly deposits reached EGP 5.6 billion. The migration ratio from branches to ATMs was 97% for eligible cash deposit transactions and 99.1% for withdrawal transactions, saving EGP 598 million. We focused on the deployment of more Drive Thru machines in select areas, providing customers with convenient access to banking services. Additionally, a contactless service was launched across the ATM network, marking a significant improvement in customer experience and transaction efficiency.

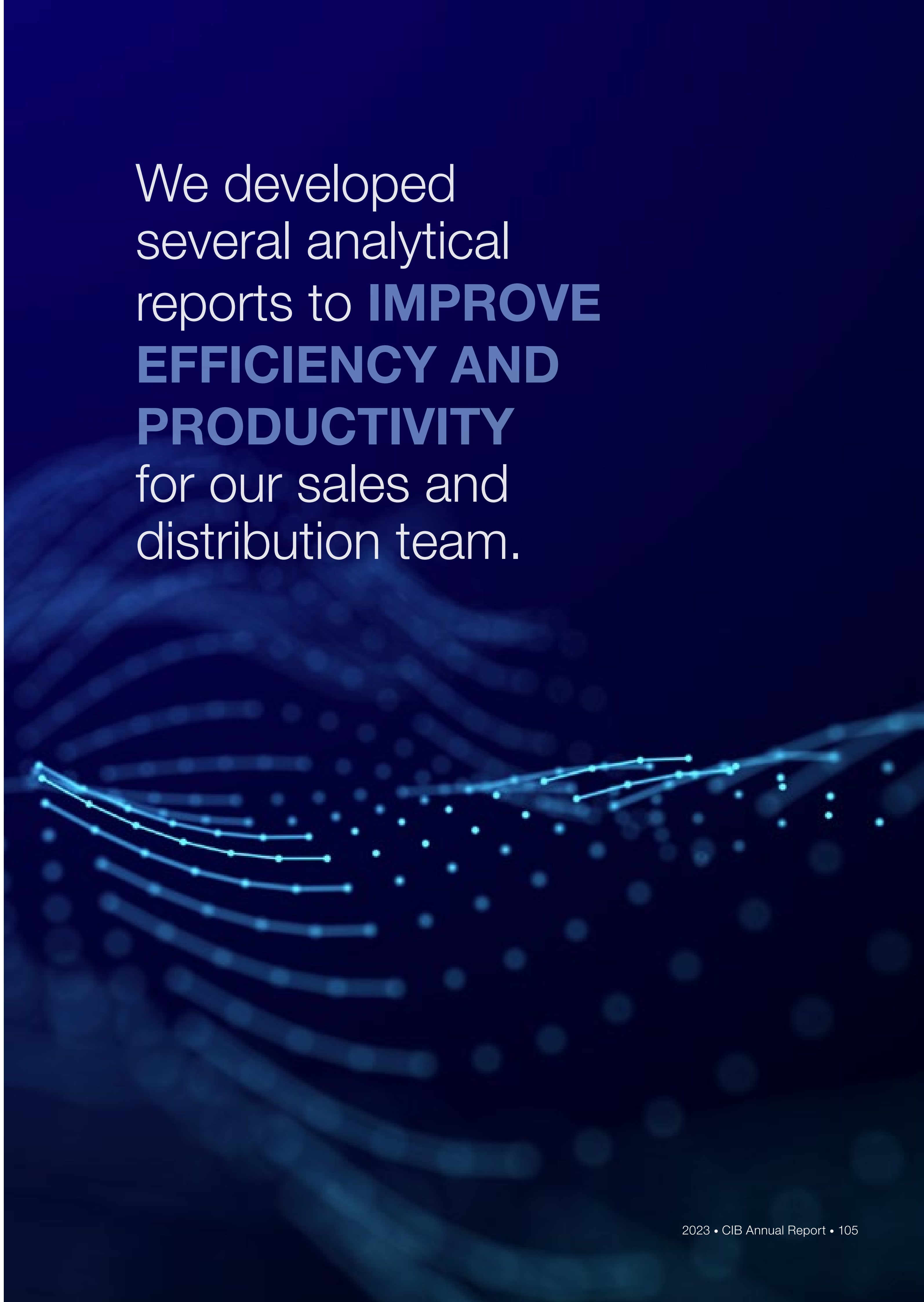
Financial Inclusion Digital Platforms 2023 Highlights

Following the successful upgrade of the CIB Smart Wallet in 2022, our digital team worked on diverse fronts this year to ensure high service availability. The network national switch reports demonstrated high rates of successful transactions and higher service availability, maintaining consistent thresholds. Acquisition channels were expanded on the Smart Wallet throughout 2023 by adding new bank agent stores across all governorates, with around 1.1 million customers using the CIB Smart wallet. We worked toward enriching the wallet services to meet customer needs, introducing more bill payments and donation services, and optimizing end-to-end services and operations that continue to project positively. We also delivered multiple projects related to CBE and Meeza Digital mandates, such as Dormancy rules, KYC updates, and Agent Cash in and out interoperability (issuer side). Additionally, a new feature to allow customers to self-reset their password was developed on the Smart Wallet application and is pending CBE approval to go live. This feature will significantly contribute to offloading the Smart Wallet call center and enhancing the customer experience.

On the data management front, one of the main areas of focus throughout 2023, we developed several analytical reports to improve efficiency and productivity for our sales and distribution team, as we continuously work toward optimizing our efforts and embracing flexibility to drive dynamic changes within market conditions. Finally, multiple service improvement streams were established in collaboration with ecosystem entities throughout 2023, which heavily contributed to the reduction of overall customer complaints by 40% compared to 2022. CIB's digital team developed a promising roadmap to continue enriching the services f the CIB Mobile Wallet throughout 2024.

Digital Banking Governance and Support 2023 Highlights

The Digital Banking Governance and Support team is dedicated to managing collaboration between the Bank's different digital channels, internal stakeholders, the regulator, and other external stakeholders. In 2023, the division continued its vital role in governing, managing, and coordinating different regulations issued by the regulator, with the product owners and the Bank's internal stakeholders across the GTB and digital banking channels, to guarantee full alignment among all engaged parties. The team also closely monitored the KPIs and deliverables of all digital channels to evaluate overall performance, highlighting areas of improvement. The team will continue to ensure compliance across the Bank's digital products and channels in the coming year, and it aims to motivate stakeholders to adopt new technologies, while ensuring that digital products, strategies, and financial inclusion efforts comply with regulatory guidelines. We will also continue to elasticize our strategy in line with updates to regulations and initiatives issued by the government and CBE.



We developed several analytical reports to **IMPROVE EFFICIENCY AND PRODUCTIVITY** for our sales and distribution team.

Financial Inclusion Division

Overview

In 2020, the CBE mandated banks to establish financial inclusion departments to advance Egypt's efforts in helping serve the unbanked and underserved vulnerable segments of society. The goal is to develop into a cashless society, while fostering financial stability and economic development. The departments were required to consolidate and develop internal financial inclusion work streams and act as the single source of consolidated information for financial inclusion updates to the CBE.

As such, CIB launched its Financial Inclusion division and developed a Board-approved, five-year financial inclusion strategy to provide easier access to financial services to the most vulnerable segments of society by harnessing its digital acumen. The division collaborates with other lines of business to build on existing initiatives while developing and consolidating the Bank's strategy, products, services, and programs related to financial inclusion.

The department aims to offer a consolidated, sustainable, and profitable work stream for financial inclusion, creating shareholder value and positive ROE for investors, while serving the community and fostering inclusive finance.

2023 Highlights

In 2023, the Financial Inclusion division categorized the targeted underserved and unbanked segments into three sub-segments:

Blue Collars Workers

This sub-segment comprises lower income, technicians, and temporarily employed individuals whose wages may be considered regular. This group is thus a significant target sub-segment for financial inclusion due to the high revenue generated per customer in comparison to other sub-segments.

Women

According to national data, the number of women over 16 years old is 31.8 million as of 2022, shaping 48.6% of the Egyptian population who are eligible to open a financial account. Of this number the financial inclusion rate is 57.6% as of 2022.

Youth

As defined by the CBE, the youth segment consists of people between the ages of 16 and 35. Egypt's youth as of March 2022 consisted of around 35.5 million individuals.

The division also participated for the third consecutive year in the national Haya Karima (Decent Life) initiative in Egypt, led by the Ministry of Planning and the CBE. The initiative aims to improve the lives and livelihoods of marginalized groups. The Bank's collaboration extended to provide financial literacy and awareness programs, in addition to offering simple KYC financial products to underserved, vulnerable communities in rural governorates. Through the program, CIB conducted awareness and literacy sessions for more than 7,500 individuals in 2023. Additionally, CIB is actively participating in six annual CBE financial inclusion initiatives, which have enabled broader NTB customer acquisitions for the Bank.

The year also saw CIB launch its Differently-Abled Program, in alignment with Egypt's 2030 vision and the CBE's directives and regulations. The program aimed to promote the inclusion of differently-abled graduates in the workforce and equip them with the necessary skills to effectively navigate the workplace. To date, 60 candidates have graduated.

The Bank's L&D department, alongside the Financial Inclusion division, conducted internal bank-wide staff awareness sessions about financial inclusion to familiarize staff members with the importance of the national objective of financial inclusion and the newly launched simple KYC products.

Financial Inclusion Products

CIB Smart Wallet

The CIB Smart Wallet (SW) was launched in 2016 primarily to serve unbanked customers by providing a convenient, secure, and cost-effective way to make financial transactions through mobile devices. Through the wallet, customers can easily pay bills, recharge their mobile lines, transfer money to other wallet holders in Egypt, and deposit or withdraw funds from any ATM machine or any of CIB's authorized banking agent outlets. The application also supports contactless payments through QR code purchases.

As of the end of August 2023, Smart Wallet users reached 1.1 million, with a 21% activity rate for 30 days.

Bedaya Accounts

The LCY account was launched in November 2021, targeting individuals, entrepreneurs, housewife-focused micro enterprises, youth, and freelance professionals. The account aims to include society's unbanked segments, eliminate entry barriers, and encourage the unbanked population to enter the banking sector through the simplification of the account-opening process. Bedaya also aims to provide an interest baring savings account to previously excluded segments of society.

Prepaid Cards

Prepaid cards (Meeza cards) are exclusively issued for Egyptians, without the need to open a bank account, using their valid national ID. Customers can easily withdraw cash from any ATM in Egypt and purchase from any in-store merchants and Egyptian e-commerce platforms using their cards.

We are currently in the process of offering prepaid cards through service providers and the Financial Inclusion sales team, pending CBE approvals.

2024 Forward-Looking Strategy

The division's strategy for 2024 is to develop and utilize a digital platform that offers payments, savings/investments, instant lending, and loyalty services. The platform would also have the ability to connect to third-party services to offer other value-added financial services, such as insurance. It would be built to be card/account-driven (i.e. does not fall under the wallet regulations), utilizing local payment rails (IPN), and, ideally, be cloud-based (once regulations permit).

2024 Marketing Strategy

Digital Media

Throughout 2024, we plan to promote financial inclusion products and services through ongoing campaigns, with a focus on all the use-cases and value propositions.

On-Ground Activation

On-ground activations will be launched throughout the year to promote and offer the Bank's financial inclusion products, particularly during the CBE Financial Inclusion initiatives, Haya Karima, and Egyptian Families Development Project initiatives.

Financial Literacy

Financial awareness and literacy activities will be extended throughout the year across Egypt's governorates, focusing on women and youth, through CBE initiatives and partnerships with NGOs, women-led platforms, and youth centers, among others.

Financial inclusion Acquisitions

Smart Wallet Cost Per Acquisition

The Financial Inclusion team succeeded in optimizing the acquisition cost from the bank agents network, reducing it by 26% in 2023, by establishing a set of KPIs for bank agents to decrease the cost per wallet and adding a new bank agent, thereby lowering acquisition cost and diversifying acquisition channels.

04.

Support Functions

Bank-wide e-learning modules

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IT & Operations

A key enabler of CIB's longstanding leading position in the market is the strategic incorporation of scalable technologies in all our services, as well as continually enhancing security systems to manage possible cybersecurity threats and risks while ensuring optimum operational efficiency.

The COO area succeeded in building a strong, cohesive environment between all COO area stakeholders, creating the necessary digital transformation strategy enabled by technological advancement, thereby enhancing products and services and achieving overall operational excellence.

Operations continued to accommodate business growth, not only by supporting the digital transformation journey but also by improving and increasing the efficiency and productivity of front office and back-end operations.

IT is progressing with the process of implementing a full-fledged stability program aimed to support overall business growth, beginning with the increase in the number of customers. This has necessitated the enhancement of system monitoring and implementing an ongoing stability program across critical systems.

CIB's Business Banking Sector is an integral part of the economic landscape. Accordingly, there was added focus this year on implementing the latest technologies, whereby additional capabilities will continue to be introduced. This includes customer onboarding and debt collection, which will enable a set of dedicated modules to better serve the business banking segment. For the Corporate Banking Sector, the full credit cycle, including the origination, fulfillment, and servicing stages, is currently being rolled out in phases.

By implementing open banking, we are starting a new chapter in our banking evolution, granting us the ability to accelerate development and flexibly integrate new and existing services to enhance CIB customers' experience while exploring new business opportunities.

Orchestrating the digital strategy with both our technology and operations activities has required aligning all initiatives to cohesively drive transformation. The banking sector is continuously driven by digital transformation. CIB's successful digital transformation is driven by its ability to reimagine its approach across the business, shape the technology landscape, and innovate an operating model that led to exceptional business achievements. This is done in conjunction with diligently working on lower cost-to-income ratios, increased customer acquisition and retention rates, and a faster time-to-market.

Because our people are our best and greatest asset, CIB always strives to be the employer of choice. This year, the COO area continued to foster communication and collaboration between all departments and lines of business, allowing for better engagement and productivity. We recognize the significance of developing and empowering our employees to keep up with the rapidly changing business landscape through ongoing training and exposure to enhance employees' capacity and skillset.

The Bank's advancement on the technological, operational, and security fronts allowed CIB to offer a more agile banking environment, which has increased efficiency, enriched resilience, streamlined operations, and improved productivity, ultimately benefiting the end-user experience.

Information Technology

Our IT strategy continues to move toward automation and digital adoption to guarantee enhanced customer-centricity, in alignment with the Bank's strategy and business growth targets. This cements IT as a true enabler and cornerstone for business success.
In alignment with CIB's digital strategy, IT continues to expand its digital journey. This is achieved by facilitating innovative financial solutions, continuously enhancing customer-centricity, and offering a seamless experience by focusing on enhanced stability of systems and applications, further increasing customer satisfaction. With a growing customer database and increased transactions, IT underwent a stability program that targets critical systems and digital application stability. The primary focus was to enhance functions, such as core banking and customer-centric applications.

Efforts are ongoing to enhance the stability of CIB's core banking systems, including close-of-business (COB), effectively reducing turnaround time and resulting in faster COB report generation. The Core Banking database slimming resulted in an almost 70% enhancement, boosting capacity and migrations to the latest technology and avoiding repeat issues.

On the customer front, internet banking underwent an extended stability plan that led to restructuring activities, resulting in the release of an updated version. Additional features were applied to bill payments and loan origination forms, which provides a more stable performance and high availability, thus enhancing the overall customer experience.

With increased customer activity, the ATM and POS Switch was enabled for active-active configuration. This resulted in distributing card transaction traffic over two servers to prevent failure caused by overloading, which improved performance and the availability of ATM, POS, and internet banking services.

During 2023, efforts to upgrade CIB's workflow systems to the latest versions were completed. The latest comprehensive solution has tools that can simplify designing and deploying business solutions; a user interface that is ready-to-use, flexible, and customizable for specific business needs; and an active-content infrastructure that helps flexibly manage different case models and activities. It also offers a set of capabilities that integrates information, processes, and users to provide a 360-degree view of work to enhance productivity and workflow performance and facilitate workflow throughout the organization.

Furthermore, CIB's middleware platform (ESB) was upgraded to the latest modern release. The project included the modernization of the platform, migrating existing integration services to the new platform, and modernizing some services to start the adoption of micro services.

IT integrated all existing and new services across all CIB platforms, supported by a hybrid cloud approach using the latest technology to integrate services from branches, digital channels, mobile and internet banking, IVR, business processes, and CRM.

As part of the vision to revolutionize digital banking, microservices were implemented using Cloud Pak for integration, which provides a simple, unified experience that connects applications to data. Implementing this kind of architecture has resulted in unprecedented simplicity in version maintenance, dynamic scaling service governance, and service discovery.

Security

With the ever-evolving complex environment in which we operate, security and resilience have always been key areas of focus for CIB to maintain our leading position in the financial sector. The Bank is committed to protecting our customers, employees, assets, and reputation from a wide range of threats, such as cyberattacks and different types of disruptive events. Various investments have been made to ensure the robustness of our systems, processes, and capabilities to prevent, detect, and respond to these threats. This ensures the continuity of our operations and services and our compliance with relevant regulations, industry standards, and best practices.

Further improvements to our employee and customer awareness program were made during 2023 through various internal and external channels to deliver key awareness messages to employees and customers. This has fostered a sense of security within the Bank and for our customers by using our digital and online channels. An additional layer of protection for our mobile applications against malicious attacks, tampering, and reverse engineering was introduced this year to secure customers' data and transactions, as well as our trusted brand reputation. Moreover, we revamped the core technology of our Security Operations Center to introduce more advanced

> The Bank is **committed to protecting our customers, employees, assets, and reputation** from a wide range of threats.

capabilities to enhance our monitoring and visibility, as well as improve our efficiency and effectiveness in detecting and responding to cybersecurity incidents. A full revamp of our endpoint security suite was also implemented, providing better visibility on the activities and behaviors of endpoints across our network and enabling real time detection and response to advanced threats. It also provides robust protection for our endpoints against malware, ransomware, exploits, and other attacks, supporting our capabilities to collect forensic evidence for proactive security incident management and response.

Additionally, 2023 witnessed the expansion of our Business Continuity testing and exercising scope with the introduction of new testing scenarios and activities to validate the viability of our BCM plans and the reliability of our capabilities to ensure effective response in case of any disruption.

Operations

The impact of Operations' ongoing transformation strategy is reflected in our continued business growth not only by supporting digital transformation but also by increasing the efficiency and productivity of front office and back-end operations, while fully abiding by the regulations and controls in place.

The Operations Group's key strategic goals are based on customer-centricity. The Group concluded a roadmap to optimize service levels across several customer-facing channels, while maintaining customer satisfaction and decreasing complaints.

Focus was placed on reducing operating costs by applying the optimum cost synergies, starting with migrating more services to our digital channels; promoting the existing automation tools, such as RPA for branch staff and across the centralized operating areas; and, accordingly, improving our Straight-Through Processing (STP) rates, and minimizing headcount requirements through increasing efficiency and productivity. The main approach simplifies and streamlines processes through enhanced digitalization for a better customer experience by reducing turn-around time (TAT), which, in turn, reduces customer serving time.

Since customer touchpoints are the main contributors to CIB's success, and branches are the most influential point, a full-scale roadmap is set to implement different solutions across branch operations. The aim is to enhance the customer journey by reducing customer waiting time and upgrading the customer service touchpoints user-experience, including interactions with ATMs, tellers, cash centers and contact center reps.

CIB is the first bank in the market to offer a cash settlement service and cash flow payments for non-banking entities, in compliance with CBE regulations, after transferring the depository of the government debit instruments to the Egyptian Central Securities Depository (ECSD). CIB is currently the settlement bank for the leading companies CIBC, Ostoul, and Prime, handled by the Custody department.

In light of the continuous and successful collaboration between the Transformation Office, branch operations, and corporate support branches, as well as the GCR departments' focus on increasing process efficiency and eliminating the current challenges faced across the Bank, the Institutional Banking (IB) KYC Unit under the Operations Group – Branch Operations and Corporate Support was established. The establishment of the unit demonstrates our commitment to upholding the highest standards of compliance and ethics, while also ensuring that our customer always comes first with smart controls. This overcomes the current challenges faced by our corporate customers in the KYC process, including high return rates and a lengthy TAT.

The Operations Group has been focusing on increasing the efficiency of available resources to maximize their productivity while meeting or exceeding quality and service level benchmarks. Moreover, despite several services being migrated to alternative channels, the number of customer transactions continues to rise y-o-y with an increase in the Bank's customer base. This increase was successfully absorbed while maintaining optimum productivity and performance.

Efforts are underway to transform the Bank's contact center into a revenue generation hub. Different initiatives and investments are in the pipeline to expand and enhance the contact center's capacity and service model. Our service-oriented contact center targets lowering Average Handling Time (AHT), ensuring lower cost, optimal staffing, and increased opportunities for cross-selling and upselling additional services through stronger customer relationships.

The Operations team works with all stakeholders on reviewing our current processes and identifying potential areas for optimization. This could involve analyzing customer flow patterns, identifying bottlenecks, and exploring technology solutions that could expedite transactions without compromising service quality.

In 2023, the COO brought together technology and operations stakeholders to work on a complete customer experience roadmap, where services, processes, and products are reviewed and analyzed to resolve any friction in the customer experience journey, with targeted changes that create high value. Through this ongoing embedding of customer experience consciousness within the organization and its operating model, CIB will always provide superior customer experience and realize its tangible business impact.

Human Resources

2023 new hires

1,517

CIB values diversity in its workforce and is committed to **providing equal opportunities** irrespective of gender and background.

As CIB continues to achieve substantial growth, the Bank is more adamant on developing its Human Resources Management to better support our people as they are fundamentally responsible for our excellence. HR will continue to engage in regular planning to address long-term strategic needs, adhering to our core values and guiding principles. The department's primary objectives are inspiring confidence in our operations, attracting high-caliber employees, and fostering a high-performing and engaging environment.

2023 Highlights

Talent Strategy

Our Talent Strategy revolves around reinforcing our commitment to retaining, motivating, developing, and attracting highly qualified talents. Investing in our employees remains of paramount importance, as they are the cornerstone of our success. Thus, while leveraging the skills and experience already present within the organization, CIB's external acquisitions further position the Bank for long-term sustainable performance. This year, we hired 1,517 employees, encouraged the internal mobility of 924 staff members, and promoted 880 employees. CIB values diversity in its workforce and is committed to providing equal opportunities irrespective of gender and background. The interviews and assessments are standardized, guaranteeing an unbiased and just hiring process.

In 2023, the HR team carried out 17 employment initiatives across universities and local employment fairs in Egypt, increasing brand awareness, announcing employment opportunities, and expanding our network among other organizations.

Building on previous efforts to identify and develop high-performing employees, HR launched the Talent Management program responsible for identifying top-performers bank-wide through international assessments and efficiently streamlining corporate succession. As such, our competency evaluations feed into our talent promotion process, allowing us to build a qualified talent pool, encourage high performance, and ensure talent retention.

Business Enablement and Skills Development

Business Enablement

In 2023, HR contributed to business enablement, in alignment with the Bank's strategic goals and directions, by providing more than 28 customized tracks across different areas dedicated to employee development, enabling our employees to acquire additional knowledge to complement their skills.

Moreover, the HR team designed an employee-tailored training guide with different learning domains to promote development and empower employees in achieving their strategic goals. More than 426 training rounds were offered throughout the year. The Bank also offered international and local certifications, with 29 certificates acquired by 91 employees to support career progression ambitions.

In 2023, CIB received the prestigious ISO 29993 Certification for Learning Services Management System, in recognition of HR's dedication to providing world-class learning and development opportunities for our employees, empowering them to reach their full potential.

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In alignment with the Talent Management Framework, a comprehensive international Leadership Excellence program was conducted to 35 selected members from the Bank's management, paving the road for more talent development activities.

Customer Experience

In alignment with CIB's strategy to provide an exceptional customer experience, HR laid out targeted developmental learning tracks, made available with additional courses, experienced by more than 2,000 trained employees. To boost morale, HR recognizes the Retail Banking customer experience heroes in the Bank's quarterly Customer Experience Success Stories and Customer Experience Gurus newsletters.

Digitization of Learning Experience

In alignment with the Bank's direction toward advancing its digitization skill set, the HR team continues to incorporate digitization in the training and learning opportunities offered to employees through different learning tools and platforms. This includes a wide network of international digital platforms, such as LinkedIn, Thomson & Reuters, Udemy, ARC institute, Harvard, Coursera, Wharton, and the IMF, as well as cross-functional bundles internally developed in conjunction with the business, including Trade Finance School, Legal School, and Arabic Writing videos. This concluded with the training of 3,099 employees, in addition to 15 bank-wide e-learning modules completed by 7,500 employees in 2023. This supported the business in developing the skills of the Bank's wider population and allowed it to reach out to them in a highly efficient manner.

Multilateral Development Initiatives

In light of the wider macroeconomic events and changes that took place in 2023, HR took multiple responsive actions as follows:

- Exporting of international gurus and professionals to the local boundaries through the "Meet the Expert" series, which was conducted over three events with more than 1,000 attendees from across the Bank.
- Expanded CIB's network of international vendors and training partners, giving employees access to offshore expertise from IMD, Frankfurt, LIBF, INSEAD, and others. More than 300 employees attended more than 15 programs.
- Continued to support organizational developmental directions, conforming with regulators' sustainability mandate. This concluded with more than 242 trained employees, in addition to 1,034 employees who successfully completed the Sustainability Capacity Building e-learning bundle.
- Supported the Bank in its efforts to improve culture through Culture Transformation

activities attended by more than 200 employees, paving developmental paths for Culture Champions and Agents.
- Provided non-conventional gears and paths for reaching out to staff by introducing the "CIB Book Series" tackling different daily business skills and practical guidelines.

East Africa Developmental Initiatives

In 2023, HR successfully completed another round of the CIB East Africa Analyst Program attended by 20 young Kenyan talents to complement the Bank's strategy toward its Africa expansion plan. This is a comprehensive credit technical program led by our knowledgeable instructors with the goal of supporting the African financial ecosystem. HR also supported CIB Kenya through providing it with multiple developmental tracks and paths that concluded with a "CIB Kenya Annual Offsite" program attended by all the bank's staff.

Youth Development Initiatives

In line with the nation's focus on youth empowerment and financial inclusion, we established several initiatives dedicated to shaping the labor market as follows:
- Launched the CIB Summer Internship Program, which is the annual summer program that concluded with training more than 16,000 undergraduates in 2023, in addition to having a dedicated "CIB Case Study" on LinkedIn in acknowledgement of CIB's role in the shaping of Egypt's digital learning roadmap.
- Cooperated with educational institutions and universities, in alignment with Egypt and the CBE's direction for corporate support to the educational ecosystem. This includes a recent initiative of collaboration with Nile University in developing a special track under the name of Sustainable SME Financing, being the first specialization of its kind in Egypt and in the Middle East. This collaboration concluded with having 46 graduates completing the program with a better understanding of the SMEs market and the concept of sustainable financing.

Organization Effectiveness Initiatives

During 2023, CIB's strategy continued to focus on promoting organizational effectiveness by improving engagement and enablement levels, while enhancing HR's value proposition through the following initiatives:
- **Recognition Program**
  Throughout the year, HR capitalized on the existing recognition program to provide adequate engagement and empowerment tools that fit all functions across all levels within CIB, as well as to enhance the bank-wide recognition culture.
- **Employee Wellness Program**
  HR prioritized employees' mental, physical, and financial wellbeing in 2023 to boost morale and create a positive work environment. HR continued to provide a workplace counseling service and conducted bank-wide webinars on mental health topics to raise awareness across the organization. HR also launched the one-on-one texting service for mental health support.

  Furthermore, CIB highlighted the vitalness of physical wellbeing through the Wellbeing Initiative with the aim of helping employees with resources and workshops on a variety of wellness topics, including nutrition, healthy sleep habits, ergonomics, stress reduction, and exercise. Finally, financial wellbeing initiatives are being developed to enable employees to lead a healthy financial life, empower them to manage their finances, and reduce overall financial stress.
- **Life at CIB – Social Media Page**
  In 2023, CIB made significant strides in bolstering its employer brand presence on these platforms, further solidifying its reputation as the employer of choice. Notable approaches include showcasing our commitment to diversity, inclusion, and women's empowerment initiatives, in addition to highlighting our active participation in career events and summits targeting diverse audiences and talent profiles. Moreover, Life at CIB promotes CIB's brand image and is considered an effective sourcing tool, enabling us to identify and fill vacant positions across different areas across the Bank.
- **Flexible Work Arrangement (FWA)**
  In 2023, CIB continued to adopt the hybrid work approach established during the pandemic, providing a flexible work environment and adapting to the global digital transformation trend.

Gender Diversity and Inclusion

At CIB, our commitment extends beyond financial success; we are dedicated to fostering an environment that supports individuals in reaching their full potential. We proudly integrate and embrace ESG practices into our journey. Our commitment also extends to promoting equality, inclusion, and diversity. We are keen on providing equal opportunities and treating all employees with dignity and respect. These principles facilitate the attraction and retention of a diverse workforce, creating an inclusive workplace where every individual feels valued. We are currently particularly focused on gender equity and differently abled employees through the following initiatives:

Helmek Yehemena

After conducting a thorough analysis to identify areas with low female representation, HR launched the fourth round of the Helmek Yehemena program that aims to promote female empowerment in the workplace in those areas, mainly in the branches network. The program aims to encourage young female talents in the Upper Egypt and Delta regions to join the workforce. It supports women through short training programs to enable them to discover and expand their untapped potential and equip them with the necessary knowledge and skills to become members of CIB. We started off with the city of Hurghada and aim to visit Menoufia, Mansoura, and Beni Suef governorates to increase female participation on those areas.

Women in Tech

CIB launched the fourth round of the Women in Tech Program that was introduced back in 2019. This year's program took place in partnership with the German University in Cairo (GUC), targeting senior female students during their final semester. The aim of the program is to address the gender gap in the Bank's technology departments and build up talented women to work in technology divisions, such as IT, Security and Resilience Management, and Global Transaction and Digital Banking.

She Is Back

She Is Back helps mothers in their transition back to work after their maternity or unpaid leave. Women are informed of any external or internal changes that affect both the Bank and their own respective roles during their absence. In 2023, two rounds were organized for more than 35 women.

Carerha Summit

In 2023, the HR team successfully participated in the Carerha summit, the 1st women's career summit in the MENA region promoting work-life balance and fostering diversity and inclusion in the workplace. The summit is built around the idea that every woman deserves the opportunity to achieve her professional goals, regardless of circumstances. It allowed CIB to emphasize its commitment toward promoting a more inclusive workplace by sharing a wide range of job opportunities and hosting several activities, including a panel discussion on Women Shaping the Future of Data Science. Two workshops were conducted on different topics, such as interview skills tips for winning the job offer and IT service management. The event is part of the HR team's ongoing commitment to gender equality and women empowerment initiatives with CIB.

Women Development Track

HR provided a set of developmental tracks for women across various managerial levels, with 2,169 women attending trainings in 2023, in addition to a large presence of women in the HR summer program where females represented more than 60% of attendees.

Workplace Anti-Harassment Campaign

In 2023, HR worked on an anti-harassment campaign to enhance CIB employees' understanding of the workplace anti-harassment policy and to normalize the right to report inappropriate behavior. As part of the initial awareness phase, CIB also implemented an e-learning module along with sending an awareness message to all employees.

Better Together

In 2023, we continued to reinforce our commitment to cultivating and preserving an inclusive workforce by facilitating employment opportunities for differently abled individuals. This initiative, which commenced in 2020, and the Ader B Ekhtelaf initiative, which was introduced in 2022, both aim to provide job and development opportunities for differently abled individuals across various branches and departments within CIB. HR successfully

> CIB is committed to a fair and responsible remuneration approach to reward and recognize exceptional performance.

continued the hiring process, reaching a total of 113 differently abled candidates, out of which 18% were females since the start of the program. Moreover, to ensure that we offer them the necessary support for their success, we will enroll all managers who have differently abled team members in the LinkedIn E-Learning course titled "Supporting People with Disabilities." This course will equip managers with the knowledge and skills needed to know how to deal with the differently abled population and provide them with the best possible support.

Furthermore, HR has expanded its efforts by organizing and implementing "CIB Career Day" for differently abled individuals in collaboration with the Ministries of Social Solidarity and Labor, and in alignment with the directives of the CBE. This event, exclusively designed for differently abled individuals, provided meaningful opportunities in the fields of banking and finance. Over 1,000 differently abled candidates participated in engaging sessions and workshops, equipping them with valuable business skills. Through this event, CIB emphasized its commitment to driving impact and fostering a more inclusive workplace.

In an effort to provide better customer experience for customers with disabilities, HR incorporated training on sign Language into the new hires' induction program, which was attended by more than 627 new hires. Additionally, HR customized a training program for current front-line staff called "Customer Experience for Special Needs," which resulted in the training of 595 front-line staff members.

Reward Management

CIB is committed to a fair and responsible remuneration approach to reward and recognize exceptional performance. CIB's remuneration approach and practices are gender-neutral, and we are committed to eliminating any bias in our practices. Our competitive remuneration and benefits packages attract top talents and strengthen employee loyalty.

In 2023, CIB's remuneration structure continued to be based on employee performance reviews to maintain its competitive pay program. HR also introduced a salary increase framework, based on the Bank's strategic direction, that combines employees' performance with their positioning within CIB's internal salary structure that benchmarks its competitiveness against market best practice. This was created while considering market conditions, as well as offering competitive packages to face hefty competition from rivals.

Moreover, to maintain our competitive edge, we accommodated departmental performance in driving employees' compensation, thus shifting management direction toward maximizing its profits while positively affecting employees pay.

CIB benchmarks its compensation and benefits scheme offerings against local and regional players to strengthen its value proposition and enhance employee enablement and satisfaction.

Marketing and Corporate Communications

Global and local market turbulence, such as the ongoing Russia-Ukraine war, rising inflation, and, in the case of Egypt, currency devaluation, has strained many companies. However, despite this instability, CIB's core operations remain firm as the Bank remained committed to achieving growth in the face of obstacles.

2023 Highlights

High-Net-Worth (HNW) Experiences and Offerings Catering to Our Customers' Lifestyle

The essence of premium banking lies in the availability of customized services and exclusive, unconventional luxury experiences, which is why we have been focusing in 2023 on enhancing the lifestyle experiences platform, offering our Private and Wealth customers exclusive, elite, and progressive experiences every step of the way. We have grown our network of exclusive partnerships by maintaining the current partnerships, securing a bundle of exceptional benefits and privileges, engaging with our clientele throughout the year, as well as offering exclusive gifts and perks that match our brand image and value. As such, CIB continues to capitalize on our adopted strategy to continue creating a remarkable customer story and foster loyal brand ambassadors across the years.

In parallel, we have been working on exclusive collaborations with several platforms covering lavish retail shopping, wellness and beauty, and others to bring to our HNW customers exclusive discounts and special experiences from high-end providers by using their CIB Premium card. As a result, CIB continues to lead the market by tailoring lifestyle experiences to boost customer satisfaction and loyalty.

Financial Inclusion: Serving the Underserved

CIB launched dedicated initiatives targeting underserved customers throughout the year. This falls in line with CIB's core goal of promoting financial inclusion and literacy by continuing to build on our existing product and service offerings, with the goal of significantly increasing the number of financially included individuals.

We aim to support unbanked individuals in accessing the Bank's products and services to secure their future and gain financial independence. In light of the CBE's dedication to catering to the banking needs of the differently abled segment of customers, CIB launched a special program to promote the inclusion of differently abled graduates in the workforce and equip them with the necessary skills to effectively navigate the workplace. The program ended successfully with 60 candidates graduated.

CIB's L&D department, alongside the Financial Inclusion division, carried out internal bank-wide staff awareness sessions about financial inclusion to familiarize staff with the importance of the national objective of financial inclusion and the newly launched simple KYC products. The Bank also has a number of ongoing activities serving the Hayah Karima initiative.

CIB Business Banking: Empowering SMEs and Driving Growth

CIB Business Banking is the leading provider of financial services for SMEs in Egypt. We are committed to empowering SMEs and driving growth by offering innovative financial products and services, educational resources, and support programs.

Our award-winning SME banking solutions include a comprehensive range of lending products, the first-of-its-kind unsecured standalone credit card targeting small companies, and an educational platform called the Growing Together Academy. We also support women in business and the unbanked through our She's Next initiative and Bedaya accounts.

We are proud to be the official sponsor of the Food Export Council, and we are committed to supporting exporters in achieving their growth goals.

Digital Marketing Channels

We witnessed the influential impact of our digital marketing activities, particularly always-on campaigns, with a significant increase in the number of our social media followers and engagement. In addition to expanding our social media footprint to include X (formerly known as Twitter) and TikTok, we aim to reach out to the digital population and create new channels of communication with our customers.

Facebook Follwers
1.3 MN

Instagram Follwers
124 K

LinkedIn Follwers
908 K

Youtube Subcribers
57.7 K

Despite working with half of our usual spending on Digital Sales, card leads have almost matched 2022 levels and are expected to exceed them by 30% by the end of the year. This is due to a significant increase in Apply Online conversion rates. We also estimate that at least 15% of card sales and 19% of loan sales to date were exposed to digital marketing activities on Facebook. Loan leads came lower than 2022 due to reduced spending and focus on existing customers only, minimizing the risk of acquiring low-quality leads. August 2023 saw an introduction of CLI (credit limit increase via online applications). This has contributed to a 370% y-o-y increase in overall CR and leads. Nevertheless, excluding CLI to compare apple-to-apple with 2022, there is a 7% increase in leads from 2022, despite narrowing our targeting to only existing customers.

CIB Website

Although CIB witnessed a slight decrease in the number of users and sessions on the website this year, the bounce rate decreased by 57%, reflecting an increase in time spent by targeted users on the website. As for the returning visitors, the personalized experience launched in 2022 is proving successful. Personalized content has not had a significant impact on engagement rate. However, users exposed to personalized content have a cards conversion rate of 16% compared to the average 7.4%. Personalization has not had a tangible impact on loan conversion rates.

Accordingly, our plans include expanding the scope of personalization by including more website visitors in the personalization funnel. We will also use AI technologies to optimize existing funnels and create new ones.

Marketing Analytics

Customer behavior is ever-evolving, requiring the Marketing department to closely monitor customer behavior, lead generation trends, and utilize and adopt technological advancements.

To do so, we established a Marketing Analytics function, which has automated most of our reporting, enabling us to utilize internal data for fast analytics pre-campaigns and bridge the gap between website traffic personalization, online campaigns, and customer behaviors.

CIB is in the process of expanding this function to ensure the department's cohesiveness and enhance learning, aiming to continuously adapt the formula to encompass the plethora of variables. In 2023, the team expanded the efficacy of SEO activities and offline partnership activity assessments. We are also developing a marketing model to assess the impact of any/all spend, organic performance, and market conditions (such as FX rate) to enhance the performance of multiple objectives, starting with cards and loans.

CIB Credit Cards: The Smarter Way to Pay and Get Rewarded

CIB's credit cards had a stellar year in 2023, with record-breaking customer acquisition, balance growth, and spending. The number of new credit cards issued each month increased by 14%, along with an increase in net revenue (ENR) of almost 23% y-o-y.

This growth was driven by several factors, including the expansion of CIB's credit card product suite and the enhancement of its existing credit cards through strategic partnerships with companies like Amazon and WaffarX. CIB also successfully launched the CIB-noon credit card, the first e-commerce co-brand credit card in Egypt. The card has been well-received by customers, with a significant number of cards issued and a plastic activation rate of over 90% in the first three months. This co-branding and partnership strategy helped CIB expand its customer base to reach new markets.

CIB also launched acquisition campaigns for the ISIC card, which is unique in the market, and focused on its female-targeted Heya credit card for shopping to boost ENR by doubling customer points. CIB also promoted its Mileseverywhere EgyptAir credit card to travelers. Finally, CIB enriched its current credit card offerings by providing more enticing rewards and increasing loyalty engagement.

CIB Kenya

We have diligently executed branding, marketing, and communication strategies to further CIB's strategic plan for expansion in Africa and enhance trade finance and credit solutions for Egyptian corporates engaging with African nations. This comprehensive approach has resulted in the successful rebranding of all branches under our new identity. The proven success of CIB Egypt is currently being replicated in our newly established branches in Kenya.

Merchandise Marketing

Introducing Standardized Air Scent and Updating Branch and ATM Locations on Digital Platforms

Knowing the importance of creating a positive customer experience, CIB is continuously on the lookout for new ways to enhance our customer journey. In 2023, we introduced the Standardized Air Scent at our branches and headquarters. The standardized scent has been carefully crafted to be both inviting and memorable, setting us apart from our competitors. To further elevate the customer journey, we have updated our branch and ATM locations on all major digital platforms, such as Google Maps and Apple Maps, making it easier for our customers to locate us.

Expanding Branding Image at Egyptian Airports

Building on the success of previous years by expanding our branding image at the main Egyptian airports, CIB has secured a branding exclusivity deal across the financial sector with two new airports: New Capital and Sphinx.

We are committed to providing our customers with the best possible experience. By introducing Standardized Air Scent, updating our branch and ATM locations on digital platforms, and expanding our branding image in Egyptian airports, we are making it easier for customers to find us, do business with us, and enjoy the experience.

Internal Communication

At CIB, we believe that internal communication is essential to successfully build a culture that represents our vision, values, and behaviors. We utilize all available communication channels to provide our employees with an effective flow of information, boost engagement and productivity, and bring people together.

To create a productive, collaborative, and efficient workplace, this year we continued to use a single source of email communication to consolidate and share information with employees in a transparent and clear manner. We also use our weekly newsletter, CIB Roundup, which has been revamped with a new layout and diverse topics and themes that are of interest and use to all staff. The newsletter helps keep employees updated on both internal and external news, with a focus on sustainable finance, digital banking, and transactions. Moreover, internal events and town halls, such as Culture Transformation Program Roadshows, were inaugurated with the launch of the program bank-wide across different governorates. Culture Transformation Agents onboarding took place in June to further emphasize our values and the behavior expected from all CIB staff. The Bank also held an Executive Management gathering, which included one member from the Management Committee and several management staff from across the Bank in a casual and friendly setup.

Our eagerly awaited Staff Portal was also launched this year, with the objective of serving as our main internal communication hub. The main goal is to provide employees with a one-stop-shop platform that keeps them connected, informed, and engaged, while promoting cross-collaboration between departments, teamwork, and unity.

Sustainable Finance

During 2023, CIB executed diverse marketing and communication activities to support its sustainable finance communication strategy, position itself as the domestic ESG champion, and highlight its ESG and sustainability efforts globally.

We worked on various initiatives, executing multiple campaigns with internal and external activities, including social media posts, website blogs, local and foreign press releases, roundtables, event sponsorships, airport messages, adverts, and report publications (TCFD, Ecological Report, and Principles for Responsible Banking Report).

Corporate Social Responsibility

Corporate social responsibility (CSR) is at the heart of CIB's core values. This year, we implemented various CSR projects and supported related initiatives carried out by other organizations. We diversified our community development activities to include sports, culture, and social welfare.

Social Activities

CBE Initiatives

During 2023, CIB continued to be part of government initiatives across Egypt, such as Hayah Karima, International Women's Month, International Youth Day, Farmers' Day, and Saving Day through the Smart Wallet program.

Helmek Yehemena

In light of CIB's efforts to maintain an inclusive culture and support women's empowerment in the workplace, the Bank continued the Helmek Yehemena Program with a special day at the Hurghada branch on 22 September. Helmek Yehemena is a program that aims to empower young women across Egypt by developing their skills and banking knowledge in multiple phases. In the first phase, various members of the CIB family, including members of the HR, business, and CIB success models, met students and fresh graduates at university campuses to raise awareness about the importance of women's role in the workplace and the economy, with a promise to receive their applications to join the next phase of the program: a tailored banking academy.

Magdi Yacoub Heart Foundation

CIB continued funding the Adult Outpatient Department at Magdi Yacoub Global Heart Centre as part of the partnership that started in June 2021 to improve access to care and meet the demand for cardiac care in Egypt. The Magdi Yacoub Heart Foundation took the decision to develop the Magdi Yacoub Global Heart Centre in Cairo to continue and build on the Aswan Heart Centre's legacy of excellence, while tripling the scale of operations and capacity, which will increase reach to help those most in need.

Al-Moassat Association

CIB continued supporting community projects with a very special partnership with Al Moassat Hospital Patient Care Association for the care of patients undergoing bone marrow transplant procedures.

El Forsa Program

Over the past years, CIB has supported entrepreneurship in Egypt with the aim of generating a profound, positive impact on society through various CSR initiatives. The Bank has placed significant focus on the fintech space, with the aim of bridging the gap between the financial services sector and the emerging entrepreneurial ecosystem, encouraging new start-ups, particularly in fintech, and helping them reach investors, develop their ideas, and gain widespread exposure.

CIB helps support new start-ups though the largest television competition in the Arab world, El Forsa Program, hosted by Egyptian TV presenter Lamis El Hadidy in its second season. The program targets entrepreneurs who own start-ups that provide unprecedented, innovative solutions with high potential for local and global growth.

Dialogue in the Dark

As part of its CSR efforts, CIB started 2023 with a new partnership with El Nour wel Amal by supporting the unique project, Dialogue in the Dark. 2,000 public school students were invited to visit the Dialogue in the Dark exhibition, with the aim to educate the public on visual impairment in order to create an inclusive community and help better integrate differently abled members of our society.

Al Jamal Hamada Hospital

CIB continued supporting community projects, sponsoring the three outpatient clinics at Al Jamal Hamada Hospital in Alexandria.

Supporting Squash: Best Bank – Best Players

CIB has played a significant role in the development and growth of the squash sport scene in Egypt and around the world. The Bank has been a title sponsor of squash tournaments, including the World Championship, El Gouna Squash Open, CIB PSA World Tour Finals, and others. CIB has also supported individual squash players, including most of Egypt's top-ranked athletes.

CIB's support for squash has helped raise the profile of the sport and attract new players and fans. The Bank's commitment to squash has also been instrumental in the sport's inclusion in the 2028 Olympics. As the most watched sporting event in the world, the Olympics will give squash a global platform to reach new fans and players, which will directly benefit CIB's brand equity. Additionally, the Olympic squash tournament will help promote Egypt as a global squash destination. Egypt already has a strong reputation for squash, and seeing the world's best squash players compete at the Olympics will inspire a new generation of Egyptian players to take up the sport.

In 2023, we extended our support of squash to capitalize on the traction its players are attracting globally. We believe that through supporting these talents, more opportunities are generated for Egypt's athletic community, boosting Egypt's ranking in the global arena. Egyptian squash players have especially gained traction due to their innovative techniques that have entertained worldwide spectators and brought home trophies. Egypt has produced five number one rankings in the men's division and three in the women's division in global competitions. As of October 2023, four Egyptian men and three Egyptian women have made it to their respective world's top 10 players list.

CIB has tailored special sponsorships to help 16 talented players maintain their rankings and continue representing the country around the world. As of December 2022, the following players were recipients of the sponsorships:

- Ali Farag: #1 on the Men's PSA World Squash List
- Nouran Gohar: #2 on the Women's PSA World Squash List
- Karim Abdel Gawad: #6 on the Men's PSA World Squash List
- Nour El Tayeb: #6 on the Women's PSA World Squash List
- Tarek Momen: #9 on the Men's PSA World Squash List
- Hania El-Hammamy: #3 on the Women's PSA World Squash List
- Mohamed Abouelghar: #26 on the Men's PSA World Squash List
- Salma Hany: #11 on the Women's PSA World Squash List
- Mazen Hesham: #7 on the Men's PSA World Squash List
- Fares Dessouky: #18 on the Men's PSA World Squash List
- Rowan El Araby: #15 on the Women's PSA World Squash List
- Farida Mohamed: #19 on the Women's PSA World Squash List
- Youssef Ibrahim: #24 on the Men's PSA World Squash List
- Moustafa El Sirty: #850 on the Men's PSA World Squash List
- Jana Shiha: #37 on the Women's PSA World Squash List

Squash Tournaments Sponsorships

CIB has expanded its squash-related sponsorships to allow for more Egyptian athletes to progress in the PSA world rankings by participating in the biggest squash events for the third consecutive year. CIB powered the successful and popular El Gouna Squash Open and, for the fifth consecutive year, brought the CIB PSA World Tour Finals to Sodic West.

Transformation Office

Looking forward, the **Transformation Office will continue to drive strategic initiatives** that reflect our core values.

Embracing Change in 2023

Modern transformations have been centered around generating new value to unlock new opportunities, drive new growth, and deliver new efficiencies. The Transformation Office's strategy in 2023 was to steer key strategic initiatives, adding value within the organization, creating transparency, enabling better collaboration, and advancing our digital and technology arms for a consistently seamless, hassle-free customer experience.

2023 Highlights

"Putting our customer first, we lead the market with agility and integrity" was our moto for everything we did in 2023. We followed a strategy centered around customer and employee satisfaction and sought to transform CIB's approach to creating value today and in the future.

Thus, the "Deploy" phase of the Culture Transformation Journey was set into motion, promoting efficient communication and aiming to foster a healthy, inclusive culture so our employees would gain a unified sense of purpose and passion. The Transformation Office led the execution of the Customer Excellence-Based Processes Initiative and ran collaborative taskforces to revamp multiple key processes that are of high value to our customers.

Cultural Transformation and Communication

In February 2023, a Culture Transformation Kickoff mega event was launched, sharing the Change Story, a new approach to the whole organization that emphasizes our values and behaviors. The event hosted our Management Committee, branch representatives, culture transformation core team, and all influential leaders from across the Bank. The event agenda took the audience through the Change Story, highlighting the significance of culture transformation in modern times, the progress of quick win implementation, and the introduction of Culture Transformation Champions to the organization. It was concluded with a status update, the way forward, and what to expect in the coming period.

Various culture roadshows were also rolled out across CIB branches and buildings to rally the organization around a clear view of how values should be exercised on a day-to-day basis by every employee. Regular networking events took place to help facilitate this change, along with various breakfasts held with CIB executives in all of the Bank's buildings.

Over 90 Culture Change Champions followed a series of learning programs that aspired to engage them in business storytelling and an in-depth values simulation, enriching their skillsets with design thinking and strengthening their change management skills. The Champions then ran ideation and brainstorming sessions and came up with departmental initiatives and dissemination sessions, which communicate our core values to a wider population. They acted as the communication arm, spreading the word and responding to inquiries from colleagues and agents regarding CIB's aspired culture.

In June, a Culture Transformation Event was organized to onboard our Culture Change Agents. The event's highlight were inspirational speeches

delivered by our Chairman, CEO and Managing Director, and Institutional Banking CEO. The speeches covered many topics, including the Bank's emphasis on customer experience and how our staff are CIB's most valuable asset, being the drivers of achieving our goals and aspirations.

339 agents were chosen to act as a communication link between their colleagues in the location/branch, Champions, and the Core Team throughout the culture transformation journey. Our Culture Change Agents were enrolled in specially designed development programs and various non-conventional LinkedIn-based programs. The programs covered topics such as implementing change effectively, creative thinking and innovation skills, driving innovation in your organization, overcoming fear of public speaking, and speaking confidently and effectively. Agents' primary role was to educate their teams on how to live the values and behaviors and to respond to inquiries regarding the aspired culture. They also supported Champions with the execution of the culture initiatives, providing suggestions for enhanced deployment and providing guidance as needed.

Two additional culture transformation initiatives ran in the background throughout the year, namely Driving Change and C-Impact Forum.

- The Driving Change initiative encompassed two cross-collaborative groups of 25 employees each, who came from CIB's various divisions and met with group heads of different areas across the Bank to identify existing problems. The groups

then worked together to develop viable solutions with a positive impact on the organization that can enable us to achieve our strategic goals.

- The C-Impact Forum was created to provide staff members with an outlet to share their proposals or suggestions for the Bank to further achieve our strategic objectives. The Transformation Office then constructed a framework to gather, discuss, and prioritize initiatives coming from various channels, named "Every Idea Counts," and set the framework for the implementation of feasible ideas. This has resulted in 20+ initiatives going live in 2023, prioritizing issues that affect customer experience and processes efficiency.

Better Collaboration with All Stakeholders

In May 2023, the Customer Excellence Based Processes initiative was launched, designed to optimize processes that have directly high customer experience value in the organization. The application and deployment of the initiative involves improving employees' productivity and efficiency, while simultaneously reducing turnaround times for selected processes, with clear accountabilities through process reengineering.

Forward-Looking Strategy

Looking forward, the Transformation Office will continue to drive strategic initiatives that reflect our core values. This will require the involvement of different stakeholders across the Bank, synergizing thoughts and efforts and supporting the execution process until the expected value has been realized.

Leveraging on the Winning Together concept embedded in many activities this year, collaborative task forces will be organized in every initiative taking place in 2024. The Transformation Office will also continue to run the Culture Transformation Initiatives Implementation program, monitor KSIs, and assess the journey's annual progress.

Other potential processes will be studied and assessed for a full revamp. The selected processes will be re-engineered and automated to promote seamless communication between departments, lowering the TAT and positively impacting the customer journey. Other transformation initiatives have been explored to optimize credit processes for corporate customers, and the Transformation Office plans on engaging with an external consultant to optimize our cost centers, transforming them into revenue-generating functions in 2024.

CFO Area

In recognition of the significance of utilizing change and innovation to modernize operations, CIB underwent several organizational changes throughout 2023 that allowed for more flexibility and agility in alignment with current market trends. The CFO Area was revamped to cover a wider scope of responsibilities, aiming to have a fully fledged area that centralizes and combines the Financial Control, Business Analytics, Budgeting and Planning, and Strategy functions under one group. It will serve to promote an analytics-driven culture across the organization to propel the Bank across all financial and non-financial KPIs for more effective governance and control.

The CFO Area's functionalities align with the Bank's international best practice, which assumes a modern finance function that drives shareholder value, rather than being merely monitoring accounting profit. More precisely, the CFO Area, which is also designated as the Finance and Strategy Group, currently acts as a seamless decision-making powerhouse that enables CIB to ensure seamless operations, particularly through turbulent times, with four major prominent pivots highlighted in the agenda for 2023.

Adopting a Value-Based Approach

According to international best practices, the modern finance function should generate value across the Bank, leading the changes in business trajectory by working with and leading other Bank groups toward more informed decision-making. It extends beyond reporting and budgeting to become more involved in the strategic planning process, while driving the Bank's organizational and business performance, ensuring that strategic objectives are set in line with financial and capital regulations.

In alignment with the Bank's commitment to driving growth and innovation, the CFO Area pursued its strategic role in leveraging data analytics to gain insights into market trends and customer behavior in order to enhance operational efficiency and the customer experience. This typically entails a backward/forward-looking decision-making approach, which builds on historical data to drive future business decisions. This was clearly exemplified in CIB taking the lead in applying adjustments to the limits of card usage abroad in an effort to mitigate the impact of economic uncertainties on foreign currency liquidityf, to which other banks followed suit, cementing the foreign currency liquidity base not only for CIB, but for the Egyptian banking sector as a whole.

The CIB Taxation team, as part of its commitment to timely compliance with regulatory requirements, successfully finalized the tax inspection until the year 2020. With that, CIB became the first bank in Egypt to settle the Corporate Income Tax Position until the last tax inspection date. This further amplifies the quality of CIB's financial reporting and demonstrates its commitment to responsible financial practices and adherence to legal requirements in a timely manner, hence granting shareholders a higher level of comfort in the Bank's regulatory standing.

Striving Toward a More Cost-Conscious Organization

CIB tailors its operations to achieve optimal financial performance while maintaining prudent cost management practices. By effectively managing costs, CIB continues to maximize efficiency, enhance profitability, and ultimately safeguard value for its stakeholders. The CFO Area accordingly implemented a comprehensive Cost Control Strategy that focuses on identifying, monitoring, and managing all aspects of the Bank's expenditures in a holistic cost control approach that would ensure that every aspect of the Bank's operations is being efficiently and optimally utilized, with four focus areas.

Operational Efficiency

Striving to continuously streamline operations and enhance efficiency across all Bank groups, the CFO Area continued to design Cost Control Initiatives in 2023 to identify and eliminate redundancies, automate processes, and leverage technology to reduce manual intervention and improve productivity. In that, CIB considered outsourcing certain non-core functions or processes to cut in-house operational costs and implemented energy-saving measures within the Bank's facilities, aiming to reduce utility costs. Through these efforts, CIB aims to achieve a lean and agile operational structure that drives cost savings without compromising the quality of service.

Supplier Relationship Management

Stemming from its belief in the importance of effective supplier relationship management to maximize shareholder value, while maintaining the quality and reliability of the goods and services that the Bank procures to its customers, CIB continued to maintain a close link with its suppliers. Regular performance evaluations and vendor assessments are conducted to ensure the proper identification of cost-saving opportunities.

Strategic Workforce Planning

CIB continues to adopt a strategic workforce planning approach to its headcount allocation, assessing the evolving needs of the business, aligning them with the Bank's long-term objectives and market dynamics, and identifying areas where staffing adjustments may be necessary to optimize efficiency and cost effectiveness. Accordingly, through careful analysis and forecasting, CIB strategically allocates staff with the prime objective of having the right talent in the right role to adeptly meet business needs, reducing unnecessary recruitment costs.

Transparent Reporting

Transparency is a key cost control component for CIB, providing detailed and accurate financial reporting that truthfully highlights the Bank's cost structure, trends, and the impact of implemented cost management initiatives. This enables stakeholders to gain insights into cost control efforts adopted by the Bank's Management and understand how they contribute to the Bank's overall financial performance and value proposition.

Embracing a Capital-Oriented Business Environment

Further extending its value-based approach to embrace the strategic and pivotal role of capital in supporting the Bank's business operations and growth initiatives, and in light of current local and global macroeconomic and geopolitical turbulence, the CFO Area worked collaboratively and proactively with other stakeholders across the Bank to find preemptive solutions that would cement the capital position of CIB and the Egyptian banking sector as a whole. With that, CIB joined forces with other banks to present a list of proposed initiatives and recommendations to the Federation of Egyptian Banks (FEB) to accommodate for macroeconomic and regulatory diversities, fastening the sector-wide Capital Adequacy Ratio (CAR).

This comes in parallel with maintaining a disciplined capital planning framework that focuses on both capital adequacy and allocating capital to areas that generate sufficient and sustainable returns. This is conducted in a way that would optimize the utilization of the Bank's available capital while simultaneously maintaining a healthy and resilient financial position without hindering the Bank's core activities. As a result of this approach, CIB successfully manages the inherent trade-off between solvency and profitability. Moreover, the CFO Area continues to strive to maintain the optimal capital mix between Tier I and Tier II capital on one hand, and LCY and FCY allocations on the other, in addition to proposing the appropriate cash and share dividend mix that would safeguard the Bank's shareholder value.

Expanding to the Group Scope

Contributing to the Bank's expansion plans, while firmly believing in the importance of the centralization and unification of reporting, the CFO Area assumed the role of the financial and reporting arm this year, not only for CIB as a Bank but as a Group, integral of its subsidiaries. Accordingly, the role of the CFO Area encompasses monitoring the accounts and business operations for CIB and its subsidiaries. With that, the CFO Area is currently driving performance across all Group operations, ensuring stringent control over the Bank's expansion plans and consolidated financial results.

05.

Our Controls

LCY liquidity ratio

30.2%

Risk Group

The Risk Group is an integral part of the organization, leading the Enterprise Risk Management (ERM) framework and creating value by contributing to the achievement of CIB's objectives and the improvement of business performance. The Group uses the Three Lines Model in risk oversight, control, and governance to efficiently utilize existing risk management capabilities. It further ensures the sustainable development of a risk management function that is operationalized, allowing management to make informed and risk adjusted decisions.

The ERM framework consists of the following five interrelated components:

1. Alignment of business and risk strategy and risk appetite framework;
2. Identifying, measuring, managing, monitoring, and reporting (IMMMR) initiatives for all principal risks;
3. Effective risk infrastructure consisting of people, data, systems, methodologies, policies, and limits;
4. Robust risk governance and culture; and
5. An integrated and forward-looking risk approach reflected in the ICAAP, ILAAP, Integrated Stress Testing, and Recovery Plan frameworks.

Liquidity and Interest Rate Risks Thresholds

CIB continued to have a solid LCY and FCY liquidity position throughout 2023, with healthy buffers to sustain both the global and local increase in risk profile. The Bank also enjoys an ample level of High-Quality Liquid Assets (HQLA), with the LCY CBE liquidity ratio recording 30.2% as of the end of 2023, against the threshold of 20%, while the FCY liquidity ratio reached 45.3%, against the threshold of 25%. The Net Stable Funding Ratio (NSFR) was 264% for local currency and 229% for foreign currency, and Liquidity Coverage Ratio (LCR) was 2,250% for local currency and 175% for foreign currency, all above the 100% regulatory and Basel requirements.

CIB's interest rate risk in the banking book (IRRBB ratio) remained resilient, allowing the balance sheet to benefit from the current volatile interest rate environment. In 2024, the Bank is expected to continue maintaining a healthy balance sheet, supported by the dynamic growth and ongoing realignment of the funding strategy.

Credit Risk

Institutional Banking Risk

Loan portfolio growth was driven by industries with adequate risk and favorable reward attributes. KPIs and asset quality are factored in the achieved growth and continue to be the Bank's priority.

Consumer Banking Risk

New programs were developed, and parameters were amended to strengthen the product offering to cater to a wider target segment and further shift toward STP. The Risk Group introduced advanced assessment techniques, with more reliance on the application and behavior scorecards for advanced customer selection. The aim is to maximize cross-sell and up-sell opportunities under key products and segments, while maintaining sustainable portfolio quality. Additionally, comprehensive portfolio analysis and monitoring reports consider various risk dimensions, as well as profitability indicators, to ensure robust controls and preemptive measures are adopted.

Business Banking Risk

In line with the Bank's strategy and the CBE's mandate, CIB achieved the 25% allocation of the portfolio to SME lending. The portfolio is being closely monitored, and early warning capabilities and dashboards are being enhanced to ensure the Bank is within its risk appetite.

Non-Financial Risks Management (NFRM)

CIB continued to enhance its NFRM and integrate its operational, third-party, and model risk management to lay the foundation for a comprehensive framework. Additionally, significant enhancements were made to its security and technology risk management capabilities, including establishing a dedicated second-line function. The Bank also incorporates reputational risk into its ERM framework and utilizes innovative assessment tools to provide a quantitative and qualitative assessment.

Environmental, Social, and Governance (ESG) Risks

The Bank is identifying, assessing, monitoring, and reviewing ESG risks in its lending and investment portfolios to ensure alignment with its Environmental and Social Risk Management System (ESRMS). CIB is currently in the process of establishing and integrating a climate risk management framework. It also published its financed emissions baseline report, as well as its first Task Force on Climate-Related Financial Disclosures (TCFD) report, which highlighted the ongoing efforts toward the goal of fully incorporating climate risk and opportunity identification and management into the overall business strategy.

Risk Infrastructure / Technology

The Bank successfully digitized and automated several processes across the risk organization with the aim of enhancing models to ensure adequate assessments and automated workflow processes across the credit origination cycle. Enhancements were also introduced to the existing behavior credit scoring models to further develop the forward-looking risk factors and behavioral trends.

> The Group uses the Three Lines Model in risk oversight, control, and governance to efficiently utilize existing risk management capabilities.

Risk Culture

CIB promotes a strong risk culture by conducting awareness sessions for employees, encouraging open communication, and fostering a collaborative environment. The Bank's focus is also on developing next-generation risk competencies, such as data analytics, machine learning, and artificial intelligence.

Internal Audit

IAG continued to **focus on CIB's digital transformation** and the effectiveness of controls in this regard, while utilizing the Bank's big data capabilities.

CIB's Internal Audit Group (IAG) is an independent and objective function that provides its stakeholders assurance and consulting services designed to add value and improve the Bank's operations. IAG supports the Board of Directors and Senior Management in accomplishing CIB's objectives by evaluating the adequacy and effectiveness of the Bank's governance processes, risk management, and internal control systems.

IAG derives its authority and independence from the Board Audit Committee, overseeing the Bank's Audit function and approving its Audit Plan. The Chief Audit Executive reports functionally to the Board Audit Committee and administratively to the CEO and Managing Director, according to international standards and practices.

IAG complies with the International Professional Practice Framework (IPPF) of the Institute of Internal Auditors (IIA) and its Code of Ethics. This falls in line with results derived from the regular external quality assessment that is carried out in accordance with the IIA standards and takes place as a part of the quality assurance and improvement program that IAG maintains. The assessment covers all aspects of IAG's mandates and allows it to increase the efficiency and effectiveness of the division's activities, while identifying opportunities for improvement.

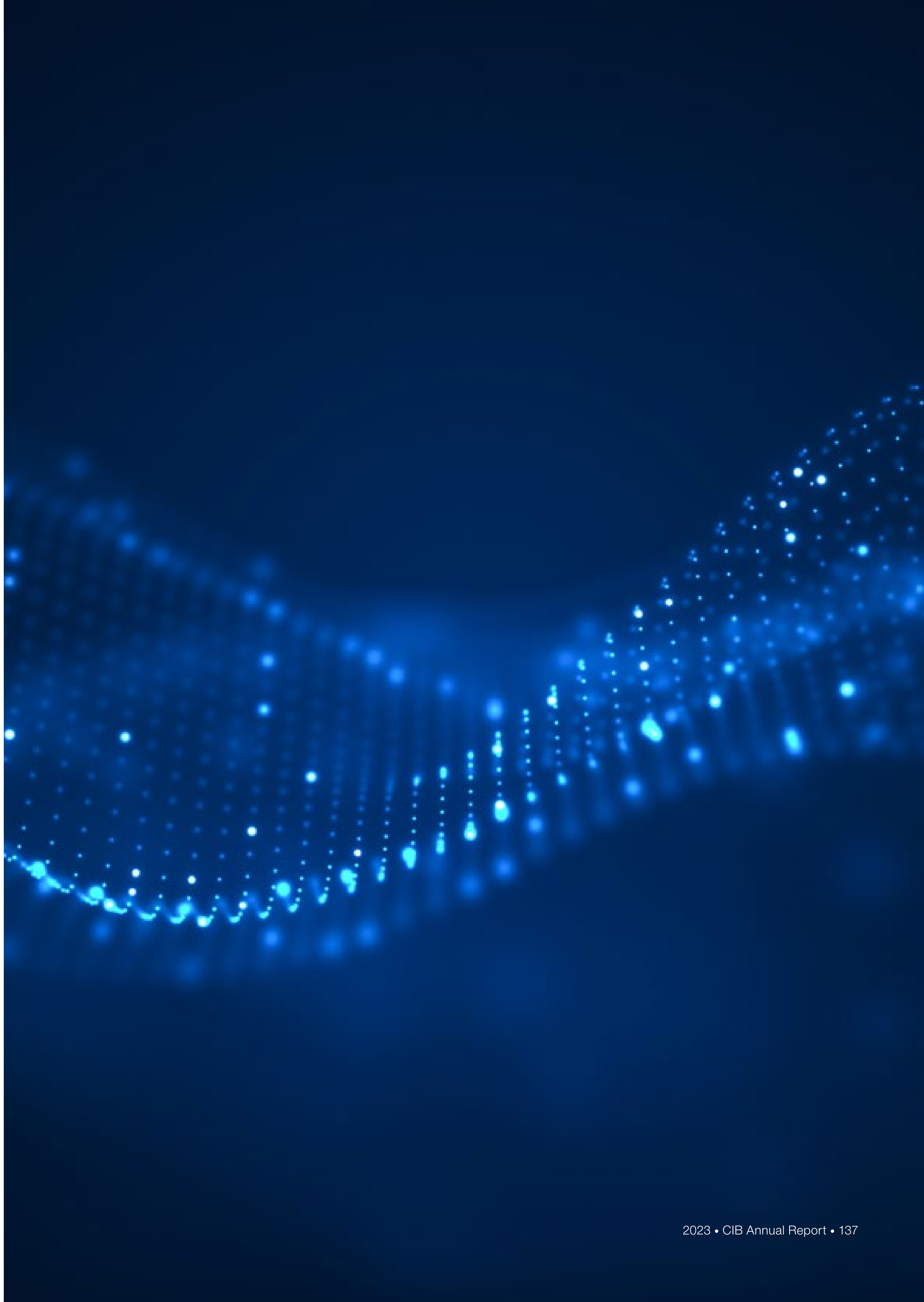
IAG's activities are backed by a team of highly qualified, professional calibers that are continuously undergoing professional development, awareness, and training and obtaining international certification in the Internal Audit field.

2023 Highlights

IAG continued to focus on CIB's digital transformation and the effectiveness of controls in this regard, while utilizing the Bank's big data capabilities.

2024 Forward-Looking Strategy

IAG will continue to monitor ever-shifting market dynamics to meet its mandates and maintain strategic alignment with CIB's objectives. The division's strategy is fundamental to remaining relevant and playing an important role in achieving a balance between cost and value, while making meaningful contributions and enhancements to the organization's overall governance, risk management, and internal controls.



Compliance

Given our unique positioning, CIB highly prioritizes operating compliantly as one of its fundamental principles. Our unyielding belief is that no matter what we do, we will always strive to do it while upholding our responsibility toward our employees, customers, shareholders, and society.

Compliance Risk Management Framework

CIB started a transformative journey in 2019 by establishing a best-practice framework positioned on strong, well-defined foundational pillars. In 2023, we strengthened the pillars of our Compliance Program to properly identify, measure, monitor, and decide on ways to manage compliance risks on a bank-wide level. We also defined our approach toward managing the different compliance risks in a pragmatic, business-centric, and forward-looking manner.

The Compliance Group's strategic objective is to oversee compliance risks across the Bank and continue strengthening its ability to identify, measure, monitor, control, and report on these different risks.

CIB defines compliance risk as the potential for financial or non-financial losses to the Bank, or an adverse impact on our customers, stakeholders, or the integrity of the markets we operate in due to a failure to comply with applicable laws and regulations. The Compliance team is responsible for managing the main pillar of the Compliance Program, with a focus on promoting compliance consciousness across the Bank.

CIB maintains a Compliance Program that is grounded on the following pillars:

Regulatory Compliance

Regulatory compliance risk within CIB is managed through a comprehensive Regulatory Compliance Program designed by the Regulatory Compliance Department under the Compliance Group. This program is translated into a set of actions and processes handled by the two arms of Regulatory Compliance, namely the Regulatory Affairs Department and Business, as well as the Advisory Compliance Department. These two functions collaborate to set an end-to-end process to implement the Regulatory Compliance Program.

Regulatory Affairs

CIB maintains a transparent relationship with regulators through open channels of communication. Consequently, CIB established a dedicated function, the Regulatory Affairs Department, to act as the focal point of contact between the Bank and the Regulators by virtue of the Contact with Regulators Policy, with a focus on how the Bank manages the various types of regulatory engagements and relationships. This function is responsible for ensuring that all regulatory engagements are duly fulfilled and managed in a logical, transparent, and well-coordinated manner through standardized practices, processes, and tools.

Compliance Business Advisory

Business Advisory Compliance, which is part of the Regulatory Compliance Function, operates as a compliance business partner and a trusted advisor to all CIB business lines to ensure that all CIB operations, policies, procedures, products, and services are fully compliant with the relevant laws and regulations. This dedicated function is responsible for providing advice, guidance, and interpretations regarding regulations to the first, second, and third lines of defense on different regulatory issues. It is also responsible for conducting proper risk assessment and finding compliant approaches to enable the execution of customers' requests and the Bank's business initiatives.

Financial Crime

CIB ensures its compliance with all laws and regulations issued in Egypt related to combating Money Laundering and Terrorism Financing (AML/CTF), taking all necessary measures to combat money laundering and terrorism financing and adhere to sanctions requirements. In addition, CIB is committed to adopting the recommendations of the Financial Action Task Force (FATF), as well as the instructions of the Basel Committee on Banking Supervision, relevant to AML/CTF.

Accordingly, CIB has developed a program for combating Money Laundering and Terrorism Financing that covers several key elements, such as the written policy and procedures manual, using the automated transactions monitoring system, and automated sanctions screening system. These highly developed training and awareness programs are mandatory for all employees and seniors, further ensuring compliance consciousness across the Bank.

Know Your Customer

CIB is committed to applying the principle of Know Your Customer (KYC), adopting a risk-based approach, conducting Customer Due Diligence (CDD) measures across all relationships and Enhanced Due Diligence (EDD) for high-risk relationships that require compliance pre-fact approval.

The Bank ensures the effective implementation of the KYC principle, which enables it to identify ultimate beneficial owners for all customers during on-boarding, and flagging any KYC updates.

CIB is in compliance with the CBE's rules and regulations in regards to record keeping, restricting dealing with shell banks and prohibiting the opening of anonymous or numbered accounts as stated in the KYC policies and procedures.

Moreover, CIB is keen on identifying US-based customers or entities (a US citizen or resident for tax purposes). Under the Foreign Account Tax Compliance Act (FATCA), financial institutions in Egypt are required to provide the US Internal Revenue Service with the necessary information regarding their clients who are subject to this law.

> "CIB maintains a transparent relationship with regulators through open channels of communication.

Transactions Monitoring

CIB has in place modern, state-of-the-art technology and systems that monitor customer transactions and identify suspicious transactions.

The system is also equipped to handle several scenarios to ensure seamless monitoring of transactions, immediately reporting any such transactions to the authorities in accordance with regulations and the approved policy and reporting procedures.

Sanctions Monitoring

CIB implements sanctions issued by the Egyptian Money Laundering Combating Unit (EMLCU), Security Council of the United Nations, Office of Foreign Asset Control, European Union, United Kingdom, and France on countries, territories, individuals, or entities.

CIB pre-fact screens all trade finance and incoming and outgoing transactions in order to detect sanctioned individuals and entities to take the necessary actions to stop or hold dealing with such entities.

Anti-Bribery and Corruption

CIB has a zero tolerance policy for bribery and corruption, in line with the Bank's ethical standards for internal and external stakeholders. It has established principles in place to identify

> To ensure success, the **Compliance team evaluates and measures quantitative and qualitative conduct risks** retrospectively and proactively.

and prevent potential bribery and corruption to protect the Bank's integrity and reputation.

Conduct Risk and Customer's Rights Protection

CIB's Conduct Risk program is focused on behaviors rather than demonstrating solutions in a tick-box exercise. This requires combining the core elements of a conduct framework, namely strategy, appetite, governance, and reporting, across the lifecycle of products and services. The Conduct Risk program encompasses advertising and promotional materials, product, and sales process development, as well as aftersales services.

Improving customer service continues to be a priority. To ensure success, the Compliance team evaluates and measures quantitative and qualitative conduct risks retrospectively and proactively, in consideration of current and future outcomes.

Conduct Risk Framework Pillars:

- Developing a Conduct Risk Strategy that aligns with the Bank's strategy and business model to ensure a customer-centric approach is applied.
- Fostering a customer-centric work environment.
- Tailoring the Bank's operating model to uphold customers' best interests, in compliance with regulatory requirements and customer expectations.
- Identifying and preventing actions and behaviors that constitute market misconduct and responding accordingly.

Our Conduct Risk management centers around treating customers fairly, protecting their rights, and positively impacting the communities we serve. This also aligns with the CBE's instructions issued in February 2019 to clearly govern the relationship between banks and their customers in all stages of dealings. The Customers' Rights' Protection unit was established with the primary objectives of ensuring the protection of customers' rights and the enforcement of compliance with those principles, including:

- Treating customers fairly and candidly;
- Conducting business with skill, care, and diligence;
- Handling customers' complaints fairly and independently, under clear and specific mechanisms;
- Raising the level of financial awareness and education of current and potential customers;
- Protecting the privacy and confidentiality of customers' financial and personal information;
- Protecting customers against financial fraud; and
- Protecting customers and the Bank against security, reputation, and regulatory compliance risks using third-party service providers.

Whistleblowing

The Speaking-Up Program was designed to support and encourage confidential and anonymous whistleblowing reports, complying with all applicable regulations. Our whistleblowing channels are available to everyone, including employees, contractors, suppliers, and the public. The reporting channels include the dedicated Whistleblowing Hotline, Whistleblowing Email, and a portal launched over

the CIB official website, enabling anyone to submit a whistleblowing report anonymously.

All received reports are handled independently and confidentially, while ensuring that the identity of the whistleblower is safeguarded and protected. Results of investigated cases are raised directly to the Board Audit Committee responsible for ensuring that appropriate remediating actions have been implemented.

Compliance Monitoring and Testing

To ensure CIB's full compliance with all the applicable laws and regulations, the Compliance Group established the Compliance Monitoring and Testing function to provide post-fact assurance regarding the effectiveness of the Compliance Program and CIB's compliance status. In 2023, we implemented our monitoring and testing methodology, utilizing the risk-based approach to focus on high-risk areas, ensuring efficient and effective testing that entails identifying, assessing, and prioritizing regulatory requirements based on their potential impact on the organization. This approach was successfully executed through fostering a culture eager for development, carrying out ongoing monitoring to ensure the organization's Compliance Program remains up-to-date and effective, and conducting comprehensive training and awareness programs to ensure employees understand their compliance responsibilities and the consequences of non-compliance.

The monitoring and testing reports reassure the Board and Senior Management that compliance risks are being adequately identified and mitigated.

Compliance Training and Awareness

CIB attributes its continued achievement of compliance strategic objectives on its development of employee awareness and the emphasis placed on behavioral compliance.

Compliance conducts different programs to cover staff, outsourced employees, and third-party companies' employees who represent the Bank in related activities. These programs include Combating Financial Crime, Compliance Ethics and Business Integrity, Sanctions Screening Refresher training for front-liners, Customer Due Diligence for High-Risk Customers, Trade Compliance Advanced Training, Advanced Financial Crime for second and third lines of defense, Regulatory Compliance for Branches Operations, Compliance for Business Banking and Corporate Business, and Customers' Rights Protection for front-liners.

This is in addition to awareness campaigns, such as Say No to Bribery and Corruption, Conduct Risk Awareness, Whistleblowing – CIB Integrity Channel, Celebrating World Whistleblowing Day, Conduct Risk – Treating Customers Fairly, Fighting Corruption is Everyone's Responsibility, Financial Crime and Regulatory Compliance Guide, and Fighting Corruption Starts with You.

06.

ESG

Portfolio utilization under Green Bond program

136USD/MN

Sustainable Finance: A Vehicle for System Transformation at CIB

CIB's Sustainable Finance journey is built on the firm belief that multi-stakeholder engagement is key to driving system transformation and ensuring sustained growth. CIB is a founding signatory of the Principles for Responsible Banking (PRB) and the Net-Zero Banking Alliance (NZBA), and it has worked alongside industry leaders, banks, and regional advocates to influence the trajectory of the banking sector in a continuously developing climate landscape. Accordingly, CIB introduced its Sustainable Finance Institutional Pillars initiative to achieve bank-wide system transformation and organizational readiness. Despite the challenges and aftershocks of the COVID-19 pandemic and the associated economic crisis, the initiative has been instrumental in helping CIB undertake an ambitious, holistic sustainability system transformation plan that succeeded in generating value for the Bank.

The Institutional Pillars have since evolved to provide the Bank with the guidance and support needed to continuously innovate its sustainable finance offerings, foster its risk management, enhance its disclosure practices, and integrate ESG principles across our operations. CIB aims to continue leading the transition to a low-carbon economy in Egypt, as well as further integrating its ESG efforts, recognizing its role as an institution that serves the environment and society.

Sustainable Finance Institutional Pillars

Sustainability Governance

CIB's solid sustainability governance structure is set in place to ensure holistic ESG integration across the Banks' operations. We attribute the success of our robust governance procedures to the unwavering support of CIB's top management, who cemented sustainability values as core components of our operations.

The presence and active engagement of the Bank's Executives and top management ensures vibrant and action-oriented discussions take place with all internal stakeholders to promote equality, empowerment, and sustainable growth across all facets of the Bank. Additionally, it enables ongoing dialogue to assesses areas of improvement and the way forward to overcome challenges and create further value.

In 2023, the Board Sustainability Committee convened six times, providing strategic guidance on ESG matters and ensuring the effective ESG integration into operations in alignment with global and regional frameworks. On the executive level, the Sustainable Finance Steering Committee, headed by the CEO and Managing Director, convened five times and oversaw the Bank's ESG system and strategy implementation, and it monitored ESG activities, compliance, reporting, and disclosures commitments, aiming to accelerate the transition.

CIB's Chief Sustainability Officer led the Sustainable Finance Department toward seamlessly executing the transformation in alignment with and influenced by the Bank's extensive framework architecture, national guidance and directions, and internal governance practices primed to position sustainability at the forefront of all Bank operations. CIB's Sustainable Finance Department comprises environmental experts, engineers, and financiers, ensuring various lenses and perspectives are in place to approach full-fledged integration of sustainability across the Bank's operations.

Firmly established governance practices ensured continued operational compliance with global frameworks and standards and the CBE's Sustainable Finance Circulars, the implementation of its six Sustainable Finance Guiding Principles; the mandated governance, policies, and SOPs; as well as disclosures and reporting. Being listed on the EGX, CIB also complies with FRA mandates to report on ESG and TCFD.

Sustainable Finance Strategy and Sustainability Management Systems

The Sustainable Finance Institutional pillars allowed bank-wide mobilization along parallel tracks, allowing CIB to flawlessly execute its sustainability conscious operations. This resulted in the incorporation of the Sustainable Finance Strategy within the Bank's four-year Corporate Strategy, focusing on E&S and climate risk, revenue generation, sustainable finance advocacy, and our ecological footprint. Sustainable Finance integration on both the strategic and operational levels supported CIB in achieving long-term value creation for its stakeholders.

In parallel, CIB's Sustainability Management System underwent a well-integrated and multi-track sustainability system transformation that includes embedding sustainability across all Bank policies, SOPs, capacity building, data, monitoring, and disclosures. The Sustainable Finance Systems and Strategy Implementation Workstreams were formulated to act as the Bank's Sustainable Finance Strategy implementation arm. The eight cross-functional workstreams address a dual track by building robust sustainability systems to ensure the effective integration of ESG across all CIB's lines of business and support units, hence guaranteeing that sustainability criteria are embedded within all relevant business decisions and daily operations.

Since their launch in April 2022, considerable achievements have been accomplished under the eight cross-functional workstreams, which came as a result of the synergies between CIB's internal stakeholders through the active contribution and dedication of the Bank's functions, including Risk, Corporate Banking and Global Customer Relationship, Retail Banking and Financial Inclusion, as well as the Direct Investment Group, jointly representing CIB's main lines of business.

CIB's support units also played an integral role in the implementation of the Sustainable Finance Strategy through the active participation of CIB's Corporate Services, Marketing and Communication, Learning and Development, IT, and Data teams in the Ecological Footprint, Advocacy and Stakeholders Relations, Education, and ESG Data Digitalization workstreams.

Notable 2023 Highlights and Achievements

Sustainable Finance Sourcing

CIB witnessed business growth under its Green Bond Program, the first-of-its-kind in Egypt, with portfolio and green assets utilization up to USD 130.3 million as of October 2023, to finance different criteria of green projects according to the CIB Green Bond Framework. The Bank also signed a seven-year USD-100-million green loan to finance a pipeline of environment-friendly projects that include water management and energy efficiency, green buildings and renewables, and sustainable agriculture projects.

Sustainable Finance Offerings for Corporates and SMEs

Following the success of CIB's Green Bond Program, the Bank increased its efforts to provide convenient technical and financial services to face complex environmental challenges for carbon-intensive industries, therefore promoting decarbonization practices. CIB's sustainable finance offerings include Energy Efficiency, Renewable Energy, Green Cities and Buildings, Waste and Water Management, Non-Energy GHG, Water Desalination, Energy Management Systems, Building Retrofit, Pollution Prevention and Control, Sustainable Agriculture, and Tourism and Transport.

Environmental and Social Risk Management System (ESRMS)

CIB has a robust ESRMS in place, which is endorsed by DFIs. The Bank upgraded its ESRMS to align with local and global standards. CIB has been entitled to foreign concessional priced funds and/or de-risking facilities based on the presence of a robust Sustainable Finance System that led to the successful ESG due diligence and internal synergies between relevant departments.

Partnership with the IFC on Climate Risk and TCFD Implementation

Addressing the Bank's climate risk approaches, covering TCFD gap analysis, adaptive capacity assessment, portfolio scans for physical and transition risks, scenario planning, stress testing narratives, the development of a work plan for climate strategy, and the conducting of multiple trainings were all implemented to support efficient climate risk management.

Transition Finance Programs and Initiatives – Client Engagement and Growth

CIB endorses its vision for a sustainable economy by supporting clients toward the development of low-carbon pathways, the use of low-carbon technologies and products, and encouraging a circular economy aiming for growth and resilience for the Bank and its stakeholders. Through Sustainable Finance's flagship program "Sustaining Sectors," as well as "Sustaining SMEs," the Bank engages with clients and aids their transition toward a low-carbon economy. The Bank also supports corporations by conducting Energy Walk-Through Audits to enable clients to adopt cost-saving solutions for resource efficiency, while also providing capacity building, technical assistance, and certifications. The EDGE Green Buildings Certification was facilitated for two of our major clients in real estate development, successfully enhancing their sustainability position in the market.

Empowering SMEs – Partnership with GIZ and Development of CIB's "Sustaining SMEs" Program

CIB's "Empowering and Promoting Sustainable Finance within the Financial Sector in Egypt" project with the GIZ agency is committed to providing a holistic framework to support Egypt's SMEs access to funding, in recognition of the crucial role played by SMEs in the areas of green transformation and the transition of Egypt's economy toward sustainability. This partnership aligns with the Bank's Sustaining SMEs Program, which aims to unlock opportunities for SMEs — the hidden engine of the economy — to drive the transition through facilitating adherence to globally recognized standards on green performance, social practices, and other ESG matters.

Sustainable Finance Policy and Frameworks Architecture

CIB's Sustainable Finance Policy is a comprehensive and progressive document issued in January 2021. The policy stresses commitment to a wide array of thematic obligations, which are reviewed annually. It mandates the integration of the ESG dimensions across all lines of business and is reviewed annually to reflect local and global ESG trends and developments.

CIB is engaged in several global sustainable finance frameworks supporting its sustainable finance transformation journey. As a co-founding signatory of the United Nations PRB and the NZBA in 2019 and 2021, respectively, and an active member of the Glasgow Financial Alliance (GFANZ) and GFANZ Africa Network, the Bank recognizes that the journey to true sustainable growth involves global collaboration and outreach with industry leaders. Additionally, the frameworks have played an extensive role in the evolution of the Bank's sustainable finance practices, as reflected in our Policy.

Risk/ESRMS

Enhances CIB's risk management by including Climate, Environmental, and Social risks

Portfolio

Portfolio ESG Assessment and enhancement

EESG Reporting

Allows for transparent reporting on CIB's ESG measures

ESG Indices

Global ratings and indices indicative of the Bank's sustainability considerations

Science-Based Approaches

Ensuring streamlined and globally accepted scenario-setting

Reporting and Disclosures

Since 2015, CIB has evolved its disclosure practices in alignment with global standards and investor needs. In 2023, CIB maintained its commitment to transparency in reporting and disclosures by publishing the below reports:

The Power of System Thinking – CIB's First ESGDD Integrated Report

A comprehensive approach consolidating sustainability related frameworks (including GRI, SASB, UNGC, EP, NZBA, PRB, CFHI, and TCFD, as well as CIB's ecological footprint) and reporting on their progress and operations, acting as a singular resource for investors on ESG as well as Data and Digitization disclosures.

Climate Risk Management and Resilience – The Task Force on Climate-Related Financial Disclosures (TCFD) Report 2021–2022

Addressing climate-related risks, structured around governance, strategy, risk management, and metrics and targets.

Portfolio Impact – The Bank's Third Principles for Responsible Banking (PRB) Portfolio Impact Assessment Report

Covering FY2022 and addressing the Bank's sustainability activities under the six key principles that lead to responsible banking. Under the second principle, CIB addresses its corporate, business and retail banking portfolios' potential positive and negative impacts. In response to the assessment results, we address our efforts under climate and financial inclusion to mitigate any negative impacts and enhance positive ones by setting clear relevant targets.

Green Bond Impact – CIB's First Green Bond Impact Report (for 2021)

CIB published its first Green Bond Impact Report covering the year 2021, which gives an overview of the allocation of eligible green assets to the Commercial International Bank Green Bond and describes the impact of the Green Bond at a portfolio level.

Decarbonization – The Net-Zero Banking Alliance Targets Report "Advancing the Transition to Net-Zero"

This report presents finance emissions and portfolio targets for two carbon-intensive sectors: power generation and both commercial and residential real estate. We plan to include more sectors in the future and concentrate our current efforts on the decarbonization of our internal operations.

Decarbonization – The Ecological Footprint Report

CIB began reporting on its carbon footprint in 2018 and later expanded onto Ecological Reporting to account for its impact on land, water, and carbon usage. Since we started reporting our efforts in 2018, we have made significant progress in improving our footprint, as outlined below:

	2018 (BY)		2019		2020		2021		2022	
	$mtCO_2e$	Status	$mtCO_2e$	Status	$mtCO_2e$	Status	$mtCO_2e$	Status	$mtCO_2e$	Status
SCOPE 1 – DIRECT EMISSIONS ($mtCO_2e$)	10,058	-	5,148	-49%	5,551	-45%	2,685	-73%	4,221	-58%
SCOPE 2 – INDIRECT EMISSIONS ($mtCO_2e$)	37,678	-	36,704	-3%	34, 105	-9%	31,541	-16%	33,414	-11%
TOTAL SCOPE 1 & 2 EMISSIONS ($mtCO_2e$)	47,736	-	41,852	-12%	39,656	-17%	34,225	-28%	37,635	-42%
SCOPE 1 & 2 ($mtCO_2e$/employee)	7.6	-	6.0	-21%	5.5	-28%	4.11	-46%	4.3	-43%
SCOPE 3– INDIRECT EMISSIONS ($mtCO_2e$)	8,170	-	10,879	+33%	8,916	+9%	9,236	+13%	25,653	+214%
TOTAL SCOPE 1, 2, & 3 EMISSIONS ($mtCO_2e$)	55,906	-	52,731	-6%	48,572	-13%	43,461	-22%	63,288	+13%
AVOIDED EMISSIONS ($mtCO_2e$)	-144	-	-144	-	-144	-	-223	+55%	-270	+87.5%

Stakeholder Communication and Education

Global Engagement

In 2023, the Bank was present across various networks, including the PRB Banking Board, Net NZBA Steering Group, GFANZ Africa Advisory Board, GFANZ Africa Network Working Groups, UNEP-FI's Working Groups, and the World Economic Forum's Green Hydrogen Initiative, all of which aim to accelerate sustainability efforts on a regional and global scale.

CIB is a firm believer in the power of global collaboration, dialogue exchange, and stakeholder engagement to bring forth major change and reformations, particularly in the face of climate challenges that are anticipated to impact the region. Accordingly, the Bank continues to maintain its presence across various global and regional events, recognizing the role of dialogue in furthering wider sustainability driven ambitions. During 2023, and building on its COP27 initiatives introduced the year prior, CIB was present at various regional and global events advocating for the mainstreaming of climate finance innovation, transition finance, the development of region-specific taxonomies, and scaling decarbonization efforts. Through engagement with leading stakeholders, the Bank progresses to actualize its ESG ambitions to create value for investors, partners, clients, and the community at large.

2023 AWARDS

EGX Award

Best **ESG** Report

Euromoney

Best Bank for **ESG** in Egypt

Global Economics

Best Institution for **ESG** Integration in Egypt

During the Annual Conference for the Arab Federation of Capital Markets (AFCM) by Global Economics, held in Oman

Ratings and Recognitions

Index/Rating	Current Rating
FTSE4GOOD	Constituent
BLOOMBERG GEI	Constituent
CDP	B- (Management)
MSCI ESG	A
S&P (CSA)	30
SUSTAINALYTICS	23.18
S/P EGX ESG	Constituent

Sustainable Finance Innovation

Innovation is at the core of CIB's achievements and has played a key and active role in the development of CIB's sustainable finance journey. Innovation remains at the heart of our product and service development, as well as the Bank's internal data architecture, to ensure sustained growth.

ESG Data Digitization Platform

CIB is designing and in the process of developing an ESG Data Digitization platform to enable efficient ESG data management and reporting, in addition to supporting the environmental and social risk management assessment processes. The main purpose of the platform is to streamline and automate ESG data tracking, monitoring, analysis, and reporting in alignment with national and international sustainability related frameworks and standards. The platform is under development with the key goal of acting as a robust digital solution to overcome data hurdles while mainstreaming sustainable finance.

Sustainable Finance Education

CIB recognizes the role of education in shaping future generations and transforming the climate trajectory of the region. Accordingly, the Bank has developed a comprehensive sustainable finance learning program and offers specialized training for staff to ensure the proper integration of ESG principles across the Bank's operations and culture. CIB is also keen on collaborating with higher education bodies to integrate this discipline across curriculums in Egypt.

“Innovation remains at the heart of our product and service development, as well as the Bank's internal data architecture, to ensure sustained growth.

CIB's Sustainable Finance journey is built on the firm belief that MULTI-STAKEHOLDER ENGAGEMENT is key to driving system transformation and ensuring sustained growth.

Corporate Governance

CIB's Corporate Governance plays a vital role in ensuring that the Bank operates responsibly and in compliance with regulations. In order to evolve with the ever-changing market landscape, the Corporate Governance Group proactively monitors industry trends and adapts to new challenges, regulations, and best practices. CIB has consistently demonstrated unwavering commitment to vigorous governance practices in recognition of their significance, enabling the Bank to establish a solid foundation for responsible and successful operations in the financial industry, thus reassuring stakeholders that CIB's management acts in their best interests.

CIB has developed and implemented a robust corporate governance framework that outlines the Bank's governance principles, policies, and procedures. This framework provides a clear roadmap for decision-making and accountability throughout the Bank. It ensures that governance practices are consistently applied across all levels of the Bank, promoting transparency and integrity. This commitment to maintaining a strong control environment underscores the Bank's dedication to promoting sound governance practices.

The Bank protects and enhances the shareholders' rights and participation in decision-making processes through various measures, including well-structured and transparent General Assembly meetings, providing clear information about the meeting date, agenda, and proposed resolutions well in advance, allowing shareholders to prepare and participate effectively. There are also options for remote participation to increase accessibility for shareholders, especially regarding matters requiring shareholders' consent on key decisions. The Bank has accordingly expanded effective channels of communication with shareholders through a dedicated Investor Relations team responsible for regularly providing timely and transparent information and updates on the Bank's performance, strategy, and governance matters.

CIB has implemented a range of measures to ensure its adherence to best practices, ascertaining their positive impact on the Bank and its stakeholders. Through its comprehensive Governance Framework, diverse Board composition, sound Board Committees, proficient management team, effective internal control processes, and transparent communication and reporting, the Bank exemplifies the significance of governance in ensuring its long-term success and maintaining stakeholder trust. The Bank's efforts in practicing good governance serve as a notable example for the banking industry, setting a high standard for others to emulate.

Governance policies are designed to ensure transparency, accountability, and effectiveness in the decision-making process. They foster trust and reaffirm the Bank's a positive reputation. These policies are regularly reviewed and updated to adapt to changing circumstances and tailoring best practices to reflect ESG consciousness.

CIB's Code of Corporate Governance ensures the corporate governance system remains documented, transparent, and understandable to boost stakeholders' confidence in the Bank's management and supervision.

Our Code of Conduct serves as a reference for employees to thoroughly comprehend the Bank's expectations and standards for behavior. It encourages employees to act in an honest, fair, and transparent manner, upholding the Bank's reputation and adhering to regulatory requirements. As such, it helps create a culture of integrity and customer-centricity, mitigate risks associated with unethical practices, and foster trust among stakeholders.

The Conflict of Interest policy sets forth the guidelines needed to manage situations where Board of Directors members, senior management, or employees' personal benefits may interfere with their ability to act in the Bank's best interests. It helps identify and address potential conflicts of interest and ensures that decisions and actions are taken objectively and with integrity.

To create a foundation of shared knowledge and ensure compliance to CIB's Code of Conduct and Conflict of Interest policy, induction sessions are provided for new employees to help them better understand the Bank's expectations and standards. Additionally, awareness sessions are provided for existing employees as reminders and updates, therefore building a strong corporate culture intrinsic to the Bank's success.

The Social Media policy helps establish a framework for responsible social media use, protecting the Bank's interests while promoting a positive online presence. It sets clear expectations, reduces legal risks, and fosters a culture of professionalism and online etiquette.

The Disclosure Policy outlines the Bank's commitment to open communication and provides a framework for disclosing relevant information to various stakeholders, including employees, shareholders, customers, and the general public. It promotes transparency and ensures that disclosures are published in a timely and accurate manner. It also defines what constitutes material non-public information to help the material risk takers (insiders) — who have access to such information or have key functional responsibilities with significant potential impact/influence — understand the boundaries and consequences of engaging in insider trading during the blackout period. This builds trust and confidence among all stakeholders, as they can make informed decisions based on reliable information.

The Staff Issues and Ethics Committee is responsible for tackling staff complaints related to conduct and performance management within the Bank. Its role is to conduct thorough investigations and reach impartial and respectful resolutions.

“**The Board of Directors maintained its commitment** to a governance framework that is in line with international best practices.

Board of Directors

The Board aims to promote CIB's long-term success, deliver profitable and sustainable value to shareholders, and promote a culture of integrity, transparency, trust, and respect among its stakeholders. CIB Board members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Bank and the shareholders, taking into account the interests of all other related stakeholders.

The majority of the Board is made up of independent directors. Led by its non-executive Chairperson, the Board is primarily responsible for providing the oversight of senior management with respect to strategic planning, financial and accounting matters, risk management, human resources, and other internal policies. It ensures the effectiveness of the Bank's internal control systems and risk management to secure CIB's institutional reputation and long-term sustainability. The Board ensures that the Bank's purpose, values, strategy, and culture are all aligned, and it reviews management performance in that regard.

CIB's Board members have the range of skills, understanding, experience, and expertise necessary to ensure high corporate governance standards are maintained. The Board plays a pivotal role in setting high standards of corporate governance across the Bank and promoting a work environment in which said standards can be reflected. The Bank's Governance Framework establishes systems of checks and controls required to drive accountability and effective decision-making, with appropriate policies and practices in place to ensure that the Board and its committees operate effectively.

To ensure clear lines of accountability for management throughout the Bank, the Board continuously monitors CIB's Governance Framework. It also assesses the framework's relevance in relation to material changes to the Bank's size, complexity, business strategy, markets, and regulatory requirements.

In exercising its responsibilities, the Board liaises with and supports the Bank's internal control functions and constructively uses outcomes and reports received by these functions to monitor the necessary corrective actions. It ensures the clear segregation of the roles and responsibilities of these functions, enabling each to communicate directly and independently with the Board and senior management.

The Board is cognizant of its role in creating sustainable, long-term value for shareholders and stakeholders. It is committed to achieving high standards of governance designed to protect the long-term interests of all stakeholders, while promoting the highest standards of integrity, transparency, and accountability. The Board ensures the Bank's accounts and financial statements are fair, balanced, understandable, and provide necessary information for shareholders to assess CIB's position, performance, business model, and strategy.

The Board's structure complies with prevailing local regulations and international best practices, allowing it to maintain its leading market position. The respective roles of the Chairperson and the CEO, which are separate, are set out in writing and have been agreed upon by the Board. An inclusive culture that recognizes the importance of gender, social, and ethnic diversity is the main driver of the Board's strength. Female representation on CIB's Board is at 18% and among independent directors is at 54%, according to the latest Board structure. Over the course of 2023, CIB's Board of Directors met 11 times.

Serial	Board Member Name	(Executive / Non-Executive / Independent)	Joining Date	Capacity
1	Mr. Hisham Ezz El-Arab	Non-Executive	22-Nov	Experienced Member
2	Mr. Hussein Abaza	Executive	17-Mar	Experienced Member
3	Mr. Paresh Sukthankar	Independent	19-Oct	Experienced Member
4	Mr. Rajeev Kakar	Independent	19-Oct	Experienced Member
5	Mr. Sherif Samy	Independent	20-Mar	Experienced Member
6	Mr. Jay-Michael Baslow	Independent	20-Oct	Experienced Member
7	Mr. Fadhel Al Ali	Non-Executive	22-May	Representing the interests of Alpha Oryx Ltd. – a subsidiary of ADQ
8	Mr. Aziz Moolji	Non-Executive	22-May	
9	Ms. Nevine Sabbour	Independent	23-Apr	Experienced Member
10	Ms. Hoda Mansour	Independent	23-Apr	Experienced Member
11	Mr. Jawaid Mirza	Non-Executive	23-Aug	Experienced Member

In light of the list of candidates for Board of Directors membership for the March 2023–March 2026 term, CIB's General Assembly approved the new Board of Directors composition chaired by Mr. Hisham Ezz El-Arab, succeeding Mr. Sherif Samy. Mr. Tarek Rouchdy, Ms. Magda Habib, and Dr. Amani Abou Zeid did not submit for nomination for a new term, while Ms. Nevine Sabbour and Ms. Hoda Mansour joined CIB as independent board members, commencing March 2023 (subject to CBE approval, which was obtained on 19 April 2023). Accordingly, the composition of the non-executive Board Committees was changed. On 17 August 2023, Mr. Jawaid Mirza joined the CIB Board of Directors as a non-executive board member.

Board Committees

The Board of Directors established six standing committees to support and assist the Board in carrying out its designated responsibilities and duties. The committees were formed in adherence with the Bank's corporate governance regulations issued by the CBE, relevant applicable laws, regulations, and international best practices. The committees submit their recommendations to the Board of Directors to take the necessary decisions. Each Board Committee has a charter outlining its objective, scope, authorities, responsibilities, attendance quorum requirements, and voting procedures. All Board Committees are chaired by NEDs, who brief the Board on major points raised by their respective committee.

Board Audit Committee

Responsibilities: The committee was established to provide oversight over the integrity of the Bank's financial reporting process, the effectiveness of the Bank's internal control systems, and its compliance with all statutory requirements. The committee is also responsible for overseeing and reviewing the performance of the Bank's Internal Audit and Compliance functions, as well as the work of the Bank's External Auditors, to ensure the independence and objectivity of each, in addition to the quality of the applied outputs. It also has oversight on the whistleblowing process and its outcome. Additionally, in line with the Bank's dedication to customer service, the committee reviews complaint trends and their root causes.

2023 Audit Committee Highlights

The Audit Committee reviewed the financial statements and their notes and discussed them with the relevant Bank officers and External Auditors, receiving assurances that the financial statements fairly presented CIB's financial position and comply with regulatory (CBE and FRA) directives and reporting standards. This is in addition to the 2022 IFRS statements. The Audit Committee monitored the effectiveness of the Internal Audit Department and discussed audit engagement reports addressing measures taken to remediate identified deficiencies. The committee also discussed the proposal for the fee agreement with the External Auditors for FY2023. It also initiated the process for the Internal Controls Framework Assessment and the Internal Audit Group External Quality Assurance, both to be undertaken in 2024.

The committee discussed policies, controls related to compliance, combatting money laundering, and preventing financial crime. It also monitored the handling of whistleblowing issues.

The committee met six times in 2023.

Chairperson: Mr. Sherif Samy

Members: Mr. Paresh Sukthankar and Ms. Neveen Sabbour

Board Risk Committee

Responsibilities: The Risk Committee assists the Board in carrying out its duties related to Risk Management oversight, concurs on all Risk Policies, and makes the necessary resolution recommendations to the Board. The committee's role includes assisting the Board in the organization's governance and exercising due care and diligence in terms of the Risk Management Framework and processes for all Financial and Non-Financial Risks, as well as Emerging Risks.

2023 Risk Committee Highlights

The committee reviewed Standard Risk reports advising on Institutional, Consumer, and Business Banking, as well as other Financial and Non-Financial Risks' main challenges that occurred during the quarters. The committee ensured the existence of a Risk Management structure and an effective process for identifying, assessing, and mitigating Credit, Market, and Operational Risks; other Financial and Non-Financial Risks; and Emerging Risks and the adequacy of the existing Risk Measurement methodologies. The committee also reviewed and challenged the Expected Credit Loss (ECL) calculation and was confident in the Bank's relatively better and more stable portfolio quality and healthy coverage ratios. In addition, the committee reviewed risk-related policies and addressed the necessary recommendations.

Furthermore, it reviewed the adequacy of Capital Ratios (Economic and Regulatory) and concurred the Internal Capital Adequacy Assessment Process (ICAAP) document, the Recovery Plan (RP), and Write-Off cases that were referred by the Non-Performing Loans and Investments Committee (NPLIC) or the Management Risk Committee (MRC). It also recommended appropriate actions as deemed necessary to the Board for final approval.

The committee met nine times in 2023.

Chairperson: Mr. Jay-Michael Baslow

Members: Mr. Fadhel Al Ali and Ms. Neveen Sabbour

Board Governance and Nomination Committee

Responsibilities: The Governance and Nomination Committee (GNC) advises the Board on the general oversight of governance matters and ensures the promotion of a sound governance culture within the Board and the Bank. The GNC also reviews additions and amendments to the Board and Committee Charters, along with the governance group of policies. This entails a periodic review of the Bank's corporate governance structure, while recommending changes, when and if necessary, to the Board. The committee also acts as the Nomination Committee, which contributes to the Board's effectiveness and governance, sets the criteria for selecting new directors, and assists the Board in identifying suitable individuals for nominations as non-shareholder representative Board members. The committee's duties extend to Board succession planning, including the Bank's CEO.

2023 Governance and Nomination Committee Highlights

Throughout 2023, the Governance and Nomination Committee played a vital role in ensuring effective corporate governance practices and overseeing the nomination process for the Board of Directors. The committee's efforts were focused on promoting transparency, accountability, and ethical conduct throughout the organization. The committee regularly advised the Board on governance matters based on its periodic review of the Bank's governance framework. It also assisted the Board in operating as effectively as possible and governing the Bank's operations to be executed in accordance with international governance best practices. Succession planning was a key priority in 2023, with a focus on identifying and cultivating potential candidates for key positions to ensure a smooth transition and continuity of leadership.

During 2023, the committee reviewed and updated the Bank's corporate governance policies and practices to align with evolving regulatory requirements, industry best practices, and stakeholder expectations. In addition, it reviewed the Bank's 2023 Annual Corporate Governance and BoD reports. The committee also conducted a comprehensive evaluation of the Board's effectiveness to identify areas of improvement and enhance overall performance. The committee received updates throughout the year on newly issued or amended laws, executive regulations, rules, or decrees affecting the governance of the Bank, and it recommended the necessary actions.

The committee also oversaw the nomination process for new directors in 2023, including identifying suitable candidates, conducting due diligence, and recommending appointments to the Board, culminating in the appointment of three NEDs. Emphasis was placed on attracting qualified individuals with diverse perspectives, skills, and experiences to enhance the Board's effectiveness and decision-making. Non-executive board committees were formed to accommodate the new directors and leverage their knowledge and experience.

The committee met five times in 2023.

Chairperson: Mr. Paresh Sukthankar

Members: Mr. Rajeev Kakar and Mr. Sherif Samy

Board Operations and Technology Committee

Responsibilities: The Operations and Technology Committee assists the Board of Directors in fulfilling its oversight responsibilities over operations and technology, with respect to direction and alignment with the Bank's strategy, efficiency, and support of the business, robustness and resilience. This is in addition to ensuring it is at the forefront of developments, adopting cost-justified best practices, with the objective of increasing the Bank's competitiveness and reducing risks.

2023 Operations and Technology Committee Highlights

During 2023, the Operations and Technology Committee maintained its oversight over 2023 key strategic projects, direction, and the associated budget. The committee reviewed the operations and technology projects and strategies in light of the Bank's overall strategy, best practices, and competitive assessment. Under the committee's oversight, the Bank was able to work on several initiatives to enhance the customer experience and key service indicators, as well as develop a strategy to increase Contact Center capacity and, accordingly, improve its service levels. The committee has also overseen the Bank's efforts to further enhance our cybersecurity capabilities.

There was particular focus on the introduction of new services on our digital channels and establishing the Bank's Digital Delivery Center, aiming to enhance our digital platforms and develop a strategy to create a value proposition for low-income customers and Financial Inclusion for the untapped segments.

The committee continued its focus on critical non-financial risks across different operational and technology domains, as well as outstanding internal and external audit issues.

The committee met six times in 2023.

Chairperson: Mr. Rajeev Kakar

Members: Mr. Aziz Moolji, Ms. Hoda Mansour, and Mr. Jawaid Mirza

Board Compensation Committee

Responsibilities: The Compensation Committee recommends the adequate compensation level of directors, senior executive officers, executive officers, and key personnel, based on their annual performance evaluations and in accordance with corporate goals and objectives. Furthermore, the committee assesses the Bank's competitive position on an annual basis to ensure the Bank's ability to attract and retain the best calibers.

2023 Compensation Committee Highlights

In 2023, the committee assessed Management Committee members' and CEO direct reports' performances for the year 2022 and recommended appropriate compensation accordingly. The committee also reviewed and approved the Bank's overall variable compensation guidelines for 2022. Salary Review methodology and guidelines were presented to the committee for alignment, and a brief about 2022 performance management was presented to show the performance rating distribution approach that CIB pursued during 2022.

The committee met two times in 2023.

Chairperson: Mr. Rajeev Kakar

Members: Mr. Paresh Sukthankar, Mr. Aziz Moolji

Board Sustainability Committee

Responsibilities: CIB's Board of Directors established the Board Sustainability Committee (BSC) to ensure sustainable finance is well-attended on the Bank's agenda and that there is continuous and active engagement with sustainability matters across the Bank. The committee provides the Bank with strategic guidance on ESG matters and oversees the effective integration of ESG practices within the Bank's business and operations, while ensuring compliance with regulatory guidelines and alignment with global and regional frameworks. In acknowledging and identifying that all businesses have the potential to affect people and the planet in both positive and negative ways, CIB's focus is to ensure that its products and services are intended to minimize the Bank's long-term negative impacts and to create and maximize sustainable value for all its stakeholders.

2023 Sustainability Committee Highlights

During 2023, the committee convened six times with the Bank's executives on all sustainability topics, enacting its role as a core component of the Sustainable Finance Governance Structure, and monitored CIB's compliance with regulator mandates, including the CBE and FRA. The committee oversaw the implementation of the sustainability systems and ESG integration within the Bank, including the Environmental and Social Risk Management System and Climate Risk Management System. It also ensured the Sustainable Finance System and Strategy implementation across the Bank, the progress of the Green Bond, Sustainable Finance Programs, and product offerings.

The committee monitored the Bank's architecture of Sustainable Finance Frameworks and related disclosures, enacted a proper governance mechanism, and supported the establishment of an ESG Data Digitization Platform, strengthening the disclosure governance, promoting innovative banking solutions to maximize integrity and coherence. Furthermore, it ensured Sustainability Stakeholder Engagement, Partnerships and Advocacy through regional and international events to advance both the business and the brand to maximize business returns, in addition to overseeing the development of Sustainable Finance Education and Capacity Building activities for CIB staff and clients. This is in addition to peer knowledge exchange, as well as promoting gender equality through ensuring the existence of proper policies, activities, and services to constantly improve criteria of the received Gender Equity Seal.

The committee met six times in 2023.

Chairperson: Ms. Hoda Mansour
Members: Mr. Jay- Michael Baslow, Mr. Fadhel Alali

External Auditor

Based on the Audit Committee's statutes, the Audit Committee proposes the appointment of the two External Auditors to the Bank's Board of Directors, to be presented to the General Assembly for approval of the nominations and their annual fees. The committee also appoints an External Auditor to review the financial statements prepared in accordance with International Financial Regulatory Standards (IFRS) to comply with GDR listing rules of the LSE.

Nominated External Auditors should be CBE-listed, taking into consideration their selection from reputable and competent firms, in addition to being registered with the FRA. This is to ensure their expertise, competence, and ability to review the Bank's business.

To promote the independence of the External Auditors, only the Audit Committee is responsible for overseeing External Auditors' technical work, examining the efficiency of their audit work, discussing and approving their audit plan, and evaluating their performance, as well as taking decisions related to terminating or renewing their contracts in a manner that does not violate the provisions of laws in force.

The Audit Committee also continuously ensures that External Auditors face no difficulties upon performing their work and oversees the coordination between External Auditors and the Internal Audit Group. Moreover, it ensures that there are no restrictions impeding communications and cooperation among the Chief Audit Executive, Chief Compliance officer, the External Auditors, and all members of the Board of Directors and Audit Committee.

The members of the Audit Committee also review the reports issued by the External Auditors, discuss their observations, follow up on corrective actions, and notify the Board of Directors, along with presenting the committee's directives and recommendations.

Furthermore, to ensure the External Auditors' independence, their services should be limited to the External Audit function only. In some cases, where one or both are required to perform any other function, the Audit Committee's approval must be obtained in advance before assigning any service to them.

External Auditors are periodically changed based on the CBE's regulations in this regard.

Shareholders' Rights

CIB's Annual General Meeting of Shareholders is held in March of each year, no later than three months after the end of the Bank's financial year. Additional extraordinary general shareholder meetings may be convened at any time by the Board. Shareholders are provided with sufficient and timely information concerning the date, format, location, and agenda of general meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting. The General Assembly provides a platform for shareholders to engage with the Board, ask questions, and exercise their voting rights. Shareholder consent is required for key decisions, such as:

- The adoption of financial statements
- Voting on proposed dividends by the Board
- The remuneration of NEDs
- The appointment of the External Auditor
- The appointment, suspension, or dismissal of the members of the Board
- The issuance of shares or rights to shares, restriction, or exclusion of preemptive rights of shareholders, and the repurchase or cancellation of shares
- Amendments to the Articles of Association

Social Development

The CIB Foundation

The CIB Foundation is committed to supporting children of underprivileged families by extending quality healthcare to those unable to access them. Its efforts include not only donations but also the monitoring of projects' impact. In addition to the direct donations made to its fundraising account, the Bank supports the CIB Foundation with 1.5% of its annual net profit, aiming to actualize its goals of alleviating the burdens of families in need. The CIB Foundation works with private, public, and non-governmental healthcare providers that offer free-of-charge services, therefore widening community reach and maximizing the value of its efforts by achieving positive and sustainable results.

2023 Newly Approved Projects

Our Differences…Our Strength

In line with the Foundation's commitment to supporting children with disabilities, the CIB Foundation allocated a budget of EGP 2.5 million to fund the outfitting of the Sensory, Psychomotor, and Occupational Therapy rooms at the National Foundation for Family and Community Development's specialized center in Masr El-Adema. The project serves disabled children by enhancing their sensory and motor skills, with a particular emphasis on autistic children. The project is expected to serve approximately 250 children annually.

Their Care…Our Responsibility

As part of CIB Foundation's longstanding partnership with the Yahiya Arafa Children's Charity Foundation, the CIB Foundation's Board allocated EGP 7 million to fund the annual operating costs of the Ain Shams University Hospital's four pediatric units. The fund covers the pediatric congenital heart defect unit, pediatric heart surgical unit, children hospital's pediatric surgical unit, and the women and obstetrics hospital's neonatal unit, serving 15,000 children annually.

> The CIB Foundation works with private, public, and non-governmental healthcare providers that offer free-of-charge services.

The Dream of the South

Building on previous successful collaborations between the CIB Foundation and Aswan University Hospital, the entities joined forces to establish a center of excellence in Upper Egypt, dedicated to treating children with neurological disorders. The CIB Foundation's Board allocated EGP 33.12 million to fund surgical devices and equipment to supply surgery rooms, expand the ward capacity, and establish a simulation training center for junior doctors, with a capacity to serve 1,600 children annually.

One Heart

Capitalizing on the essential role played by the CIB Foundation in supporting children with critical heart diseases, the Foundation allocated EGP 24 million to cover 160 pediatric open-heart surgeries and 40 catheterizations. This contribution led to a reduction in the number of children on waiting lists and relieved some of the hospital's financial burdens. Since its inauguration, Al Nas Hospital, managed by Al Joud Foundation, has been a strategic partner for the CIB Foundation, as it operates in line with international standards and offers its services free of charge to underprivileged communities.

Super Smile

In collaboration with Rotary District 2451, CIB Foundation allocated EGP 3 million to fund 100 cleft lip and cleft palate surgeries to be performed in Ganoub El Wadi Hospital, Ain Shams University Hospital, and one private children's hospital. The cleft lip and cleft palate defects not only affect the child's appearance and constitute speech difficulties but can also be emotionally taxing on them, making this a vital cause in the Foundation's agenda.

Strong Heart…Stronger Future

The longstanding partnership between the Magdi Yacoub Foundation and CIB Foundation continues to be a key driver of the latter's involvement in heart-related surgeries. The CIB Foundation's Board allocated EGP 20 million to purchase 100 catheterization lab consumables and fund 100 open heart surgeries to be performed at the Aswan Heart Center (AHC). The center successfully performs approximately 4,000 surgical and cardiac procedures annually.

L'MISR Initiative

In line with the Presidential Hayah Karima initiative, the CIB Foundation launched its first national initiative, "L'MISR", leveraging on over a decade's experience of successful contributions to children's health. The initiative is dedicated to supporting children's physical and mental health, nurturing them into becoming productive members of society.

A Warmer Winter

Building on the continuous and fruitful collaboration between the CIB Foundation and the Egyptian Clothing Bank, the former allocated EGP 23.76 million to manufacture and distribute 120,000 winter training suits. This year's collaboration complements the medical component of L'MISR initiative by distributing clothing and revisiting the beneficiaries of the initiative in the schools of Qena, Beni Suef, and El Behira Governorates.

57357 Fighters

In line with the longstanding partnership between the 57357 Hospital and CIB Foundation, the Foundation's Board allocated EGP 4 million annually for a duration of five years (2024–2028) to cover the costs of treatment for approximately 500 children a year. This includes medical tests, examinations, chemotherapy, radiotherapy, immunotherapy, and more.

Ayady El-Mostakbal Hospital

The CIB Foundation aims to alleviate the burdens of parents of sick children and support them in receiving the required treatments and medications for their children, particularly following the recent increase in medication costs in light of Egyptian currency devaluations and hiked inflation. The CIB Foundation's Board therefore allocated a budget of EGP 10.8 million for underprivileged children suffering from cancer in collaboration with the AYADY 4040 Association. The project aims to contribute further by supporting the costs of radiation therapy for 670 children in Ayady El-Mostakbal Hospital in Alexandria, which works on directing beams of high-energy radiation to the tumor with exceptional precision, making it an indispensable tool in curing patients.

Faculty of Dentistry Cairo University – Maxillofacial Unit

Building on successful collaboration between the Faculty of Dentistry at Cairo University and Rotary Club of Zamalek, the CIB Foundation's Board allocated a fund amounting to EGP 200,000 to purchase the requested equipment for the Faculty's Maxillofacial Department for approximately 14,000 children annually to replace missing teeth, surrounding tissue, and jaw and face deformities.

Step by Step

The essential role played by the CIB Foundation in supporting underprivileged children drove the Foundation's Board to allocate a EGP 4.7 million to fund a project in collaboration with the Hand in Hand Foundation, aimed at enhancing the lives of underprivileged children living with amputations by helping them regain their strength, power, and spirit by giving them prostheses for amputated limbs. The project aims to provide 400 children with prostheses to boost their seamless navigation in society.

A Journey of Healing

Building on the successful collaboration between the CIB Foundation and Shifaa Al-Orman Hospital for Oncology in Luxor, the Foundation allocated EGP 25.22 million to equip the emergency department with the latest and most efficient devices and medical equipment, as well as securing cancer medication for the course of four months. This emergency department is expected to support the hospital in serving approximately 10,060 children annually. This specialized center in treating children with cancer in Upper Egypt will therefore decrease the need for patients to travel long distances to Cairo, due to the shortage of such centers in those governorates.

To a Brighter World

As a result of the previous successful collaborations between the CIB and Maghrabi Foundation, the former's Board of Trustees allocated EGP 10 million to offer free surgical procedures to 1,000 children in need. These surgeries aim to reduce the number of patients on waiting lists and cure blindness-related diseases in children and infants across Egypt. The surgeries constitute: squint, cataract, retinal, glaucoma, and other illnesses, which will be performed at the Maghrabi Eye Hospital in Cairo.

An additional EGP 5 million were allocated to develop a detailed protocol for Retinopathy of Prematurity (ROP) care that defines criteria for screening, treatment, and follow-up services for premature babies who are at risk of developing ROP, as their retinal blood vessels are not fully developed before birth. This protocol will be designed by a professional team of ophthalmologists who will consequently provide the needed surgical interventions. The protocol will be established in collaboration with the Ministry of Health, national universities, and other health entities.

Our Kids...Our Future

The allocation of EGP 12 million was approved to fund a project in partnership with the Ibrahim A. Badran Foundation. The project will supply 48 convoys in underprivileged areas in Giza, led by a team of qualified doctors, to offer examination and treatment services in schools and health centers, aiming to serve 65,000 children. The fund will also sustain the services provided in the fixed clinics in Fayoum, Aswan, and Bani Suef.

Gift of Life

In light of the successful collaboration between the CIB Foundation, Rotary Club of Giza Metropolitan, and El Kasr El Eini Hospital, the Foundation allocated EGP 7.5 million to fund the fourth round of 100 open-heart surgeries to be performed in El Kasr El Eini Hospital, reducing the number of children on waiting lists and alleviating some of the hospital's financial burdens.

Kids on Wheels

Building on the successful collaboration between the CIB Foundation and Al-Hassan Foundation for Differently Abled Inclusion, the former's Board approved the allocation of EGP 10 million to fund the purchase of 100 customized wheelchairs and 100 electric wheelchairs for underprivileged children. The electric wheelchairs are for high-severity cases, such as quadriplegics, muscular dystrophy patients, or cerebral palsy patients, and others. Customized wheelchairs are for medium/low-severity cases, designed to provide children with the optimum mobility. The wheelchair allows five-year-old children to achieve physical independence despite mobility constraining issues.

Ongoing Projects from Previous Years

Strong Heart...Stronger Future

The CIB Foundation increased the budget dedicated to The Magdy Yacoub Heart Foundation's New Global Heart Center in Cairo from EGP 35 million to EGP 43.75 million. The project is set to be completed over the course of three years and covers the establishment of a pediatric catheterization lab that allows doctors to perform minimally invasive tests and procedures on patients with various heart conditions. The catheterization lab will serve around 960 children annually.

A Journey of Hope

Building on our successful collaboration with the Nile of Hope Foundation after establishing a center of excellence to treat children with congenital defects in the great Alexandria region, the CIB Foundation's Board allocated the fund amounting to EGP 18.38 million. The allocation is dedicated to funding 65 pediatric open-heart surgeries and 129 catheterizations to be performed in Nile of Hope Hospital, in addition to, purchasing a heart-lung machine (HLM), therefore reducing the number of children on waiting lists for surgeries.

L'MISR Initiative

Sonaa El Kheir Foundation

The CIB Foundation's Board allocated EGP 19.2 million to fund another round of the project with the Sonaa El Kheir Foundation. The funds will enable medical convoys to reach poverty-stricken areas in Beni Suef and El Behira governorates to serve 95,000 children across 88 elementary and middle schools. These medical convoys will provide comprehensive medical services to those children in many fields, including ophthalmology, general pediatrics, anemia and stunting, diabetes, and others. The convoys will also provide necessary medications, tests and surgeries if needed.

Healthy Children

The CIB Foundation approved a contribution of EGP 15 million to fund the second round of the Healthy Children project in collaboration with the Raie Masr Foundation for Development. The project aims to purchase and outfit three Mobile Clinics (vehicles) and cover the operating costs of 900 medical convoys in which a team of qualified doctors will provide examinations and treatments to children in schools and health centers. The project is expected to serve 200,000 Children annually.

Their Care...Our Responsibility

In alignment with the CIB Foundation's long-standing partnership with Yahiya Arafa Children's Charity Foundation, the CIB Foundation's Board allocated EGP 6 million to fund the annual operating costs of the Ain Shams University Hospital's four pediatric units. This covers the pediatric congenital heart defect, pediatric heart surgical, children's hospital's pediatric surgical, and the women and obstetrics hospital's neonatal units, serving 17,000 children annually.

The CIB Foundation's Board also allocated EGP 9 million in 2021 to retrofit the depreciated medical equipment and operate the five pediatric units at the Ain Shams University Hospitals, which are the pediatric congenital heart defect unit, pediatric heart surgery unit, women and obstetrics hospital's neonatal unit, children's hospital's pediatric surgery unit, and the children's hospital's neonatal unit.

> "The CIB Foundation increased the budget dedicated to The Magdy Yacoub Heart Foundation's New Global Heart Center in Cairo from EGP 35 million to EGP 43.75 million.

Our Differences...Our Strength

The CIB Foundation allocated EGP 1 million to outfit the sensory, psychomotor, and occupational therapy rooms in the Asmarat Center, supervised by the National Foundation for Family and Community Development, to improve the sensory and motor skills of children with disabilities, particularly autistic children. The funding is expected to serve 250 children annually.

One Heart

The CIB Foundation allocated EGP 24.36 million to equip the NICU and PICU with new state-of-art equipment at Al Nas Hospital. Since its inauguration, Al Nas Hospital, managed by Al Joud Foundation, has been a strategic partner for the CIB Foundation. The hospital operates in line with international standards, and the two units will serve approximately 2,000 children annually and will offer its services free of charge to underprivileged communities.

57357 Fighters

Maintaining the longstanding partnership between 57357 Hospital and the CIB Foundation, the Foundation's Board allocated funding amounting to EGP 30 million to cover the costs of 5,000 children's treatment. Costs cover medical tests, examinations, chemotherapy, radiotherapy, immunotherapy, and more.

The CIB Foundation allocated EGP 30 million to establish the Digital Pathology Lab at the hospital. The Lab uses computer-based technology to generate information from digitized specimen slides. The specimen glass slides (conventional) are converted into digital slides that can be electronically shared and analyzed using computer software. This piece of technology will increase diagnosis efficiency by rendering faster results and reducing human error. The automated lab is expected to benefit approximately 7,000 children annually.

Furthermore, the CIB Foundation disbursed the final tranche of EGP 4 million in their five-year contract (2019–2023) to 57357 Hospital at the beginning of 2023. The funds were used to support the hospital's essential services, which included nuclear medicine, radiography, laboratories, medication, and supplies. The fund served 836 children throughout 2023.

Rehabilitation Center for Children with Cerebral Palsy and Muscular Dystrophy

As part of the CIB Foundation's mission to support children in need, and in line with the Presidential initiative to support children with cerebral palsy and muscular dystrophy, The CIB Foundation's Board allocated a total budget of EGP 54 million to establish the first Rehabilitation Center for Children with Cerebral Palsy and Muscular Dystrophy in the region. The goal of the project is to provide medical services and rehabilitate children with these physical disabilities. This project is expected to serve 1,000 children annually.

Supporting Health Interventions for Refugee Children in Egypt

A total of EGP 3.1 million was allocated to treat 240 refugee children in Egypt, in collaboration with the UNHCR. The funding will go to children suffering from diseases that require secondary and tertiary medical care, such as cardiovascular and chronic respiratory diseases, diabetes, neurological disorders, cerebral palsy, and cancer.

For a Better Childhood

The CIB Foundation's Board allocated EGP 1.91 million to fund 50% of the annual operating costs of the pediatric and neonatal ICU sections of Benha University hospital, which were outfitted through a fund from the Foundation. The two units serve approximately 3,500 children in the Qalyubia region annually. This fund ensures the project continues to operate sustainably at the highest level of service provided to the children in both units.

A Step for Life

CIB Foundation's Board allocated EGP 12.5 million to establish a specialized center for the psychological, physiological, and social rehabilitation of children with disabilities in Beni Suef University to integrate them into society, in collaboration with the Awad Charity Foundation. The Outfitting of Rehabilitation Center will include a pediatric rehabilitation unit, a psychomotor room, and an electromyography unit, which are expected to serve 20,000 children annually.

Together We Can

The CIB Foundation allocated EGP 1 million to support the treatment of patients suffering from epidermolysis bullosa (EB), a rare genetic skin disease caused by the absence of VII collagen that attaches the skin's layers together, in collaboration with the Yasmin El Samra Charity Foundation. This disease causes the skin to be fragile and blister and is estimated to affect one in 40,000 people.

Superstars Are Born from Scars

The CIB Foundation's Board allocated EGP 39.02 million to fund the outfitting of Ahl Masr Trauma and Burn Hospital's pediatric floor as part of its third collaboration with the Ahl Masr Foundation. This collaboration comes in response to a severe shortage in medical care for burn victims across Egypt. It is expected to serve around 3,500 children annually.

Spreading Hope

In collaboration with the Sawiris Foundation for Social Development (SFSD), the CIB Foundation's Board dedicated EGP 6.52 million for the Beit Yehmini program, an initiative by SFSD that provides a comprehensive package of services to underprivileged families living in unsafe environments with the aim of improving their living conditions. The CIB Foundation funds medical convoys to provide children under the Beit Yehmini initiative with necessary health services. The Ibrahim Badran Foundation (IBF) is the implementing partner leveraging its wide experience in providing medical convoys' services to deprived areas. The project is expected to serve more than 30,000 children.

The Pediatric Surgery Hospital – Part of Ain Shams University Integrated Medical City

In support of Ain Shams University's goal to establish an integrated medical city on campus, the CIB Foundation allocated a budget of EGP 100 million to sponsor the surgical wing of the hospital, which equips 10 surgical theaters with the capsule system. The fund will cover the medical and non-medical furniture in the 10 theaters. The new pediatric surgery hospital project is expected to serve approximately 30,000 surgeries annually, enabling Ain Shams University to double its current capacity.

Little Smiles

The CIB Foundation allocated a budget of EGP 4.8 million to fund the establishment of a General Anesthesia Unit in Beni Suef University's Faculty of Dentistry, given the larger demand for general anesthesia when performing dental operation on toddlers and infants. The project is expected to serve 1,000 children annually.

Children Without Risk

Building on successful collaborations with the Garden City Cosmopolitan Lions Club, the CIB Foundation's Board approved EGP 7.5 million to establish a fully equipped open-heart surgery room for children in the Mabara El Maadi Hospital. It will medically serve children with congenital heart defects and those who suffer from heart complications. This project is expected to serve approximately 720 children annually.

Bridge of Knowledge

The Foundation is funding a five-year education and training program for 150 staff members of the Ain Shams clinical team, with a total fund of GBP 880,000 in partnership with the Great Ormond Street Hospital for Children (GOSH) in London.

Following the program's completion, the Ain Shams University Children's Hospital is expected to double its capacity and serve an additional 67,200 children annually, enhancing its overall level of care.

GOSH has an international center of excellence in pediatric care, globally recognized as one of the few world-class hospitals for children suffering from rare, complex, or multiple illnesses. The emphasis on education and training projects is key to the delivery of improved patient care. GOSH trains more pediatric specialist doctors than any other center in Europe and has Europe's largest pediatric nurse education program. The center will work with the Ain Shams University Children's Hospital to deliver bespoke education and training with specific focus on pediatric/neonatal intensive care and hematology/oncology.

Heal a Child… Change the World

The CIB Foundation allocated a total budget of EGP 2.15 million to support the annual operating costs for two residence facility shelters in 6th of October and Imbaba, operated and supervised by Abnaa Al Ghad Foundation "Banati." The two shelters provide various types of protection and support to serve approximately 200 children at risk annually, including homeless children and children deprived of family care.

A Vision to the Future

Following several successful collaborations between the CIB Foundation and the Alexandria University Hospital, the Board allocated EGP 1.31 million to fund the purchase of a 3D visualization system in addition to the previously funded ophthalmology operation microscope. The 3D visualization system will provide up to five times extended depth of field, up to 48% increased magnification, and up to 42% increased depth resolution. With both the visualization system and the microscope, they can increase precision, reduce operating time, and, in turn, raise surgery success rates. This project is expected to serve 48,000 children annually.

Gift of Life

A total allocation of EGP 4.5 million was approved to fund 90 open-heart surgeries for underprivileged children, to be performed at El Kasr El Eini Hospital in collaboration with the Rotary Club of Giza Metropolitan. This partnership aims to reduce the number of children on waiting lists while alleviating some of the hospital's financial burdens.

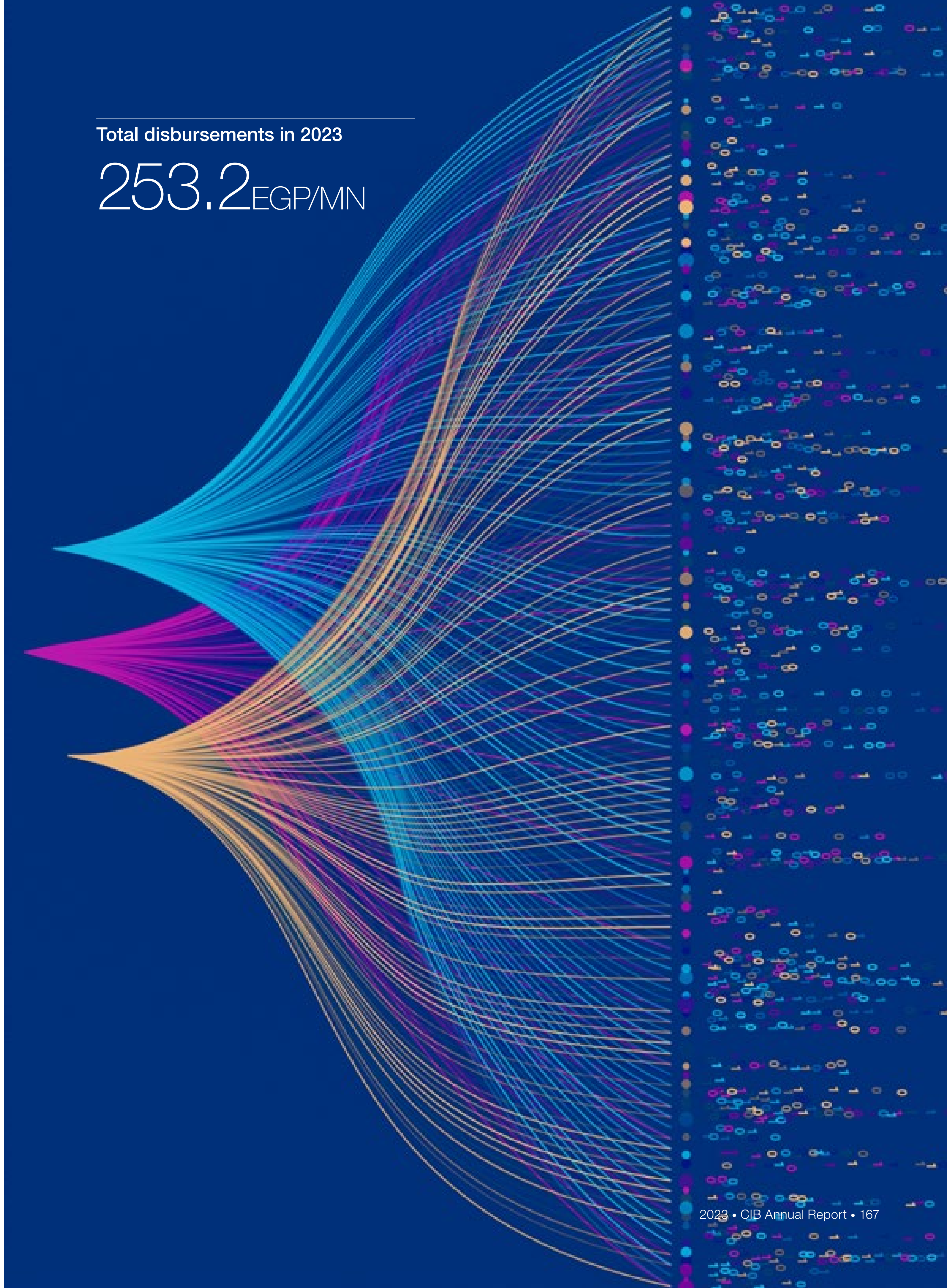
A Warmer Winter

The CIB Foundation allocated EGP 21 million to fund the ninth round of collaboration with the Egyptian Clothing Bank, distributing warm clothing to children to make sure they are warm during harsh winters. The funding covers 100,000 winter training suits and pairs of shoes to be distributed to children in underprivileged and poverty-stricken areas in the Red Sea, Al Wadi Al Gadid, Al Minya, Beni Suef, Fayum, Cairo, and Giza. It also covers relief convoys to be sent to victims of natural disasters nationwide.

Beneficiary	Amount in EGP
L'MISR Initiative – A Warmer Winter	23,760,000.00
Their Care...Our Responsibility	13,237,609.65
57357 Fighters	5,638,863.75
Withholding Tax	145,138.80
Superstars Are Born from Scars	9,295,059.39
L'MISR Initiative – Healthy Children	2,705,775.00
Gift of Life	1,142,470.35
Our Differences...Our Strength	979,992.50
Our Kids, Our Future	2,998,320.00
One Heart	24,886,585.26
Children Without Risk	2,243,084.69
A Journey of Hope	4,595,000.00
Heal a Child...Change the World	448,338.72
L'MISR Initiative – Sonaa El Kheir Foundation	19,154,370.00
A Step for Life	4,715,198.90
Together We Can	250,000.00
The Pediatric Surgery Hospital – Part of Ain Shams University Integrated Medical City	50,000,000.00
Rehabilitation Center for Children with Cerebral Palsy and Muscular Dystrophy	27,012,353.00
Strong Heart...Stronger Future	25,875,000.00
Spreading Hope	4,888,440.00
A Journey of Healing	5,101,660.00
The Dream of the South	20,497,291.89
Step by Step	1,164,375.00
To a Brighter World	2,500,000.00
Total Disbursements During 2023 in EGP	**253,234,926.90**

Total disbursements in 2023

253.2EGP/MN



FRA Disclosures

Environmental, Social and Governance (ESG) Key Performance Indicators (KPIs)

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Environmental KPIs				
Environmental Operations & Oversight	• Has the company developed any official Environmental and Social (E&S) or Sustainability policies?	✓		CIB's Sustainable Finance Policy: Released in 2020, serves as the foundation for embedding sustainability across the Bank. It emphasizes CIB's commitment to streamlining sustainability and integrating ESG principles across all business lines. The Policy is applicable to all the Bank's departments, functions, and lines of business. Annually reviewed and updated, the policy mirrors the dynamic nature of sustainability, effectively addressing and integrating emerging trends in Sustainable Finance. CIB – Sustainable Finance Policy: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/policy/cib-sustainable-finance-policy-a4-en-v3.pdf
	• Is this policy originating from within the company or derived from global or national policies?	✓		CIB's Sustainable Finance Strategy, integrated within the Bank's five-year corporate strategy, is aligned with the Sustainable Finance Policy and utilizes the Policy's principles and guidelines to shape its approach and implementation. This policy asserts CIB's commitment to implementing sustainable finance across its lines of business by integrating the environmental, social, and governance principles into its policies, procedures, operations, and culture. This policy defines and sets a comprehensive framework that translates the Bank's commitments into actions and instils a governance framework to monitor proper implementation. This policy is supported by a series of additional policies catering to specific themes, sectors and lines of business.
	• Does the company identify and assess the environmental and social risks arising from its economic activity?	✓		CIB's Environmental and Social Risk Management System (ESRMS) was in place since 2016 and it has been updated in 2021. The system is the Bank's basis for maintaining a strong risk management system, which is core to the Bank's operating principles. The ESRMS consists of a set of policies, procedures, and tools that identify and manage a financial institution's exposure to the environmental and social risks of its clients. The system is aligned with CIB's Sustainable Finance Strategy and ensures compliance with the Multilateral Development Banks' ESRM requirements. The system is aligned with national laws and the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD) performance standards, and the Equator Principles (EP).
	• Does the company follow specific policies concerned with waste recycling, water consumption, or energy consumption?	✓		CIB is the process to implementing a Solid Waste Management (SWM) System across its head offices to promote responsible environmental management. This initiative aims to reduce CIB's environmental impact by minimizing waste and promoting sustainable practices in its operations. The system includes measures such as waste segregation, recycling, and responsible disposal of hazardous waste. The Bank has launched several (SWM) programs: • E-Waste Management CIB monitors the quantities of electronic waste and recycles it through designated waste management companies. • Recycling Bank Cards in collaboration with an Egyptian start-up specializing in waste management, CIB's shredded cards are now collected and recycled. It contributes to reducing greenhouse gas emissions associated with raw material consumption and waste disposal of bank cards. • Bank Statements Project CIB has partnered with a certified local waste management enterprise, ensuring the responsible disposal and upcycling of undelivered and returned bank statements. The bank also ensures the safe and secure disposal of all bank statements through shredding, paper milling, and de-inking before reusing the recycled paper. These initiatives demonstrate CIB's commitment to reducing its environmental impact and promoting sustainable practices.
	• Does the company set any goals related to reducing greenhouse gas (GHG) emissions?	✓		In 2021 CIB was a founding member of the Net-Zero Banking Alliance (NZBA), the Bank sets intermediate and long-term targets in decarbonizing its financed emissions (2030 targets) for its corporate loans of two of the Bank's carbon-intensive sectors; Power generation and Commercial & Residential Real Estate. CIB-NZBA Climate Targets Report: chttps://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib--nzba-report-draft---final---21-june---01.pdf
	• Does the management have any system/certification regarding the company's environmental practices (ISO 14001 certification)?	✓		

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
	Environmental Disclosures			
Carbon Emissions / Greenhouse gases (GHG)	• Does the company calculate the total amount of carbon emissions (Carbon Footprint) in metric tons?	✓		Since 2018 CIB has been reporting and publishing its "Carbon Footprint" on its own/ internal operations covering (Scope 1,2 and 3). CIB's ecological footprint assessment focuses on three primary impact categories: 1. land footprint, which measures the total amount of land used to provide resources; 2. carbon footprint, which measures the total amount of greenhouse gas emissions; and 3. water footprint, which measures the total amount of water consumed, both directly and indirectly. CIB 2022-2023 ESGDD Integrated Report: cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf
Energy Sources usage and diversification	• Does the company calculate the total amount of energy directly consumed?	✓		CIB calculates its directly consumed energy under (Scope 1 and 2). • Total Purchased Electricity in 2022: 40,462,182 kWh • Total Purchased Chilled Water in 20222: 32,383,057 kWh To know more about the Bank's Operational Indicators, please visit "CIB 2022-2023 ESGDD Integrated Report": cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf
	• Does the company calculate the percentage of energy consumption according to the type of generation source?	✓		Total energy consumption (including renewable energy) in 2022: 74,045 MWh To know more about the Bank's Operational Indicators, please visit "CIB 2022-2023 ESGDD Integrated Report": cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf
	• Does the company calculate the percentage of annual saved energy?	✓		• Total energy saved in 2022: 1.23% • Total Annual Renewable Generation of (Solar Panel Systems) in 2022: 473,597 kWh • Percentage Renewable energy from total electricity consumption in 2022: 1.5%

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Water Usage	• Does the company calculate the total amount of water annual consumed?	✓		Total water footprint in 2022: 7,689,475 m3
	• Does the company calculate the total amount of annual water recycled and treated?	✓		Total Wastewater Treatment in 2022: 1,311,112 m3
Waste Management	• Does the company calculate the total amount of waste generated or recycled and that, which has been treated according to type and weight?	✓		Office solid waste disposal: 1454 Tons
Social KPIs	• Does the company disclose the number of male and female employees according to the type of employment (temporary or permanent)?	✓		• Permanent Employees: 6,942 (Male: 4,907 – Female: 2,035 • Temporary Employees: 878 (Male: 617 – Female: 261)
	• Does the company disclose the percentage of total employees who are male and female?	✓		Male: 5,524 – Female: 2,296
	• Does the company disclose the percentage of positions held by males and females (specifically for entry-level and mid-level jobs)	✓		Entry Level: (Male 66%) – (Female 34%) Mid-level jobs, according to the Bank's classification will be the Middle Management: (Male: 84%) – (Female: 16%)
	• Does the company disclose the percentage of positions held by males and females (specifically for senior-level and executive positions)?	✓		Senior Management: (Male 74%) – (Female 26%) Executive Management: (Male 86%) – (Female 14%)
	• Does the company disclose the average pay ratio for females compared to the males?	✓		

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Employee Turnover rate	• Does the company disclose the annual percentage rate of turnover for full-time employees?	✓		In 2022 total employee turnover rate was 5.7%
	• Does the company disclose the annual percentage rate of turnover for part-time employees?		x	
	• Does the company disclose the annual percentage rate of turnover for contract employees and consultants		x	
Non-Discrimination	• Does the company follow a policy condemning sexual harassment and a non-discrimination policy based on any racial, religious, or gender basis?	✓		The Staff Issues & Ethics Committee was established to provide a platform for employees to voice their concerns and receive independent decisions. Furthermore, if there is any element of discrimination, the case is referred to the Legal Department for investigation. In addition, the Bank's HR policy aligns with and implements relevant ESG principles, standards, frameworks, and best practices while remaining compliant with national laws and regulations. Additionally, the policy ensures the measurement, monitoring, control, and consistent reporting of ESG indicators, as outlined in the Sustainable Finance Policy. Code of Conduct Policy: https://www.cibeg.com/-/media/project/downloads/about-cib/risk-and-responsibility/corporate-governance/cib---code-conduct-july-2022.pdf
Global Health & Safety Standards	• Does the company follow an occupational health and safety (OHS) policy and/or a policy related to global health and safety standards (for example ILO's International Labor Standards on Occupational Safety and Health)?	✓		CIB prioritizes its employees' wellbeing and follows Egyptian laws and regulations to guarantee that its people work safely and stay healthy. The Bank follows Labor Law No. 12 of 2003, pertaining to private sector companies which controls the relationship between employers and employees. In 2022, CIB conducted 20 Occupational Health and Safety (OHS) inspections with zero work-related injuries and zero work-related ill health reported. In addition to organizing initiatives and training to ensure health and safety in the workplace.

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
	• What is the number of occupational accidents if any?	✓		CIB conducted 20 Occupational Health and Safety (OHS) inspections with zero work-related injuries and zero work-related ill health reported. CIB 2022-2023 ESGDD Integrated Report: cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf
	• Does the company offer trainings related to environmental, social AND Occupational Health and safety (OHS) issues for employees. If the answer is yes, please disclose the number of trainings hours?	✓		The Bank has conducted and organized several training sessions to ensure health and safety in the workplace which includes: • Primary Medical Check-ups: 768 employees • Safe Driving Training: 11 trainees • OHS Specialist Advanced (OHS employees with all necessary skills for following and observing OHS issues): 16 sessions – 17 trainees • OHS Committee Advanced & OHS Committee Basic trainings help OHS members (To be familiar and know their responsibilities and duties well): 16 sessions – 56 trainees • First Aid & Cardiac Resuscitation Training: 73 trainees • Safety plan/ Firefighting: 350 trainees
Child & Forced Labor	• Does the company follow a policy prohibiting child labor and forced labor?	✓		These policies are included in the Bank's policies.
	• Does that policy apply to the suppliers and vendors dealing with the company?	✓		

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Labor Rights	• In addition to the requirements of Egyptian Labor Law, does the company follow the laws and standards of the International Labor Organization or any other international framework, standards, or laws related to labor's rights?	✓		The bank's internal policy follows the Egyptian Labor Law however, it integrates additional rules and regulations.
	• Does that policy include the suppliers and vendors dealing with the company?	✓		
Governance KPIs	• Does the company disclose the number and percentage of the board of directors occupied by males and females?	✓		11 Board members with 18% Female representation in the Board
	• Does the company disclose the number and percentage of committee chairs occupied by males and females?	✓		Six Board Committees: (5 chaired by males – 1 chaired by a female) Four Executive Committees: (4 Chaired by Males)
Bribery/ Anti-Corruption	• Does the company issue any decisions related to combating bribery / corruption and follow them?	✓		The Anti-bribery and Corruption Policy at CIB is designed to prevent bribery and corruption while promoting ethical standards for all stakeholders. It helps protect the bank's integrity and reputation by providing guidelines for employees to identify and manage risks related to bribery and corruption. The Compliance Group is involved in reports related to bribery, corruption, and misconduct, as received through CIB's whistleblowing or anti-bribery and corruption channels. These reports are handled independently and confidentially as per the stipulations of the related policies. During 2022, there was no bribery cases recorded.

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Ethics and Code of Conduct	• Does the company issue code of conduct / Ethic and follow them?	✓		Code of Conduct Policy: https://www.cibeg.com/-/media/project/downloads/about-cib/risk-andresponsibility/corporate-governance/cib---code-conduct-july-2022.pdf
Data Privacy	• In addition to the requirements of the Egyptian data protection law, does the company follow any other international frameworks, rules, or recommendations regarding data privacy?	✓		CIB's Security & Resilience strategy aligns with the Bank's digital strategy and aspirations, staying informed about the ever-changing threat landscape and evolving attack techniques. CIB's focus is directed toward ensuring Information Security, Data Protection, Cybersecurity, Disaster Recovery, Business Continuity, and Crisis Management. In 2022, CIB updated all of its IT and cybersecurity policies, aligning them with ISO 22301- Business Continuity Management Systems, ISO 27001- Information Security Management Systems, Payment Card Industry Data Security Standard (PCI-DSS), Control Objectives for Information and Related Technologies (COBIT), Central Bank of Egypt regulations, SWIFT Customer Security Program (CSP), and relevant laws and regulations. In 2022, the Bank had Zero data privacy breaches. CIB 2022-2023 ESGDD Integrated Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporateresponsibility-formerly-community/corporatesustainability/publications/sustainability-reports/esgdd-reportcib17-jan2024-masader.pdf
Sustainability Reporting & Disclosures	• Does the company issue sustainability report according to GRI, CDP, SASB, IIRC, UNGC, or any other type of sustainability reports frameworks?	✓		- CIB 2022-2023 ESGDD Integrated Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf - CIB 2023 Principles For Responsible Banking (PRB) Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib-prb/cib-2023-principles-for-responsible-banking.pdf - CIB 2021 Equator Principles (EP) Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/equator-principles-report/cib---equator-principles.pdf - CIB 2022 Net-Zero Banking Alliance (NZBA) Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib---nzba-report-draft---final---21-june---01.pdf

ESG Key Performance Indicators (KPIs)	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
	• Is the company striving to achieve specific goals from the United Nations Sustainable Development Goals?	✓		To deliver on its Responsible Growth vision, CIB built on the Sustainability Systems Building method and set the Sustainable Finance (SF) Strategy, integrated within CIB's Corporate Strategy, ensuring a Bank-wide implementation of the sustainability mandate. Understanding the manifold nature of climate and socioeconomic impacts on national and global levels has been the Bank's first step in aligning its goals and strategy with international commitments and frameworks. CIB's progress and implementation of the Global Sustainability Frameworks (TCFD, PRB, NZBA, EP, etc.) is not only complements but also advances its commitment to the United Nations Sustainable Development Goals (UN SDGs), the Paris Agreement, Africa Agenda 2063, Egypt Vision 2030.
	• Does the company identify these goals and report on the progress made within the framework of the United Nations Sustainable Development Goals (SDGs)?	✓		Please revert to answered question (G5.1) which includes all Sustainabilityrelated reporting which showcases CIB progress in its commitment within global sustainability frameworks in addition to national and international strategies.
	• Has the company clearly declared its commitment toward corporate social responsibility standards?	✓		Corporate social responsibility (CSR) is at the heart of CIB's core values. This year, we implemented various CSR projects and supported initiatives carried out by other organizations. We diversified our community development activities by expanding our scope to include sports, culture, and social welfare. As for "CIB Foundations" it seeks to ease the burden on families in need of affordable healthcare services. In pursuit of this vision, the Foundation is committed to enhance the quality of services in our partner institutions to provide the best possible care for young Egyptians. A productive community requires a healthy citizenry, and CIB Foundation strives to ensure that Egyptian children are receiving the care they deserve to lead the healthiest lives possible. To know more about CIB's CSR programs and initiatives and CIB Foundation activity progress and achievements, visit the following links: - CIB 2022-2023 ESGDD Integrated Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf - CIB 2022 Annual Report: https://www.cibeg.com/-/media/project/downloads/investor-relations/ir-library/annual-reports/2022/ar22.pdf - CIB 2021 Foundation Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib-foundation/2021-cib-foundation-activity-report-en.pdf
	• Does the company follow a clear and explicit policy / principle regarding community investments?	✓		Please revert to answer question G5.4 - To know more about CIB's CSR programs and initiatives and CIB Foundation activity progress and achievements, visit the following links: - CIB 2022-2023 ESGDD Integrated Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf - CIB 2022 Annual Report: https://www.cibeg.com/-/media/project/downloads/investor-relations/ir-library/annual-reports/2022/ar22.pdf - CIB 2021 Foundation Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib-foundation/2021-cib-foundation-activity-report-en.pdf
	• Does the company participate in public or private sector initiatives concerned with community development?	✓		Please revert to the answered question (G5.4). To know more about CIB's CSR programs and initiatives and CIB Foundation activity progress and achievements, visit the following links: - CIB 2022-2023 ESGDD Integrated Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/corporate-sustainability/publications/sustainability-reports/esgdd-reportcib17-jan-2024-masader.pdf - CIB 2022 Annual Report: https://www.cibeg.com/-/media/project/downloads/investor-relations/ir-library/annual-reports/2022/ar22.pdf - CIB 2021 Foundation Report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib-foundation/2021-cib-foundation-activity-report-en.pdf
External Assurance	• Are the company's ESG disclosures assured by an independent third party?	✓		All conducted (Sustainability/ ESG) related reports are assured with either (Limited or Independent Assurance).

Task force for Climate Related Financial Disclosers (TCFD)

TCFD Key Performance Indicators	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Governance				
Climate Related Governance	• Does the board have oversight of climate-related risks and opportunities?	✓		The Commercial International Bank (CIB) believes in the importance of climate-related risks and opportunities, and therefore the Board of Directors oversees how climate-related risks and opportunities are managed, through its committees: the Sustainability Committee and the Risk Committee. It is worth noting that the bank issued its first report on the framework of Climate-Related Financial Disclosures (TCFD) in 2023, which highlights the bank's progress in implementing the recommendations of the working group/Task Force on the four main axes of governance, the bank's strategy, and its ability to manage risks, in addition to the metrics and goals related to climate change Link to the climate-related financial disclosures report: https://www.cibeg.com/-/media/project/downloads/about-cib/cib-corporate-responsibility-formerly-community/cib-tcfd-report.pdf
	• Does the management have a role in assessing and managing climate related risks and opportunity?	✓		CIB has dedicated specific and separate roles and responsibilities for measuring and managing Environmental, Social and Governance (ESG) risks, including climate-related risks and opportunities, from the Board of Directors down to operational levels and business departments to ensure adequate oversight and day-to-day management. The bank has a Sustainable Finance steering committee emanating from the Senior Management Committee, headed by the Chief Executive Officer and Managing Director of the bank, and includes members from the executive management such as the Head of the Sustainable Finance Sector and the Head of the Risk Sector. The bank also has a Sustainable Finance department, which plays a key role in identifying and evaluating climaterelated opportunities, in addition to an independent environmental, social and governance risk department to serve as the second line of defense for evaluating and measuring climate-related risks.

TCFD Key Performance Indicators	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Strategy				
Environmental operations, Oversight and Mitigation	• Does the organization identify any climate related risks and opportunities over the short, medium and long run?	✓		The Bank identifies climate-related risks and opportunities, which include transitional and physical risks, and the Bank is currently working to identify these risks and opportunities at the short, medium and long-term levels.
	• Does the company reflect the climate-related risks opportunities on the organization's business, strategy, and financial planning?	✓		Climate-related risks and opportunities are one of the cornerstones of the Bank's Sustainable Finance strategy. The bank is also currently working on developing its capabilities in methods for measuring and evaluating climate-related financial risks and the extent of their impact on other financial risks such as credit risks, which will fundamentally contribute to implementing the bank's climate strategy and including these risks and opportunities in its financial planning.
	• Does your company invest, annually, in climate-related infrastructure, resilience, and product development?	✓		The bank invests annually to combat climate change, whether emissions related to the bank's operations, through various activities, such as converting some electricity consumption to solar energy, rationalizing water and paper consumption, etc. The bank also helps customers/clients reduce their emissions by providing financial products and various grants to implement projects that contribute to reducing the effects of climate change to finance adaptation and mitigation projects, in addition to rationalizing energy and water consumption and increasing the production of renewable energy sources.

TCFD Key Performance Indicators	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Risk Management				
Climate Change-related Risks	• Does the company set a defined process for identifying and assessing the climate related risks?	✓		Climate-related risks have been identified as a major and material type of risk to which the Bank may be exposed to.
	• Does the company have a solid process for managing the climate related risks?	✓		The bank is currently working on developing a framework to identify and evaluate climate-related financial risks to measure the bank's portfolio's exposure to physical and transitional risks, in addition to integrating those risks into the current risk management framework, in line with the instructions of the Central Bank of Egypt (CBE), and in accordance with the latest findings of international standards and recommendations in this regard. The bank has disclosed its climate risk management methodology in its first report on the Climate-related Financial Disclosure Framework (TCFD).
	• Does the company incorporate climate-related risks in the company's overall risk management?	✓		The bank is currently working on developing a framework to identify and evaluate climate-related financial risks to measure the extent of the bank's portfolio's exposure to physical and transitional risks, in addition to integrating those risks into the current risk management framework, in line with the instructions of the Central Bank of Egypt, and in accordance with the latest findings of international standards and recommendations in this regard. The bank has disclosed its climate risk management methodology in its first report on the Climate-related Financial Disclosure Framework (TCFD).

TCFD Key Performance Indicators	Actions taken by the Company	Answer Yes	Answer No	Comment/Clarification
Metrics & Targets				
Carbon/GHG Emission	• Does the company use any metrics to assess climate-related risks and opportunities in line with its strategy and risk management process?	✓		The bank measures the carbon emissions of the bank's activities for segments 1, 2, and 3 at the level of internal operations. The bank also measured the financed emissions for three different sectors and set goals for the energy and real estate development sectors. The bank will expand its scope to include the rest of the sectors with the highest carbon emissions financed during the year 2024 to set policies and goals for them that are consistent with the Paris Climate Agreement.
	• Total amount, in CO2 equivalents, for Scope 1 (if applicable)?	✓		The Bank has been fully disclosing its carbon emissions of Scope 1 and 2 since 2018, and the Bank is also disclosing the emissions of Scope 3 in an expanded/extended manner every year.

07.

Subsidiaries & Associates

Subsidiaries and Associates

Subsidiaries

MAYFAIR-CIB BANK

CIB Kenya Limited (CIB K)

CIB Kenya Limited (formerly Mayfair-CIB) is an established commercial bank in the Republic of Kenya and was licensed by the Central Bank of Kenya in June 2017. CIB Egypt anchored its regional presence with the acquisition of the remaining 49% stake in Mayfair CIB Bank Limited, making it the first fully owned subsidiary of CIB beyond Egypt. CIB's strategy for its Kenyan subsidiary focuses on trade finance activities and digital banking solutions, particularly growing the Egypt-Kenya trade corridor, enabling large Egyptian corporates and Egyptian SMEs to operate in the hub of Eastern Africa. The bank's niche market is large and medium-sized corporates and HNWIs.

2023 Highlights

As of 31 December, tthe bank's total capital stood at KES 3.34 billion (USD 21.4 million) while core capital stood at KES 3.25 billion (USD 20.8 million), against a minimum core capital threshold of KES 1 billion (USD 6.41 million). The core capital to total risk weighted assets stood at 25.4% against a regulatory minimum of 10.5%. The total capital to total risk-weighted assets stood at 26.1% against a regulatory minimum of 14.5%, reflecting that the bank was adequately capitalized. CIB Kenya reported a profit of KES 0.62 million for the period ending 31st December 2023, against a budget of KES 360 million and 2022 profit of KES 445 million. Net interest income for the year 2023 closed at KES 775 million compared to KES 773 million recorded in the same period of 2022, a 0.3% increase y-o-y. Non-interest income closed at KES 136 million, a 58% y-o-y increase from KES 86 million in 2022. The variance was mainly driven by an increase in trading income on bonds and foreign exchange income. Other operating expenses (excluding depreciation) y-t-d came in at KES 344 million, up 38% y-o-y from KES 250 million in 2022. The increase was mainly driven by general and administrative expenses as a result of the rise in inflation. Staff expenses recorded KES 729 million, up 37% from the KES 532 million reported in 2022. The y-o-y increase is due to an increase in staff headcount, in line with the bank's expansion strategy. Loan portfolio at risk stood at 14.32% as of 31 December 2023, compared to 18.44% reported for the same period in 2022. Meanwhile, the NPL ratio stood at 13.62% compared to 13.81% in the same period of 2022.The decrease in NPL ratio is due to increase in volumes. The bank still operates in a challenging economic environment manifesting the non-performing loans due to macroeconomic factors that are exogeneous to the bank and that have affected the ability of customers to repay their loan obligations.

Forward-Looking Strategy

CIB Kenya intends to strengthen its consumer banking team by hiring more highly skilled and experienced sales forces. This move aims to strategically grow our Customer Accounts and Savings Accounts (CASA) from KES 2.27 billion reported in December 2023 to KES 4.25 billion by 2026. Moreover, we plan on increasing the share of CASA in the deposit base from 19.7% to 35%, a target we are confident we can maintain in the long run. CIB Kenya also aims to enhance its control of HR policies and procedures. A highly qualified HR Head has joined the bank and will be tasked with restructuring the bank's HR department with the aim of increasing the effectiveness of human capital. This step aims to optimize the bank's internal operations and improve overall performance.

However, despite these promising measures, CIB Kenya acknowledges that they have fallen short of their loan growth targets. The continuous increase in lending rates, primarily driven by the government's constriction of market liquidity, poses a challenge for banks. With government paper yielding higher rates, 15% on One-Year T-bills, banks are forced to raise their deposit ratios to compete. This results in a high cost of funds, which subsequently leads to high lending rates.

Nevertheless, CIB Kenya remains confident that it will continue to deliver bottom-line results in line with its budget.

D.S.M.S.

DSMS

Investment Overview

Damietta Shipping and Marine Services (DSMS) is a shareholding company, established in 1986 through a public offering with a paid capital of EGP 10 million. DSMS is a small-sized company with minimal operations that focus on marine services, such as container repairs, fuel tank rentals, and electricity repairs. The company's main income is the dividend income derived from its investment in Damietta Container and Cargo Handling (DCHC). The investment was part of an in-kind settlement of facilities initially granted to one of CIB's clients in the shipping sector. The investment is currently being monitored by the Direct Investment Group (DIG) and Investment Exposure Management (IEM). CIB's strategy is to exit from the investment to become an external investor (strategic – financial).

Commercial International Finance Company

The Commercial International Finance Company (CIFC) was established in June 2022 as the Bank's arm offering non-bank financial services. CIFC's operations are set to begin in 1Q2024 through a full factoring product suite catering to the increasing demand for alternative financial solutions. The solutions will mainly consist of three categories: Export Factoring, Local Factoring, and Import Factoring, also covering buyer-led reverse factoring programs. Factoring products will provide a wide range of value-added services catering for multinationals, as well as large corporates and SME clients. Other NBFS activities are also under study.

Associates

ACE

Investment Overview

Al Ahly Computer Equipment (ACE) was established in October 1996, under law No.159 for the year 1981, as a joint stock company. ACE has a long track record in the field of Information Technology. The company's product mix ranges from tailored maintenance services to specialized hardware, whereby it sources original hardware from recognized companies in the field. ACE provides IT maintenance services through a large team of highly trained technical engineers. It has a longstanding track record as an IT services and hardware provider for governmental entities, major banks, and large institutions.

2023 Highlights

In 2023, despite the significantly challenging market conditions, ACE's management team exerted notable effort and managed to increase the company's revenues through securing maintenance and sales contracts with well-known banks and governmental bodies in Egypt. In addition, the company has been working to add new offerings to ACE's portfolio of products by initiating a collaboration agreement with well-established brands and hardware providers in the IT Sector.

ACE 2024 Forward-Looking Strategy

Management is dedicated to maintaining strong relationships with existing customers, while simultaneously improving both the maintenance and direct sales experiences to ultimately expand the clientele base. The primary objectives for FY2024 are to steadily expand the company's market reach, cement its market share, and build a solid and sustainable competitive edge. The company's strategic approach emphasizes a balanced and measured expansion for long-term business growth.

TCA

Investment Overview

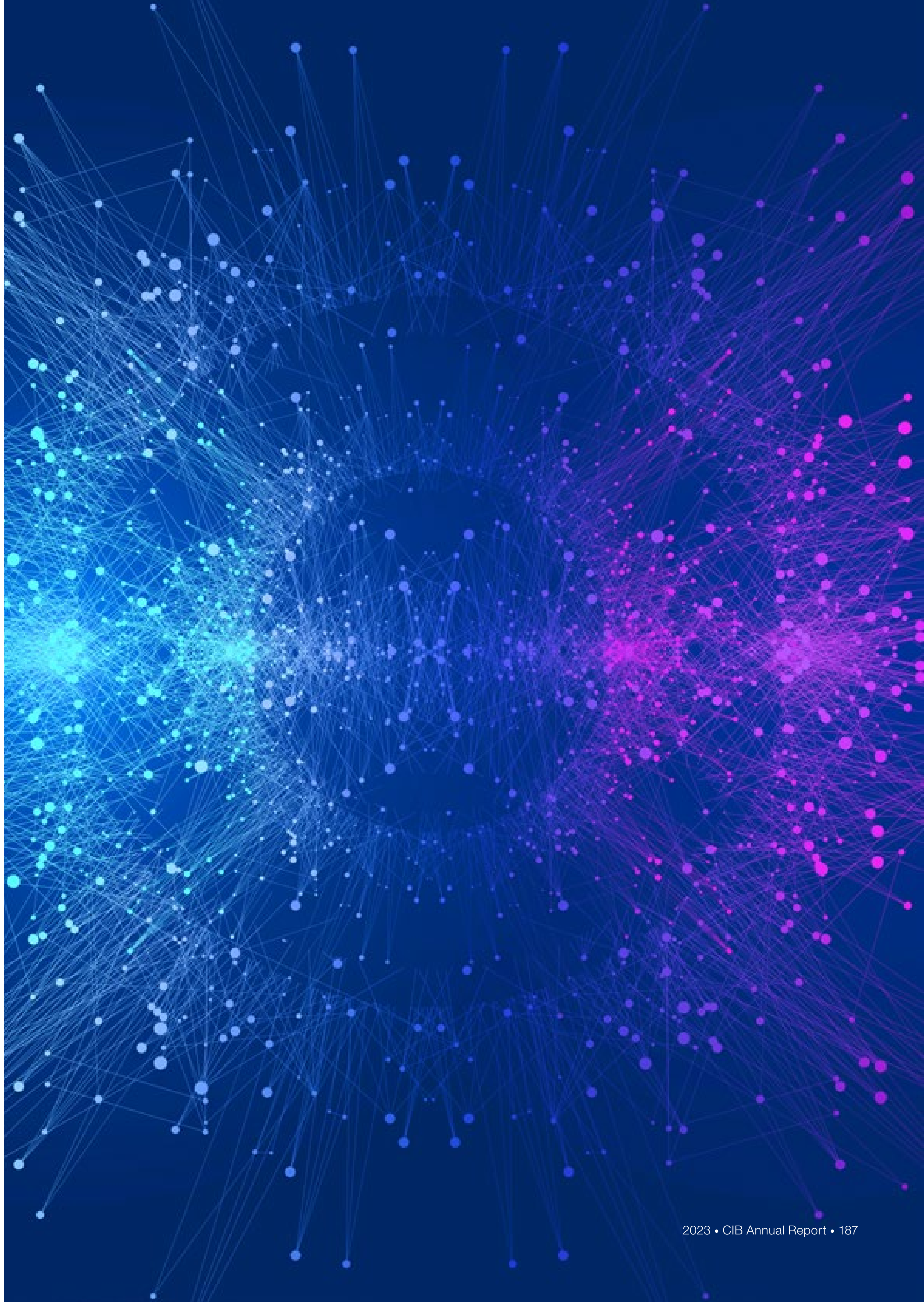
In January 2021, CIB and Talaat Moustafa Group (TMG) established a new commercial real estate company, TCA Properties. TCA started its operations in early 2021 by acquiring a number of TMG Holding's outstanding premium commercial assets located in Al Rehab and Madinaty.

2023 Highlights

During 2023, TCA's management company, Alexandria Company for Projects Management (APM), promoted TCA commercial assets for rent and sale to reputable brand names in the F&B and retail sectors. The company secured various contracts with many market players in those areas.

TCA 2024 Forward-Looking Strategy

Management will continue focusing on expanding TCA's client base through targeting best-in-class retailers, enabling TCA to include a premium tenant mix serving customers' needs and fulfilling market demand. TCA is also currently exploring high-end expansion projects to add to the company's portfolio.



08.

Financial Statements

Auditor's Report

Saleh, Barsoum & Abdel Aziz - Grant Thornton
Accountants & Auditors

Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants

AUDITORS' REPORT

To the Shareholders of Commercial International Bank - Egypt - CIB S.A.E

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Commercial International Bank – Egypt - CIB S.A.E "the Bank", which comprise the consolidated financial position as at December 31, 2023 and the consolidated statements of income, comprehensive income, changes in shareholder's equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations. Management's responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; management's responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Bank as of December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Central Bank of Egypt's rules, pertaining to the preparation and presentation of the banks' financial statements, issued on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

Cairo; 11 February 2024

Auditors

Farid Samir

Farid Samir Farid
Financial Regulatory Authority Register Number "210"
Saleh, Barsoum & Abdel Aziz - Grant Thornton
Public Accountants & Consultants

Hossam Hilal

Hossam Mohamed Hilal
Financial Regulatory Authority Register Number "147"
Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants

Saleh, Barsoum, Abdel Aziz & Co.
Accountants & Auditors

Consolidated Statement of Financial Position

As at December 31, 2023

EGP Thousands

	Notes	Dec. 31, 2023	Dec. 31, 2022
Assets			
Cash and balances at the central bank	15	71,887,821	47,492,549
Due from banks	16	231,085,244	133,856,720
Loans and advances to banks, net	18	822,448	2,978,197
Loans and advances to customers, net	19	234,985,936	193,599,872
Derivative financial instruments	20	1,105,148	1,939,961
Financial investments			
- Financial Assets at Fair Value through OCI	21	233,125,234	204,020,733
- Financial Assets at Amortized cost	21	38,341,019	34,524,760
- Investments in associates	22	115,979	186,062
Non current assets held for sale	45	161	-
Other assets	23	18,972,786	14,521,427
Goodwill	43	-	96,268
Intangible assets	44	-	24,188
Deferred tax assets	32	1,685,231	185,746
Property and equipment	24	2,739,092	2,405,434
Total assets		**834,866,099**	**635,831,917**
Liabilities and equity			
Liabilities			
Due to banks	25	12,458,003	3,496,698
Due to customers	26	677,237,479	531,616,550
Non current liabilities held for sale	46	873	-
Derivative financial instruments	20	140,934	219,752
Current income tax liabilities		9,395,534	3,051,583
Other liabilities	29	18,339,465	11,606,912
Issued debt instruments	27	3,073,349	2,456,607
Other loans	28	12,483,907	7,978,975
Other provisions	30	11,095,089	7,066,672
Total liabilities		**744,224,633**	**567,493,749**
Equity			
Issued and paid up capital	31	30,195,010	29,825,134
Reserves	34	28,807,042	19,643,327
Reserve for employee stock ownership plan (ESOP)	34	1,486,010	1,895,435
Retained earnings *	34	29,993,331	16,393,841
Total equity and net profit for the year		**90,481,393**	**67,757,737**
Non Controlling Interest		160,073	580,431
Total minority interest, equity and net profit for the year		**90,641,466**	**68,338,168**
Total liabilities and equity		**834,866,099**	**635,831,917**

The accompanying notes are an integral part of these financial statements .
(Audit report attached)

* Including net profit for the current year

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Consolidated Income Statement

For the year Ended December 31, 2023

EGP Thousands

	Notes	Dec. 31, 2023	Dec. 31, 2022
Interest and similar income		104,028,379	55,723,701
Interest and similar expense		(51,098,717)	(24,718,803)
Net interest income	6	**52,929,662**	**31,004,898**
Fee and commission income		9,049,924	5,555,082
Fee and commission expense		(3,611,699)	(2,476,945)
Net fee and commission income	7	**5,438,225**	**3,078,137**
Dividend income	8	234,010	52,411
Net trading income	9	3,942,939	2,749,657
Profits (Losses) on financial investments	21	221,810	1,162,195
Administrative expenses	10	(10,076,013)	(7,371,629)
Other operating income (expenses)	11	(6,590,740)	(5,080,138)
Goodwill amortization		(96,268)	(41,257)
Intangible assets amortization		(24,188)	(10,366)
Impairment release (charges) for credit losses	12	(4,270,081)	(1,584,942)
Bank's share in the profits / losses of associates		(55,983)	(17,680)
Profit before income tax		**41,653,373**	**23,941,286**
Income tax expense	13	(13,099,948)	(6,345,103)
Deferred tax assets (Liabilities)		1,157,542	(1,424,033)
Net profit from continued operations		**29,710,967**	**16,172,150**
Discontinued Operations	47		
Net profit (loss) from discontinued operations		(42,102)	-
Net profit for the year		**29,668,865**	**16,172,150**
Non Controlling Interest		34,323	57,762
Bank's shareholders		**29,634,542**	**16,114,388**
Earnings per share	14		
Basic		**8.59**	**4.80**
Diluted		**8.48**	**4.74**

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Consolidated Statement of Comprehensive Income

For the year Ended December 31 2023

EGP Thousands

	Dec. 31, 2023	Dec. 31, 2022
Net profit for the year	**29,668,865**	**16,172,150**
Comprehensive income items that will not be reclassified to the Profit or Loss:		
Change in fair value of equity instruments measured at fair value through comprehensive income	259,291	294,799
Deferred Tax impact for investments that will not be reclassified to P&L	(131,008)	(61,753)
Transferred to RE from financial assets at fair value through comprehensive income	(95,308)	(3,436)
Comprehensive income items that may be reclassified to the profit or loss:		
Change in fair value of debt instruments measured at fair value through comprehensive income	(6,926,653)	(14,517,696)
Selling FVOCI financial instruments	(205,344)	(1,116,776)
Deferred Tax impact for investments that may be reclassified to P&L	1,530,823	1,119,625
Cumulative foreign currencies translation differences	(32,971)	185,542
Effect of ECL on fair value of debt instruments measured at fair value through comprehensive income	1,888,326	455,047
Total comprehensive income for the year	**25,956,021**	**2,527,502**
As follows:		
Bank's shareholders	25,921,698	2,469,740
Non Controlling Interest	34,323	57,762
Total comprehensive income for the year	**25,956,021**	**2,527,502**

Consolidated Cash Flow

for the year Ended December 31, 2023

EGP Thousands

	Notes	Dec. 31, 2023	Dec. 31, 2022
Cash flow from operating activities			
Profit before income tax from continued operations		41,653,373	23,941,286
Profit (loss) from discontinued operations		(42,102)	-
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	24	788,209	885,801
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)	12	2,311,867	1,043,776
Other provisions charges	30	2,821,141	2,133,535
Impairment (Released) charge for credit losses (due from banks)	12	(47,234)	8,395
Impairment (Released) charge for credit losses (financial investments)	12	2,005,448	524,838
Impairment (Released) charge for other assets		17,620	(277,766)
Exchange revaluation differences for financial assets at fair value through OCI and AC	21	(5,442,433)	(7,477,865)
Goodwill amortization	43	96,268	41,257
Intangible assets amortization	44	24,188	10,366
Revaluation differences Impairment charge for Financial Assets at Fair value through OCI		1,903	-
Revaluation differences Impairment charge for Financial Assets at Amortized cost		607	-
Utilization of other provisions	30	(5,850)	(3,126)
Other provisions no longer used	30	-	(172)
Exchange Revaluation differences of other provisions	30	1,213,126	1,394,973
profits from selling property and equipment	11	(1,663)	(2,208)
profits from selling financial investments at fair value through OCI	21.1	(205,344)	(1,162,195)
Losses (Profits) from selling investments in associates	21.1	(7,466)	-
Impairment (Released) charges of investments in associates	21.1	(9,000)	-
Shares based payments		754,817	723,965
Bank's share in the profits / losses of associates		55,983	17,680
Operating profits before changes in operating assets and liabilities		**45,983,458**	**21,802,540**
Net decrease / increase in assets and liabilities			
Due from banks	16	18,441,280	(25,811,654)
Financial assets at fair value through P&L	21	-	240,987
Derivative financial instruments	20	755,995	(1,760,303)
Loans and advances to banks and customers	18 - 19	(41,467,103)	(51,705,061)
Other assets	41	(3,968,123)	(2,862,478)
Non current assets held for sale		(161)	-
Due to banks	25	8,961,305	2,630,642
Due to customers	26	145,620,929	124,375,012
Current income tax obligations paid		(3,704,414)	(3,293,520)
Non current liabilities held for sale		873	-
Other liabilities	29	3,680,970	1,286,382
Net cash generated from (used in) operating activities		**174,305,009**	**64,902,547**

Consolidated Cash Flow (Cont.)

for the year Ended December 31 2023

EGP Thousands

	Notes	Dec. 31, 2023	Dec. 31, 2022
Cash flow from investing activities			
Proceeds from investments in associates		4,510	-
Payment for purchases of property, equipment and branches construction		(1,685,846)	(1,033,499)
Proceeds from selling property and equipment	11	1,663	2,208
Proceeds from redemption of financial assets at amortized cost		6,125,452	6,738,937
Payment for purchases of financial assets at amortized cost		(9,409,257)	(19,978,014)
Payment for purchases of financial assets at fair value through OCI		(129,066,885)	(45,646,889)
Proceeds from selling financial assets at fair value through OCI		100,481,027	27,478,730
Payment for investment in subsidiaries.		(1,142,840)	-
Net cash generated from (used in) investing activities		**(34,692,176)**	**(32,438,527)**
Cash flow from financing activities			
Other loans	28	4,504,932	2,838,193
Dividends paid		(3,755,996)	(4,420,569)
Issued debt instruments		616,742	899,344
Capital increase		369,876	122,716
Net cash generated from (used in) financing activities		**1,735,554**	**(560,316)**
Net (decrease) increase in cash and cash equivalent during the year		141,348,387	31,903,704
Beginning balance of cash and cash equivalent		92,969,526	61,065,822
Cash and cash equivalent at the end of the year		**234,317,913**	**92,969,526**
Cash and cash equivalent comprise:			
Cash and balances at the central bank	15	71,887,821	47,492,549
Due from banks	16	231,087,402	133,906,112
Treasury bills and other governmental notes	17	113,403,703	59,146,824
Obligatory reserve balance with CBE	15	(64,396,185)	(40,493,607)
Due from banks with maturity more than three months		(4,942,896)	(47,286,754)
Treasury bills and other governmental notes with maturity more than three months		(112,721,932)	(59,795,598)
Total cash and cash equivalent		**234,317,913**	**92,969,526**

Consolidated Statement of Changes in Shareholders' Equity

EGP Thousands

Dec. 31, 2022	Issued and paid up capital	Legal reserve	General reserve	General risk reserve	Reserve for transactions under common control	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Cumulative foreign currencies translation differences	Total Shareholders Equity	Non Controlling Interest	Total
Beginning balance	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	641,372	9,141	13,696,402	1,674,392	(4,218)	68,848,202	454,535	69,302,737
Capital increase	10,122,716	-	(10,000,000)	-	-	-	-	-	-	-	-	122,716	-	122,716
Transferred to reserves	-	670,872	8,836,326	-	-	2,947	-	-	(9,007,223)	(502,922)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(4,410,322)	-	-	(4,410,322)	(10,247)	(4,420,569)
Net profit for the year	-	-	-	-	-	-	-	-	16,114,388	-	-	16,114,388	57,762	16,172,150
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(3,436)	-	3,436	-	-	-	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(14,281,801)	-	-	-	-	(14,281,801)	-	(14,281,801)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	-	2,840	(2,840)	-	-	-	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	455,047	-	-	-	-	455,047	-	455,047
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	723,965	-	723,965	-	723,965
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	185,542	185,542	78,381	263,923
Ending balance	**29,825,134**	**3,963,946**	**27,096,858**	**1,550,906**	**8,183**	**18,947**	**(13,188,818)**	**11,981**	**16,393,841**	**1,895,435**	**181,324**	**67,757,737**	**580,431**	**68,338,168**

Consolidated Statement of Changes in Shareholders' Equity

Dec. 31, 2023	Issued and paid up capital	Legal reserve	General reserve	General risk reserve	Reserve for transactions under common control	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Cumulative foreign currencies translation differences	Total Shareholders Equity	Non Controlling Interest	Total
Beginning balance	29,825,134	3,963,946	27,096,858	1,550,906	8,183	18,947	(13,188,818)	11,981	16,393,841	1,895,435	181,324	67,757,737	580,431	68,338,168
Capital increase	369,876	-	-	-	-	-	-	-	-	-	-	369,876	-	369,876
Transferred to reserves	-	806,408	12,743,849	-	-	2,208	-	-	(12,388,223)	(1,164,242)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(3,738,888)	-	-	(3,738,888)	(17,108)	(3,755,996)
Net profit for the year	-	-	-	-	-	-	-	-	29,634,542	-	-	29,634,542	34,323	29,668,865
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(95,308)	-	95,308	-	-	-	-	-
Change in non controlling interest from acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(536,867)	(536,867)
Reserve for transactions under common control	-	-	-	-	(679,155)	-	-	-	-	-	-	(679,155)	-	(679,155)
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(5,472,891)	-	-	-	-	(5,472,891)	-	(5,472,891)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	-	3,249	(3,249)	-	-	-	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	1,888,326	-	-	-	-	1,888,326	-	1,888,326
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	754,817	-	754,817	-	754,817
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	(32,971)	(32,971)	99,294	66,323
Ending balance	**30,195,010**	**4,770,354**	**39,840,707**	**1,550,906**	**(670,972)**	**21,155**	**(16,868,691)**	**15,230**	**29,993,331**	**1,486,010**	**148,353**	**90,481,393**	**160,073**	**90,641,466**

Notes to the consolidated financial statements

for the year ended December 31, 2023

1. General information

Commercial International Bank-Egypt (CIB) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 193 branches, and 15 units employing 7,917 employees on the statement of financial position date.

Commercial International Bank-Egypt (CIB)s S.A.E. was formed as a commercial bank under the investment law no. 43 of 1974 amended by law no. 32/1977 and its amendments. The address of its registered head office is as follows: Nile tower, 21/23 Charles de Gaulle Street-Giza. The Bank is listed in the Egyptian stock exchange.

The bank owns investments in subsidiaries "Commercial International Bank (CIB) Kenya", "Damietta Shipping" and "Commercial International for Finance" in which the bank's shares are 100%, 49.95% and 99.83% respectively.

Financial statements have been approved by board of directors on February 11, 2024.

2. Summary of accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt approved by the Board of Directors on December 16, 2008 as modified by the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019, reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards.

2.1.1. Basis of consolidation

The basis of the consolidation is as follows:

- Eliminating all balances and transactions between the Bank and group companies.
- The cost of acquisition of subsidiary companies is based on the company's share in the fair value of assets acquired and obligations outstanding on the acquisition date.
- Minority shareholders represent the rights of others in subsidiary companies.
- Proportional consolidation is used in consolidating method for companies under joint control.

2.2. Subsidiaries and associates

2.2.1. Subsidiaries

Subsidiaries are those investees, including structured entities, that the Bank controls because the Bank (i) has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether the Bank has power over another entity. For a right to be substantive, the holder must have practical ability to exercise that right when decisions about the direction of the relevant activities of the investee need to be made. The Bank may have power over an investee even when it holds less than majority of voting power in an investee. In such a case, the Bank assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Protective rights of other investors, such as those that relate to fundamental changes of investee's activities or apply only in exceptional circumstances, do not prevent the Bank from controlling an investee. Subsidiaries are consolidated in the Bank's consolidated financial statements from the date on which control is transferred to the Bank, and are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries [other than those acquired from parties under common control]. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Bank measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis, either at: (a) fair value, or (b) the non-controlling interest's proportionate share of net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date. Any negative amount ("negative goodwill") is recognized in profit or loss, after management reassesses whether it identified all the assets acquired and all liabilities and contingent liabilities assumed, and reviews appropriateness of their measurement.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, including fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt are deducted from its carrying amount and all other transaction costs associated with the acquisition are expensed.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless the cost cannot be recovered. The Bank and all its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Bank. Non-controlling interest forms a separate component of the Group's equity.

Purchases and sales of non-controlling interests. The Bank applies the economic entity model to account for transactions with owners of non- controlling interest. Any difference between the purchase consideration and the carrying amount of non-controlling interest acquired is recorded as a capital transaction directly in equity. The Bank recognizes the difference between sales consideration and carrying amount of non-controlling interest sold as a capital transaction in the statement of changes in equity.

2.2.2. Associates

Associates are entities over which the Bank has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The carrying amount of associates includes goodwill identified on acquisition less accumulated credit losses, if any. Dividends received from associates reduce the carrying value of the investment in associates. Other post- acquisition changes in Group's share of net assets of an associate are recognized as follows: (i) the Group's share of profits or losses of associates is recorded in the consolidated profit or loss for the year as share of result of associates, (ii) the Group's share of other comprehensive income is recognized in other comprehensive income and presented separately, (iii); all other changes in the Group's share of the carrying value of net assets of associates are recognized in profit or loss within the share of result of associates. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Bank applies the impairment requirements in IFRS 9 to long-term loans, preference shares and similar long-term interest that in substance form part of the investment in associate before reducing the carrying value of the investment by a share of a loss of the investee that exceeds the amount of the Group's interest in the ordinary shares.

Disposals of subsidiaries, associates or joint ventures. When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are recycled to profit or loss.

2.3. Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

2.4. Foreign currency translation

2.4.1. Functional and presentation currency

The financial statements are presented in Egyptian pound, which is the Bank's functional and presentation currency.

2.4.2. Transactions and balances in foreign currencies

The Bank maintains its accounting records in Egyptian pound. Transactions in foreign currencies during the period are translated into the Egyptian pound using the prevailing exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the end of reporting period at the prevailing exchange rates. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following line items:

- Net trading income from held-for-trading assets and liabilities.
- Items of other comprehensive income with equity in relation to investments in equity instruments at fair value through comprehensive income.
- Other operating revenues (expenses) from the remaining assets and liabilities.

Changes in the fair value of financial instruments of a monetary nature in foreign currencies that are classified as financial investments at fair value through comprehensive income (debt instruments) are analyzed between valuation differences that resulted from changes in the cost consumed for the instrument and differences that resulted from changing the exchange rates in effect and differences caused by changing the fair value For the instrument, the evaluation differences related to changes in the cost consumed are recognized in the income of loans and similar revenues and in the differences related to changing the exchange rates in other operating income (expenses) item, and are recognized in the items of comprehensive income.

Valuation differences arising from the measurement of items of a non-monetary nature at fair value through profit and losses resulting from changes in the exchange rates used to translate those items include, and then are recognized in the income statement by the total valuation differences resulting from the measurement of equity instruments classified at fair value through Profits and losses, while the total valuation differences resulting from the measurement of equity instruments at fair value through comprehensive income are recognized within other comprehensive income items in equity, fair value reserve item for financial investments at fair value through comprehensive income.

2.5. Financial assets

Key Measurement Terms:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with enough frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analyzed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs).

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid. Transaction costs do not include debt premiums or discounts.

Amortized cost is the amount at which the financial instrument was recognized at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses. Accrued interest includes amortization of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount, which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortized over the expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Financial instruments - initial recognition.

Financial instruments at FVTPL are initially recorded at fair value. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognized for financial assets measured at amortized cost and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date on which the bank commits to deliver a financial asset. All other purchases are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets - classification and subsequent measurement - measurement categories.

The bank classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the bank's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

The following table summarizes measurement categories

Financial Instrument	Methods of Measurement according to Business Models		
	Amortized Cost	Fair Value	
		Through Other Comprehensive Income	Through Profit or Loss
Equity Instruments	Not Applicable	An irrevocable election at Initial Recognition	Normal treatment of equity instruments
Debt Instruments /Loans & Facilities	Business Model of Assets held for Collecting Contractual Cash Flows	Business Model of Assets held for Collecting Contractual Cash Flows & Selling	Business Model of Assets held for Trading

Financial assets - classification and subsequent measurement - business model.

The business model reflects how the bank manages the assets in order to generate cash flows - whether the bank's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the bank undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the bank in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed.

Financial assets - classification and subsequent measurement - cash flow characteristics.

Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the bank assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the bank considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin. Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed.

The following table summarizes the classification of the Banks Financial Assets in accordance with the business model:

Financial asset	Business model	Basic characteristics
Financial Assets at Amortized Cost (AC)	Business model for financial assets held to collect contractual cash flows	• The objective of the business model is to retain the financial assets to collect the contractual cash flows of the principal amount of the investment and the proceeds. • Sale is an exceptional event for the purpose of this model and under the terms of the criterion of a deterioration in the creditworthiness of the issuer of the financial instrument. • Lowest sales in terms of turnover and value. • The Bank makes clear and reliable documentation of the reasons for each sale and its compliance with the requirements of the Standard.
Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)	Business model of financial assets held to collect cash flows and sales	• Both the collection of contractual cash flows and sales are complementary to the objective of the model. • High sales (in terms of turnover and value) compared to the business model retained for the collection of cash flows.
Financial Assets at Fair Value through Profit or Loss (FVTPL)	Other business models include trading - management of financial assets at fair value - maximizing cash flows by selling	• The objective of the business model is not to retain the financial asset for the collection of contractual or retained cash flows for the collection of contractual cash flows and sales. • Collecting contractual cash flows is an incidental event for the model objective. • Management of financial assets at fair value through profit or loss to avoid inconsistency in accounting measurement.

Financial assets - reclassification. Financial instruments are reclassified only when the business model for managing the portfolio as a whole changes. The Bank did not change its business model during the current and comparative year and did not make any reclassifications.

Financial assets impairment - credit loss allowance for ECL. The bank assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The bank measures ECL and recognizes credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting date about past events, current conditions and forecasts of future conditions.

The bank applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the bank identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the bank determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Financial assets - write-off. Financial assets are written-off, in whole or in part, when the bank exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event.

Financial assets - derecognition. The bank derecognizes financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the bank has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

When the financial asset is derecognized, the difference between the carrying amount of the financial asset and the total of the consideration received in other comprehensive income is recognized in profit or loss.

Gain / Loss recognized in other comprehensive income in respect of investment securities in equity securities is not recognized in profit or loss on disposal of such securities.

Financial liabilities - measurement categories. Financial liabilities are classified as subsequently measured at AC, except for financial liabilities at FVTPL: this classification is applied to derivatives or financial liabilities held for trading (e.g. short positions in securities)

Financial liabilities - derecognition. Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a legally enforceable right to offset the recognized amounts and there is an intention to be settled on a net basis.

2.7. Derivative financial instruments and hedge accounting

Derivatives are recognized initially, and subsequently, at fair value. Fair values of exchange traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded derivatives in other financial instruments, such as conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in income statement unless the Bank chooses to designate the hybrid contact as at fair value through net trading income in profit or loss.

The timing of recognition in profit and loss, of any gains or losses arising from changes in the fair value of derivatives, depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. The Bank designates certain derivatives as:

- Hedging instruments of the risks associated with fair value changes of recognized assets or liabilities or firm commitments (fair valuehedge).
- Hedging of risks relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge)
- Hedge accounting is used for derivatives designated in a hedging relationship when the following criteria are met.

At the inception of the hedging relationship, the Bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore,

At the inception of the hedge, and on ongoing basis, the Bank documents whether the hedging instrument is expected to be highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

2.7.1. Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recognized in profit or loss immediately together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in the 'net interest income' line item of the income statement. Any ineffectiveness is recognized in profit or loss in 'net trading income'.

When the hedging instrument is no longer qualified for hedge accounting, the adjustment to the carrying amount of a hedged item, measured at amortized cost, arising from the hedged risk is amortized to profit or loss from that date using the effective interest method.

2.7.2. Derivatives that do not qualify for hedge accounting

All gains and losses from changes in the fair values of derivatives that do not qualify for hedge accounting are recognized immediately in the income statement. These gains and losses are reported in 'net trading income', except where derivatives are managed in conjunction with financial instruments designated at fair value , in which case gains and losses are reported in 'net income from financial instruments designated at fair value'.

2.8. Interest income and expense

Interest income and expense for all financial instruments except for those classified as held-for-trading or designated at fair value are recognized in 'interest income' and 'interest expense' in the income statement using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that represents an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once loans or debts are classified as nonperforming or impaired, the revenue of interest income will not be recognized and will be recorded off balance sheet, and are recognized as income subsequently based on a cash basis according to the following:

- When all arrears are collected for consumer loans, personnel mortgages and micro-finance loans.
- When calculated interest for corporate are capitalized according to the rescheduling agreement conditions until paying 25% from rescheduled payments for a minimum performing period of one year, if the customer continues to perform, the calculated interest will be recognized in interest income (interest on the performing rescheduling agreement balance) without the marginalized before the rescheduling agreement which will be recognized in interest income after the settlement of the outstanding loan balance.

2.9. Fee and commission income

Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off balance sheet. These are recognized as revenue, on a cash basis, only when interest income on those loans is recognized in profit and loss, at that time, fees and commissions that represent an integral part of the effective interest rate of a financial asset, are treated as an adjustment to the effective interest rate of that financial asset. Commitment fees and related direct costs for loans and advances where draw down is probable are deferred and recognized as an adjustment to the effective interest on the loan once drawn. Commitment fees in relation to facilities where draw down is not probable are recognized at the maturity of the term of the commitment.

Fees are recognized on the debt instruments that are measured at fair value through profit and loss on initial recognition and syndicated loan fees received by the Bank are recognized when the syndication has been completed and the Bank does not hold any portion of it or holds a part at the same effective interest rate used for the other participants portions. Commission and fee arising from negotiating, or participating in the negotiation of a transaction for a third party such as the arrangement of the acquisition of shares or other securities or the purchase or sale of properties are recognized upon completion of the underlying transaction in the income statement .

Other management advisory and service fees are recognized based on the applicable service contracts, usually on accrual basis. Financial planning fees related to investment funds are recognized steadily over the period in which the service is provided. The same principle is applied for wealth management; financial planning and custody services that are provided on the long term are recognized on the accrual basis also.

Operating revenues in the holding company are:

- Commission income is resulting from purchasing and selling securities to a customer account upon receiving the transaction confirmation from the Stock Exchange.

- Mutual funds and investment portfolios management which is calculated as a percentage of the net value of assets under management according to the terms and conditions of agreement. These amounts are credited to the assets management company's revenue pool on a monthly accrual basis.

2.10. Dividend income

Dividends are recognized in the income statement when the right to collect is established.

2.11. Sale and repurchase agreements

Securities may be lent or sold subject to a commitment to repurchase (Repos) are reclassified in the financial statements and deducted from treasury bills balance. Securities borrowed or purchased subject to a commitment to resell them (Reverse Repos) are reclassified in the financial statements and added to treasury bills balance. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.12. Investment property

The investment property represents lands and buildings owned by the Bank in order to obtain rental returns or capital gains and therefore do not include real estate assets which the Bank is carrying out its operations through or those that have owned by the Bank as settlement of debts. The accounting treatment is the same used with property and equipment.

2.13. Property and equipment

Land and buildings comprise mainly branches and offices. All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their residual values over estimated useful lives, as follows:

Buildings	20 years.
Leasehold improvements	3 years,
Furniture and safes	3-5 years.
Air-conditioners	5 years
Vehicles	5 years
Computers and core systems	3-4 years
Fixtures and fittings	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Depreciable assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered. An asset's carrying amount is written down immediately to its recoverable value if the asset's carrying amount exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing the selling proceeds with the asset carrying amount and charged to other operating expenses in the income statement.

2.14. Impairment of non-financial assets

Assets that have an indefinite useful life are not amortized -except goodwill- and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Assets are tested for impairment with reference to the lowest level of cash generating unit/s. A previously recognized impairment loss relating to a fixed asset may be reversed in part or in full when a change in circumstances leads to a change in the estimates used to determine the fixed asset's recoverable amount. The carrying amount of the fixed asset will only be increased up to the amount that it would have been had the original impairment not been recognized.

2.14.1. Goodwill

Goodwill is capitalized and represents the excess of acquisition cost over the fair value of the Bank's share in the acquired entity's net identifiable assets on the date of acquisition. For the purpose of calculating goodwill, the fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows. Goodwill is included in the cost of investments in associates and subsidiaries in the Bank's separate financial statements. Goodwill is tested for impairment on an annual basis or shorter when trigger event took place, impairment loss is charged to the income statement.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The cash generating units represented in the Bank main segments.

2.14.2. Other intangible assets

The intangible assets other than goodwill and computer programs (trademarks, licenses, contracts for benefits, the benefits of contracting with clients).

Other intangible assets that are acquired by the Bank are recognized at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of the intangible asset with definite life. Intangible assets with indefinite life are not amortized and tested for impairment.

2.15. Leases

The accounting treatment for the finance lease is complied with the instructions of Central Bank of Egypt, if the contract entitles the lessee to purchase the asset at a specified date and predefined value. The other leases contracts are considered operating leases contracts.

2.15.1. Being lessee

Finance lease contract recognizes the lease cost, including the cost of maintenance of the leased assets in the income statement for the period in which they occurred. If the Bank decides to exercise the right to purchase the leased asset the leased assets are capitalized and included in 'property, plant and equipment' and depreciated over the useful life of the expected remaining life of the asset in the same manner as similar assets.

Operating lease payments leases are accounted for on a straight-line basis over the periods of the leases and are included in 'general and administrative expenses'.

2.15.2. Being lessor

For finance lease, assets are recorded in the property and equipment in the balance sheet and amortized over the expected useful life of this asset in the same manner as similar assets. Lease income is recognized on the basis of rate of return on the lease in addition to an amount corresponding to the cost of depreciation for the period. The difference between the recognized rental income and the total finance lease clients' accounts is transferred to the in the income statement until the expiration of the lease to be reconciled with a net book value of the leased asset. Maintenance and insurance expenses are charged to the income statement when incurred to the extent that they are not charged to the tenant.

In case there is objective evidence that the Bank will not be able to collect the of financial lease obligations, the finance lease payments are reduced to the recoverable amount.

For assets leased under operating lease it appears in the balance sheet under property, plant and equipment, and depreciated over the expected useful life of the asset in the same way as similar assets, and the lease income recorded less any discounts given to the lessee on a straight-line method over the contract period.

2.16. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash and non-restricted balances with Central Bank, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.17. Other provisions

Provisions for restructuring costs and legal claims are recognized when the Bank has present legal or constructive obligations as a result of past events; where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

In case of similar obligations, the related cash outflow should be determined in order to settle these obligations as a group. The provision is recognized even in case of minor probability that cash outflow will occur for an item of these obligations.

When a provision is wholly or partially no longer required, it is reversed through profit or loss under other operating income (expenses).

Provisions for obligations, other than those for credit risk or employee benefits, due in more than 12 months from the balance sheet date are recognized based on the present value of the best estimate of the consideration required to settle the present obligation at the balance sheet date. An appropriate pretax discount rate that reflects the time value of money is used to calculate the present value of such provisions. For obligations due within less than twelve months from the balance sheet date, provisions are calculated based on undiscounted expected cash outflows unless the time value of money has a significant impact on the amount of provision, then it is measured at the present value.

2.18. Share based payments

The Bank applies an equity-settled, share-based compensation plan. The fair value of equity instruments recognized as an expense over the vesting period using appropriate valuation models, taking into account the terms and conditions upon which the equity instruments were granted. The vesting period is the period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied. Vesting conditions include service conditions and performance conditions and market performance conditions are taken into account when estimating the fair value of equity instruments at the date of grant. At each balance sheet date the number of options that are expected to be exercised are estimated. Recognizes estimate changes, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The bank's contributions to the employees' social insurance fund

Bank employees benefit from the Social Insurance Fund that has been established under the Law No. 64 of year 84 regarding alternative social insurance systems. This system is considered an alternative to state regulations and is subject to the supervision of the Ministry of Social Insurance. A Ministerial Resolution No. 22 of year 83 was issued regarding approval of the establishment of the Social Fund for Employees. The bank is obliged to pay to the fund the contributions due for each month represented in the employer's share and the share of the insured and pay his obligations towards the fund in implementation of the provisions of the fund system. This is a system of benefits enjoyed by employees, a system of specific benefits for the bank, according to the Egyptian accounting standards.

2.19. Income tax

Income tax on the profit or loss for the period and deferred tax are recognized in the income statement except for income tax relating to items of equity that are recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable at the date of the balance sheet in addition to tax adjustments for previous years.

Deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and value according to the foundations of the tax, this is determining the value of deferred tax on the expected manner to realize or settle the values of assets and liabilities, using tax rates applicable at the date of the balance sheet.

Deferred tax assets of the Bank recognized when there is likely to be possible to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

2.20.Borrowings

Borrowings are recognized initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortized cost also any difference between proceeds net of transaction costs and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

2.21.Dividends

Dividends on ordinary shares and profit sharing are recognized as a charge of equity upon the general assembly approval. Profit sharing includes the employees' profit share and the Board of Directors' remuneration as prescribed by the Bank's articles of incorporation and the corporate law.

2.22.Comparatives

Comparative figures have been adjusted to conform to changes in presentation in the current period where necessary.

2.23.Noncurrent assets held for sale

a non-current asset (or disposal group) to be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Determining whether (and when) an asset stops being recovered principally through use and becomes recoverable principally through sale.

For an asset (or disposal group) to be classified as held for sale:

(a) It must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups);
(b) Its sale must be highly probable;

The standard requires that non-current assets (and, in a 'disposal group', related liabilities and current assets,) meeting its criteria to be classified as held for sale be:

(a) Measured at the lower of carrying amount and fair value less costs to sell, with depreciation on them ceasing; and
(b) Presented separately on the face of the statement of financial position with the results of discontinued operations presented separately in the income statement.

2.24.Discontinued operation

Discontinued operation as 'a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) Represents a separate major line of business or geographical area of operations,
(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or
(c) Is a subsidiary acquired exclusively with a view to resale.

Important Accounting Estimates, and Judgements in Applying Accounting Policies

The bank makes estimates and assumptions that affect the amounts recognized, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognized and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

ECL measurement: Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as forward-looking of macro-economic indicators. The bank regularly reviews and validates the models and inputs to the models to reduce any gaps between expected credit loss estimates and actual credit loss experience.

The bank used forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. The most significant forward-looking assumptions, for both corporate, that correlate with ECL level and their assigned weights were interest rate, GDP growth rate, Inflation rate and Foreign currency index. In addition to these assumptions liquidity standard M2 and foreign direct investment have been used for the retail facilities portfolio.

A change in the assigned weight to the base scenario of the forward looking macro-economic variables by 10% towards the downturn scenario would result in an increase in ECL by EGP 1,817,837 thousand as of 31 December 2023 (31 December 2022: by EGP 1,188,080 thousand). A corresponding change towards the upturn scenario would result in a decrease in ECL by EGP 1,817,788 thousand as of 31 December 2023 (31 December 2022: by EGP 1,179,558 thousand). A 10% increase or decrease in LGD estimates would result in an increase or decrease in total expected credit loss allowances of EGP 2,055,659 thousand at 31 December 2023 (31 December 2022: increase or decrease of EGP 1,530,366 thousand).

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the bank compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition. The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting date using, Transition in risk ratings, delinquency status, number of defaulted days and restructured status resulting from credit risk in addition to watch list. The bank considers all information about actual or estimated negative changes at working environment , financial and economic circumstances and regulatory jurisdiction which may affect negatively the ability of the borrower to settle outstanding's dues. The bank identifies behavioral indicators of increases in credit risk prior to delinquency and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level.

Business model assessment. The business model drives classification of financial assets. Management applied judgement in determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the bank considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity. Sales transactions aimed at minimizing potential losses due to credit deterioration are considered consistent with the "hold to collect" business model. Other sales before maturity, not related to credit risk management activities, are also consistent with the "hold to collect" business model, provided that they are infrequent or insignificant in value, both individually and in aggregate. The bank assesses significance of sales transactions by comparing the value of the sales to the value of the portfolio subject to the business model assessment over the average life of the portfolio. In addition, sales of financial asset expected only in stress case scenario, or in response to an isolated event that is beyond the bank's control, is not recurring and could not have been anticipated by the bank, are regarded as incidental to the business model objective and do not impact the classification of the respective financial assets.

The "hold to collect and sell" business model means that assets are held to collect the cash flows, but selling is also integral to achieving the business model's objective, such as, managing liquidity needs, achieving a particular yield, or matching the duration of the financial assets to the duration of the liabilities that fund those assets.

The residual category includes those portfolios of financial assets, which are managed with the objective of realizing cash flows primarily through sale, such as where a pattern of trading exists. Collecting contractual cash flow is often incidental for this business model.

Assessment whether cash flows are solely payments of principal and interest ("SPPI"). Determining whether a financial asset's cash flows are solely payments of principal and interest required judgement.

The time value of money element may be modified, for example, if a contractual interest rate is periodically reset but the frequency of that reset does not match the tenor of the debt instrument's underlying base interest rate. The effect of the modified time value of money was assessed by comparing relevant instrument's cash flows against a benchmark debt instrument with SPPI cash flows, in each period and cumulatively over the life of the instrument. The assessment was done for all reasonably possible scenarios, including reasonably possible financial stress situation that can occur in financial markets.

3. Financial risk management

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and rewards and minimize potential adverse effects on the Bank's financial performance. The most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also market risk includes exchange rate risk, rate of return risk and other prices risks.

The Bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by risk department under policies approved by the Board of Directors. Bank treasury identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units.

The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, credit risk management is responsible for the independent review of risk management and the control environment.

3.1. Credit risk

The Bank takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Bank by failing to discharge an obligation. Management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in loans and advances, debt securities and other bills. There is also credit risk in off-balance sheet financial arrangements such as loan commitments. The credit risk management and control are centralized in a credit risk management team and reported to the Board of Directors and head of each business unit regularly.

3.1.1. Credit risk measurement

3.1.1.1. Loans and advances to banks and customers

Bank's rating	description of the grade
1	performing loans
2	regular watching
3	watch list
4	non-performing loans

Loss given default or loss severity represents the Bank expectation of the extent of loss on a claim should default occur. It is expressed as percentage loss per unit of exposure and typically varies by type of counterparty, type and seniority of claim and availability of collateral or other credit mitigation.

3.1.1.2. Debt instruments Treasury Bills and Other Governmental Notes

For debt instruments and bills, by external rating agencies are used for assessing of the credit risk exposures, and if this rating is not available, then other ways similar to those used with the credit customers are uses. The investments in those securities and bills are viewed as a way to gain a better credit quality mapping and maintain a readily available source to meet the funding requirement at the same time.

3.1.2. Risk limit control and mitigation policies

The Bank manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and banks, and to industries and countries.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by individual, counterparties, product, and industry sector and by country are approved quarterly by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below:

3.1.2.1. Collateral

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Mortgage business assets such as premises, and inventory.
- Mortgage financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimize the credit loss the Bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other governmental securities are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

Derivatives

The Bank maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the Bank (i.e., assets with positive fair value), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from counterparties.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Bank market transactions on any single day.

3.1.2.2. Clearing house

The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of balance sheet assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if a default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Bank overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

3.1.2.3. Credit related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit - which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3.1.3. Impairment and provisioning policies

The internal rating system described in Note 3.1.1 focus on the credit-quality mapping from the lending and investment activities perspective. Conversely, for only financial reporting purposes impairment losses are recognized for that has been incurred on the balance sheet date when there is an objective evidence of impairment. for internal operational management.

The impairment provision reported in balance sheet at the end of the year is derived from each of the four internal credit risk ratings. However, the majority of the impairment provision is usually driven by the last two rating degrees. The following table illustrates the proportional distribution of loans and advances reported in the balance sheet for each of the four internal credit risk ratings of the Bank and their relevant impairment losses:

	December 31, 2023		December 31, 2022	
Bank's rating	Loans and advances (%)	Impairment provision (%)	Loans and advances (%)	Impairment provision (%)
1-Performing loans	81.87	32.83	78.40	22.91
2-Regular watching	13.98	36.63	15.02	25.02
3-Watch list	0.58	2.59	1.76	12.93
4-Non-Performing Loans	3.57	27.95	4.82	39.14

The internal rating tools assists management to determine whether objective evidence of impairment exists, based on the following criteria set by the Bank:

- Cash flow difficulties experienced by the borrower or debtor
- Breach of loan covenants or conditions
- Initiation of bankruptcy proceedings
- Deterioration of the borrower's competitive position
- Bank granted concessions may not be approved under normal circumstances due to economic, legal reasons and financial difficulties facing the borrower
- Deterioration of the collateral value
- Deterioration of the credit situation

The Bank's policy requires the review of all financial assets that are above materiality thresholds at least annually or more regularly when circumstances require. Impairment provisions on individually assessed accounts are determined by an evaluation of the incurred loss at balance-sheet date, and are applied to all significant accounts individually. The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account. Collective impairment provisions are provided portfolios of homogenous assets by using the available historical loss experience, experienced judgment and statistical techniques.

3.1.4. Model of measuring the general banking risk

In addition to the four categories of the Bank's internal credit ratings indicated in note 3.1.1, management classifies based on more detailed subgroups to comply with CBE requirements.

The Bank calculates required provisions for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE. In case, the provision required for impairment losses as per CBE credit worthiness rules exceeds the required provisions by the application used in balance sheet preparation in accordance to the International Financial Reporting Standard (9) issued by the Central Bank of Egypt on February 26, 2019 . That excess shall be added to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so, that reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution.

Below is a statement of institutional worthiness according to internal ratings, compared to CBE ratings and rates of provisions needed for assets impairment related to credit risk:

CBE Rating	Categorization	Provision%	Internal rating	Categorization
1	Low risk	0%	1	Performing loans
2	Average risk	1%	1	Performing loans
3	Satisfactory risk	1%	1	Performing loans
4	Reasonable risk	2%	1	Performing loans
5	Acceptable risk	2%	1	Performing loans
6	Marginally acceptable risk	3%	2	Regular watching
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non performing loans
9	Doubtful	50%	4	Non performing loans
10	Bad debts	100%	4	Non performing loans

3.1.5. Maximum exposure to credit risk before collateral held

EGP Thousands

In balance sheet items exposed to credit risk	Dec. 31, 2023	Dec. 31, 2022
Cash & balances at the central bank	71,887,821	47,492,549
Gross Due from banks	231,087,402	133,906,112
Less: ECL	(2,158)	(49,392)
Gross loans and advances to banks	823,739	2,988,410
Less: ECL	(1,291)	(10,213)
Gross loans and advances to customers		
Individual:		
-Overdraft	2,927,620	2,132,876
- Credit cards	10,297,598	7,636,331
- Personal loans	42,552,132	40,374,834
- Mortgages	4,348,982	3,399,858
Corporate:		
- Overdraft	55,047,153	42,595,303
- Direct loans	99,455,837	78,759,856
- Syndicated loans	51,311,552	44,722,871
- Other loans	434,524	124,453
Unamortized bills discount	(509,523)	(678,795)
Unamortized syndicated loans discount	(145,003)	(221,018)
ECL	(29,237,737)	(24,536,712)
Suspended credit account	(1,497,199)	(709,985)
Derivative financial instruments	1,105,148	1,939,961
Financial investments:		
-Debt instruments	269,897,248	237,224,773
Other assets (Accrued revenues)	13,018,038	11,437,147
Total	**822,801,883**	**628,529,219**
Off balance sheet items exposed to credit risk		
Financial guarantees	8,021,170	8,977,208
Customers acceptances	4,800,405	3,482,249
Letters of credit (import and export)	9,075,124	8,640,327
Letter of guarantee	160,776,153	123,073,882
Total	**182,672,852**	**144,173,666**

The above table represents the Bank's Maximum exposure to credit risk on December 31, 2023, before taking into account any held collateral.

For assets recognized on balance sheet, the exposures set out above are based on net carrying amounts as reported in the balance sheet.

As shown above, 28.66% of the total maximum exposure is derived from loans and advances to banks and customers against 31.27% on December 31, 2022, while investments in debt instruments represent 32.8% against 37.74% on December 31, 2022.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk resulting from both the bank's loans and advances portfolio and debt instruments based on the following:

- 95.85% of the loans and advances are concentrated in the top two grades of the internal credit risk rating system against 93.42% on December 31, 2022
- Loans and advances assessed individualy are valued EGP 9,413,975 thousand against EGP 10,663,438 thousand on December 31, 2022
- The Bank has implemented more prudent processes when granting loans and advances during the financial year ended on December 31, 2023.
- 88.05% of the investments in debt Instruments are Egyptian sovereign instruments against 89.49% on December 31, 2022.

3.1.6. Loans and advances

Loans and advances are summarized as follows:

EGP Thousands

	Dec.31, 2023		Dec.31, 2022	
	Loans and advances tocustomers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Gross Loans and advances	**266,375,398**	**823,739**	**219,746,382**	**2,988,410**
Less:				
ECL	29,237,737	1,291	24,536,712	10,213
Unamortized bills discount	509,523	-	678,795	-
Unamortized syndicated loans discount	145,003	-	221,018	-
Suspended credit account	1,497,199	-	709,985	-
Net	**234,985,936**	**822,448**	**193,599,872**	**2,978,197**

Expected credit losses for loans and advances totaled EGP 29,239,028 thousand During the year, the Bank's total loans and advances increased by 19.96%.In order to minimize the probable exposure to credit risk, the Bank focuses more on conducting business with large enterprises, banks and retail customers with good credit rating or sufficient collateral.

Total balances of loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	53,641,448	5,646,750	838,134	60,126,332
Corporate and Business Banking	129,155,165	68,344,499	8,749,402	206,249,066
Total	**182,796,613**	**73,991,249**	**9,587,536**	**266,375,398**

Expected credit losses for loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Individuals	1,551,112	205,628	486,555	2,243,295
Corporate and Business Banking	4,410,307	14,882,887	7,701,248	26,994,442
Total	**5,961,419**	**15,088,515**	**8,187,803**	**29,237,737**

Loans, advances and expected credit losses to banks divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	86,495	737,244	-	823,739
Expected credit losses	-	(1,291)	-	(1,291)
Net	**86,495**	**735,953**	-	**822,448**

Off balance sheet items exposed to credit risk and expected credit losses divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	113,577,662	55,000,921	6,073,099	174,651,682
Expected credit losses	(5,128,681)	(3,391,432)	(2,150,455)	(10,670,568)
Net	**108,448,981**	**51,609,489**	**3,922,644**	**163,981,114**

Total balances of loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	47,483,664	5,269,640	790,595	53,543,899
Corporate and Business Banking	91,616,120	64,555,274	10,031,089	166,202,483
Total	**139,099,784**	**69,824,914**	**10,821,684**	**219,746,382**

Expected credit losses for loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Individuals	1,024,932	171,725	397,479	1,594,136
Corporate and Business Banking	2,631,413	11,053,147	9,258,016	22,942,576
Total	**3,656,345**	**11,224,872**	**9,655,495**	**24,536,712**

Loans, advances and expected credit losses to banks divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	-	2,988,410	-	2,988,410
Expected credit losses	-	(10,213)	-	(10,213)
Net	-	**2,978,197**	-	**2,978,197**

Off balance sheet items exposed to credit risk and expected credit losses divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	84,513,998	45,046,087	5,636,373	135,196,458
Expected credit losses	(3,561,390)	(1,443,926)	(1,670,378)	(6,675,694)
Net	**80,952,608**	**43,602,161**	**3,965,995**	**128,520,764**

Expected credit losses divided by internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	"Stage 2: Expected credit losses Over a lifetime that is not creditworthy"	"Stage 3: Expected credit losses Over a lifetime Credit default"	Total
Performing loans (1-5)	1%-12%	3,513,490	4,535,215	-	8,048,705
Regular watching (6)	12%-21%	896,817	9,607,743	-	10,504,560
Watch list (7)	21%-37%	-	739,929	16,517	756,446
Non-performing loans (8-10)	100%	-	-	7,684,731	7,684,731

Individual Loans

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1% - 10%	1,551,112	-	-	1,551,112
Regular watching (6)	11% <	-	205,544	-	205,544
Watch list (7)	11% <	-	84	-	84
Non-performing loans (8-10)	100%	-	-	486,555	486,555

The total balances of loans and facilities divided according to the internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-12%	117,477,290	46,809,570	-	164,286,860
Regular watching (6)	12%-21%	11,677,875	20,062,699	-	31,740,574
Watch list (7)	21%-37%	-	1,472,230	46,604	1,518,834
Non-performing loans (8-10)	100%	-	-	8,702,798	8,702,798

Individual Loans:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 10%	53,641,448	-	-	53,641,448
Regular watching (6)	11% <	-	5,608,073	-	5,608,073
Watch list (7)	11% <	-	38,677	207	38,884
Non-performing loans (8-10)	100%	-	-	837,927	837,927

Expected credit losses divided by internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1%-11%	2,066,209	2,522,526	-	4,588,735
Regular watching (6)	11%-22%	565,204	5,403,728	-	5,968,932
Watch list (7)	22%-38%	-	3,126,893	46,758	3,173,651
Non-performing loans (8-10)	100%	-	-	9,211,258	9,211,258

Individual Loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1% - 9%	1,024,932	-	-	1,024,932
Regular watching (6)	10% <	-	171,724	-	171,724
Watch list (7)	10% <	-	1	253	254
Non-performing loans (8-10)	100%	-	-	397,226	397,226

The total balances of loans and facilities divided according to the internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-11%	81,876,093	42,257,778	-	124,133,871
Regular watching (6)	11%-22%	9,740,027	18,454,375	-	28,194,402
Watch list (7)	22%-38%	-	3,843,121	82,698	3,925,819
Non-performing loans (8-10)	100%	-	-	9,948,391	9,948,391

Individual Loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 9%	47,483,664	-	-	47,483,664
Regular watching (6)	10% <	-	5,269,603	-	5,269,603
Watch list (7)	10% <	-	37	1,429	1,466
Non-performing loans (8-10)	100%	-	-	789,166	789,166

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Dec.31, 2023 — EGP Thousands

Due from banks	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	5,436,043	-	-	5,436,043
Regular watching	-	-	-	-
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**5,436,043**	-	-	**5,436,043**
Less: ECL	(2,158)	-	-	(2,158)
Net	**5,433,885**	-	-	**5,433,885**

The following table provides information on the quality of financial assets during the financial year:

Individual Loans:

EGP Thousands

Dec.31, 2023	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	53,641,448	-	-	53,641,448
Regular watching	-	5,608,073	-	5,608,073
Watch list	-	38,677	207	38,884
Non-performing loans	-	-	837,927	837,927
Total	**53,641,448**	**5,646,750**	**838,134**	**60,126,332**
Less: ECL	(1,551,112)	(205,628)	(486,555)	(2,243,295)
Net	**52,090,336**	**5,441,122**	**351,579**	**57,883,037**

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	117,477,290	46,809,570	-	164,286,860
Regular watching	11,677,875	20,062,699	-	31,740,574
Watch list	-	1,472,230	46,604	1,518,834
Non-performing loans	-	-	8,702,798	8,702,798
Total	**129,155,165**	**68,344,499**	**8,749,402**	**206,249,066**
Less: ECL	(4,410,307)	(14,882,887)	(7,701,248)	(26,994,442)
Net	**124,744,858**	**53,461,612**	**1,048,154**	**179,254,624**

Debt Instruments at Fair value through OCI

EGP Thousands

Dec.31, 2023	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	183,605,059	-	-	183,605,059
Regular watching	47,951,170	-	-	47,951,170
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**231,556,229**	-	-	**231,556,229**
ECL	**(2,868,271)**	-	-	**(2,868,271)**

Debt Instruments at amortized cost

EGP Thousands

Dec.31, 2023	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	34,467,915	-	-	34,467,915
Regular watching	4,071,573	-	-	4,071,573
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**38,539,488**	-	-	**38,539,488**
ECL	(198,469)	-	-	(198,469)
Net	**38,341,019**	-	-	**38,341,019**

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Due from banks

EGP Thousands

Dec.31, 2022	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	4,389,069	-	-	4,389,069
Regular watching	15,639,858	6,095,598	-	21,735,456
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**20,028,927**	**6,095,598**	-	**26,124,525**
Less: ECL	(38,884)	(10,508)	-	(49,392)
Net	**19,990,043**	**6,085,090**	-	**26,075,133**

The following table provides information on the quality of financial assets during the financial year:

Individual Loans:

EGP Thousands

Dec.31, 2022	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	47,483,664	-	-	47,483,664
Regular watching	-	5,269,603	-	5,269,603
Watch list	-	37	1,429	1,466
Non-performing loans	-	-	789,166	789,166
Total	**47,483,664**	**5,269,640**	**790,595**	**53,543,899**
Less: ECL	(1,024,932)	(171,725)	(397,479)	(1,594,136)
Net	**46,458,732**	**5,097,915**	**393,116**	**51,949,763**

Corporate and Business Banking:

EGP Thousands

Dec.31, 2022	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	81,876,093	42,257,778	-	124,133,871
Regular watching	9,740,027	18,454,375	-	28,194,402
Watch list	-	3,843,121	82,698	3,925,819
Non-performing loans	-	-	9,948,391	9,948,391
Total	**91,616,120**	**64,555,274**	**10,031,089**	**166,202,483**
Less: ECL	(2,631,413)	(11,053,147)	(9,258,016)	(22,942,576)
Net	**88,984,707**	**53,502,127**	**773,073**	**143,259,907**

Debt Instruments at Fair value through OCI

	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	163,452,629	-	-	163,452,629
Regular watching	39,247,384	-	-	39,247,384
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**202,700,013**	-	-	**202,700,013**
ECL	(979,945)	-	-	(979,945)

Debt Instruments at amortized cost

	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	31,376,120	-	-	31,376,120
Regular watching	3,227,477	-	-	3,227,477
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**34,603,597**	-	-	**34,603,597**
ECL	(78,837)	-	-	(78,837)
Net	**34,524,760**	-	-	**34,524,760**

The following table displays changes in balances and expected ECL between the beginning and end of the year as a result of these factors:

EGP Thousands

Dec.31, 2023	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Due from banks	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	38,884	20,028,927	10,508	6,095,598	-	-	49,392	26,124,525
Impairment during the year	(36,726)	(14,592,884)	(10,508)	(6,095,598)	-	-	(47,234)	(20,688,482)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-			-	-
Ending balance	**2,158**	**5,436,043**	-	-			**2,158**	**5,436,043**

	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Individual Loans	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	1,024,932	47,483,664	171,725	5,269,640	397,479	790,595	1,594,136	53,543,899
Impairment during the year	526,180	6,157,784	33,903	377,110	204,891	288,953	764,974	6,823,847
Write off during the year	-	-	-	-	(241,414)	(241,414)	(241,414)	(241,414)
Recoveries	-	-	-	-	125,599	-	125,599	-
Ending balance	**1,551,112**	**53,641,448**	**205,628**	**5,646,750**	**486,555**	**838,134**	**2,243,295**	**60,126,332**

	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Corporate and Business Banking:	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	2,631,413	91,616,120	11,053,147	64,555,274	9,258,016	10,031,089	22,942,576	166,202,483
Impairment during the year	1,670,168	34,717,462	1,182,352	6,063,996	(1,296,705)	1,501,940	1,555,815	42,283,398
Transferred to stage 1	148,230	4,573,831	(148,230)	(4,573,831)	-	-	-	-
Transferred to stage 2	(70,107)	(1,632,469)	328,769	2,323,932	(258,662)	(691,463)	-	-
Transferred to stage 3	(33,076)	(119,779)	(7,716)	(24,872)	40,792	144,651	-	-
Recoveries	-	-	-	-	51,666	-	51,666	-
Write off during the year	-	-	-	-	(2,236,815)	(2,236,815)	(2,236,815)	(2,236,815)
Cumulative foreign currencies translation differences	63,679	-	2,474,565	-	2,142,956	-	4,681,200	-
Ending balance	**4,410,307**	**129,155,165**	**14,882,887**	**68,344,499**	**7,701,248**	**8,749,402**	**26,994,442**	**206,249,066**

EGP Thousands

	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at Fair value through OCI	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	979,945	62,191,193	-	-	-	-	979,945	62,191,193
Impairment during the year	1,886,423	16,469,655	-	-	-	-	1,886,423	16,469,655
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	1,903	-	-	-	-	-	1,903	-
Ending balance	**2,868,271**	**78,660,848**	-	-	-	-	**2,868,271**	**78,660,848**

	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at amortized cost	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	78,837	4,554,960	-	-	-	-	78,837	4,554,960
Impairment during the year	119,025	(39,750)	-	-	-	-	119,025	(39,750)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	607	-	-	-	-	-	607	-
Ending balance	**198,469**	**4,515,210**	-	-	-	-	**198,469**	**4,515,210**

The following table shows changes in expected ECL losses between the beginning and end of the year as a result of these factors:

EGP Thousands

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Due from banks	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	20,283	14,067,993	20,714	5,950,028	-	-	40,997	20,018,021
Impairment during the year	18,601	5,960,934	(10,206)	145,570	-	-	8,395	6,106,504
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Ending balance	**38,884**	**20,028,927**	**10,508**	**6,095,598**	-	-	**49,392**	**26,124,525**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Individual Loans	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	826,702	36,579,875	91,111	3,904,276	264,646	668,181	1,182,459	41,152,332
Impairment during the year	198,230	10,903,789	80,614	1,365,364	255,704	349,840	534,548	12,618,993
Write off during the year	-	-	-	-	(227,426)	(227,426)	(227,426)	(227,426)
Recoveries	-	-	-	-	104,555	-	104,555	-
Ending balance	**1,024,932**	**47,483,664**	**171,725**	**5,269,640**	**397,479**	**790,595**	**1,594,136**	**53,543,899**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Corporate and Business Banking	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	1,484,973	65,511,996	7,600,199	49,532,625	7,649,732	7,741,874	16,734,904	122,786,495
Impairment during the year	1,045,691	25,360,848	260,873	15,777,116	(828,369)	3,236,134	478,195	44,374,098
Transferred to stage 1	75,252	1,600,991	(108,908)	(1,548,020)	-	-	(33,656)	52,971
Transferred to stage 2	(28,138)	(847,716)	86,815	804,374	(2,120)	-	56,557	(43,342)
Transferred to stage 3	(6,470)	(9,999)	(9,416)	(10,821)	15,923	38,766	37	17,946
Recoveries	-	-	-	-	9,662	-	9,662	-
Write off during the year	-	-	-	-	(985,685)	(985,685)	(985,685)	(985,685)
Cumulative foreign currencies translation differences	60,105	-	3,223,584	-	3,398,873	-	6,682,562	-
Ending balance	**2,631,413**	**91,616,120**	**11,053,147**	**64,555,274**	**9,258,016**	**10,031,089**	**22,942,576**	**166,202,483**

EGP Thousands

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at Fair value through OCI	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	515,177	38,705,150	9,721	60,420	-	-	524,898	38,765,570
Impairment during the year	464,768	23,486,043	(9,721)	(60,420)	-	-	455,047	23,425,623
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	**979,945**	**62,191,193**	-	-	-	-	**979,945**	**62,191,193**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at amortized cost	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	1,113	62,102	-	-	-	-	1,113	62,102
Impairment during the year	77,724	4,492,858	-	-	-	-	77,724	4,492,858
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	**78,837**	**4,554,960**	-	-	-	-	**78,837**	**4,554,960**

Loans and advances restructured

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies are based on indicators or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue. Restructuring is commonly applied to term loans, specially customer loans. Renegotiated loans totaled at the end of the year are as follows :

EGP Thousands

Loans and advances to customer	Dec.31, 2023	Dec.31, 2022
Corporate		
- Direct loans	18,472,670	17,207,400
Total	**18,472,670**	**17,207,400**

3.1.7. Financial investments:

The following table provides analysis of financial investment balances by rating agencies at the end of the year:

Dec.31, 2023 EGP Thousands

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	38,341,019	-	-	-	38,341,019
Not rated	-	-	-	-	-
Total	**38,341,019**	-	-	-	**38,341,019**

EGP Thousands

Dec.31, 2023

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	231,556,229	-	-	-	231,556,229
Not rated	-	-	-	-	-
Total	**231,556,229**	-	-	-	**231,556,229**

The following table displays the analysis of expected credit losses of financial investments by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2023

Fair value through OCI & Amortized cost	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	3,066,740	-	-	-	3,066,740
Not rated	-	-	-	-	-
Total	**3,066,740**	-	-	-	**3,066,740**

3.1.7. Financial investments:

The following table analyzes financial investment balances by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2022

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	34,524,760	-	-	-	34,524,760
Not rated	-	-	-	-	-
Total	**34,524,760**	-	-	-	**34,524,760**

EGP Thousands

Dec.31, 2022

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	202,700,013	-	-	-	202,700,013
Not rated	-	-	-	-	-
Total	**202,700,013**	-	-	-	**202,700,013**

The following table displays analysis of impairment on credit losses of financial investments by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2022

Fair value through OCI & Amortized cost	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	1,058,782	-	-	-	1,058,782
Not rated	-	-	-	-	-
Total	**1,058,782**	-	-	-	**1,058,782**

3.1.8. Concentration of risks of financial assets with credit risk exposure

3.1.8.1. Geographical sectors

Following is a breakdown of the Bank's main credit exposure at their book values categorized by geographical region at the end of the year.

The Bank has allocated exposures to regions based on the country of domicile of its counterparties.

EGP Thousands

Dec.31, 2023	Cairo	Alex, Delta and Sinai	Upper Egypt	Outside Egypt (CIB Kenya)	Total
Cash and balances at the central bank	71,751,785	-	-	136,036	71,887,821
Gross due from banks	230,709,611	-	-	377,791	231,087,402
Less: ECL	(192)	-	-	(1,966)	(2,158)
Gross loans and advances to banks	823,739	-	-	-	823,739
Less: ECL	(1,291)	-	-	-	(1,291)
Gross loans and advances to customers					
Individual:					
- Overdrafts	2,170,271	593,886	158,004	5,459	2,927,620
- Credit cards	8,169,218	1,823,675	304,705	-	10,297,598
- Personal loans	30,168,288	10,055,677	2,284,529	43,638	42,552,132
- Mortgages	4,111,504	195,951	29,176	12,351	4,348,982
Corporate:					
- Overdrafts	48,947,119	4,454,786	1,422,155	223,093	55,047,153
- Direct loans	64,287,140	26,635,089	7,546,425	987,183	99,455,837
- Syndicated loans	48,285,122	3,026,430	-	-	51,311,552
- Other loans	208,060	226,464	-	-	434,524
Unamortized bills discount	(479,204)	(30,319)	-	-	(509,523)
Unamortized syndicated loans discount	(145,003)	-	-	-	(145,003)
ECL	(22,385,965)	(4,175,424)	(2,565,815)	(110,533)	(29,237,737)
Suspended credit account	(1,496,706)	(336)	(157)	-	(1,497,199)
Derivative financial instruments	1,101,896	-	-	3,252	1,105,148
Financial investments:					
-Debt instruments	268,790,594	-	-	1,106,654	269,897,248
Total	**755,015,986**	**42,805,879**	**9,179,022**	**2,782,958**	**809,783,845**
Total as at December 31, 2022	**570,576,462**	**35,113,647**	**9,214,884**	**2,187,079**	**617,092,072**

3.1.8.2. Industry sectors

The following table analyses the Group's main credit exposure at their book value categorized by the Bank's customers activities.

EGP Thousands

Dec.31, 2023	Financial institutions	Manufacturing	Real estate	Wholesale and retail trade	Government sector	Other activities	Individual	Total
Cash and balances at the central bank	71,883,379	-	-	-	-	4,442	-	71,887,821
Gross due from banks	231,087,402	-	-	-	-	-	-	231,087,402
Less: ECL	(2,158)	-	-	-	-	-	-	(2,158)
Gross loans and advances to banks	823,739	-	-	-	-	-	-	823,739
Less: ECL	(1,291)	-	-	-	-	-	-	(1,291)
Gross loans and advances to customers								
Individual:								
- Overdrafts	-	-	-	-	-	-	2,927,620	2,927,620
- Credit cards	-	-	-	-	-	-	10,297,598	10,297,598
- Personal loans	-	-	-	-	-	-	42,552,132	42,552,132
- Mortgages	-	-	-	-	-	-	4,348,982	4,348,982
Corporate:								
- Overdrafts	6,749,096	21,553,328	6,533,287	3,206,340	2,516,833	14,488,269	-	55,047,153
- Direct loans	5,109,807	43,484,367	6,364,089	2,837,764	11,447,055	30,212,755	-	99,455,837
- Syndicated loans	501,230	4,457,019	3,203,020	-	40,557,812	2,592,471	-	51,311,552
- Other loans	-	434,524	-	-	-	-	-	434,524
Unamortized bills discount	(8,625)	(8,964)	-	-	-	(491,934)	-	(509,523)
Unamortized syndicated loans discount	-	-	-	-	-	(145,003)	-	(145,003)
ECL	(332,265)	(8,211,025)	(29,537)	(372,369)	(3,119,621)	(14,929,594)	(2,243,326)	(29,237,737)
Suspended credit account	-	(194,186)	-	(46,091)	-	(1,256,922)	-	(1,497,199)
Derivative financial instruments	1,105,148	-	-	-	-	-	-	1,105,148
Financial investments:								
-Debt instruments	31,145,168	-	-	-	238,752,080	-	-	269,897,248
Total	**348,060,630**	**61,515,063**	**16,070,859**	**5,625,644**	**290,154,159**	**30,474,484**	**57,883,006**	**809,783,845**
Total as at December 31, 2022	**217,047,244**	**51,837,237**	**9,857,905**	**3,701,023**	**260,656,727**	**22,042,553**	**51,949,383**	**617,092,072**

3.2. Market risk

Market Risks represent the potential losses resulting from unfavorable movements in market prices that may negatively affect the values of the bank's investment positions linked to the bank's balance sheet as a whole, which in turn affects the bank's profitability and its capital base. These investments are represented in debt instruments, stocks, or investment funds, in addition to the currency exchange rate risks. Market risk results from open positions of the rate of return, currencies, and equity products, as each of them is exposed to general and specific risks in the market and changes in the level of sensitivity to market rates or to prices such as interest rates, exchange rates and prices of equity instruments. The bank distinguishes between the trading Book portfolio and the Banking Book portfolio in measuring market risks, as the trading portfolio includes instruments held for the purpose of resale or taken by the bank to benefit in the short term from the actual or expected difference between the buying and selling prices or benefiting from any changes that may occur in the return rates and any other prices that affect the trading portfolio, in addition to the financial derivative positions used for the purpose of hedging The banking book portfolio for non-trading purposes includes instruments acquired that are salable or held until settlement dates and managing the return rate of assets and liabilities. As part of market risk management, the bank performs several hedging strategies, as well as entering into interest rate swap contracts in order to balance the risk associated with debt instruments and long-term loans. Periodic reports on market risks are submitted to the Board of Directors and the members of the Assets and Liabilities Committee (ALCO).

3.2.1. Market risk measurement techniques

3.2.1.1. Value at Risk

The Bank applies a "Value at Risk" methodology (VaR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected under normal market conditions, based upon a number of assumptions for various changes in market conditions.

VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Bank might lose , but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VaR estimate. The VaR model assumes a certain 'holding period' until positions can be closed (1 Day). The Bank assesses the historical movements in the market prices based on volatilities and correlations. The use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

As VaR constitutes an integral part of the Bank's market risk control regime, the Market Risk Management set VaR Limits, for the trading book, which have been approved by the board, and are monitored and reported on a daily basis to the Senior Management. In addition, monthly limits compliance is reported to the ALCO.

The Bank is calculating the Market Risk Capital Requirements by applying Basel II "Standardised Measurement Method", according to the Central Bank of Egypt regulatory requirements.

3.2.1.2. Stress testing

Stress tests provide an indication of the potential size of losses that could arise under extreme market conditions. Therefore, the bank computes on a daily basis trading Stressed VaR, combined with the trading VaR, to capture the abnormal movements in financial markets and to give more comprehensive picture of risk. The results of the stress tests are reviewed by the ALCO on a monthly basis and the board risk committee on a quarterly basis.

3.2.2. Value at risk (VaR) Summary

EGP Thousands

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
Total VaR by risk type	**Medium**	**High**	**Low**	**Medium**	**High**	**Low**
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	257,479	502,517	139,481	154,140	257,980	79,399
- For non trading purposes	255,617	495,768	139,248	154,140	257,980	79,399
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	**135,847**	**309,967**	**58,224**	**157,529**	**256,962**	**86,401**

EGP Thousands

Trading portfolio VaR by risk type	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
	Medium	**High**	**Low**	**Medium**	**High**	**Low**
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	1,862	6,749	233	-	-	-
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	**16,184**	**103,290**	**228**	**12,469**	**84,183**	**117**

EGP Thousands

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
Non trading portfolio VaR by risk type	**Medium**	**High**	**Low**	**Medium**	**High**	**Low**
- Interest rate risk	255,617	495,768	139,248	154,140	257,980	79,399
Total VaR	**255,617**	**495,768**	**139,248**	**154,140**	**257,980**	**79,399**

The three previous outcomes of the VAR were calculated independently from the positions involved and historical market movements. The aggregate value at risk for trading and non-trading is not the Bank's risk value because of the correlation between types of risks.

3.2.3. Foreign exchange risk

The Bank's financial position and cash flows are exposed to fluctuations in foreign currency exchange rates. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Bank's exposure to foreign exchange rate risk and financial instruments at carrying amounts, categorized by currency.

Equivalent EGP Thousands

Dec.31, 2023	EGP	USD	EUR	GBP	Other	Total
Financial assets						
Cash and balances at the central bank	68,287,770	2,203,511	771,722	116,742	508,076	71,887,821
Gross due from banks	175,148,470	52,502,950	1,361,594	1,950,328	124,060	231,087,402
Gross loans and advances to banks	34,558	789,181	-	-	-	823,739
Gross loans and advances to customers	191,787,867	67,423,771	6,003,208	4,847	1,155,705	266,375,398
Derivative financial instruments	624,313	477,583	-	-	3,252	1,105,148
Financial investments						
Gross financial investment securities	218,415,842	48,616,170	3,748,758	-	883,952	271,664,722
Investments in associates	115,979	-	-	-	-	115,979
Total financial assets	**654,414,799**	**172,013,166**	**11,885,282**	**2,071,917**	**2,675,045**	**843,060,209**
Financial liabilities						
Due to banks	531,455	11,335,981	545,424	9,961	35,182	12,458,003
Due to customers	463,338,470	187,718,800	21,960,477	1,992,672	2,227,060	677,237,479
Derivative financial instruments	45,916	95,018	-	-	-	140,934
Issued debt instruments	-	3,073,349	-	-	-	3,073,349
Other loans	226,917	12,086,470	170,520	-	-	12,483,907
Total financial liabilities	**464,142,758**	**214,309,618**	**22,676,421**	**2,002,633**	**2,262,242**	**705,393,672**
Net on-balance sheet financial position	**190,272,041**	**(42,296,452)**	**(10,791,139)**	**69,284**	**412,803**	**137,666,537**
Total financial assets as of December 31, 2022	**452,425,118**	**169,455,300**	**18,509,254**	**1,501,039**	**2,993,095**	**644,883,806**
Total financial liabilities as of December 31, 2022	**369,855,281**	**157,397,713**	**15,225,576**	**1,430,547**	**1,859,465**	**545,768,582**
Net financial position as of December 31, 2022	**82,569,837**	**12,057,587**	**3,283,678**	**70,492**	**1,133,630**	**99,115,224**

3.2.4. Interest rate risk

The Bank addresses exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but profit may decrease as a consequence unexpected movements.The Board sets limits on the gaps of interest rate repricing that may be undertaken,which is monitored by the bank's Risk Management Department.

The table below summarizes the Bank's exposure to interest rate risks. It includes the Bank's financial instruments at carrying amounts, categorized by the earlier of repricing or contractual maturity dates.

Dec.31, 2023	Up to1 Month	1-3 Months	3-12 Months	1-5 years	Over 5 years	Non-Interest Bearing	Total
Financial assets							
Cash and balances at the central bank	-	-	-	-	-	71,887,821	71,887,821
Gross due from banks	202,400,864	21,252,299	308,931	4,633,965	-	2,491,343	231,087,402
Gross loans and advances to banks	171,319	652,420	-	-	-	-	823,739
Gross loans and advances to customers	177,524,994	28,835,218	20,841,660	31,299,932	7,873,594	-	266,375,398
Derivatives financial instruments (including IRS notional amount)	107,866	111,047	405,399	15,927,386	-	-	16,551,698
Financial investments							
Gross financial investment securities	79,759,112	29,028,568	74,543,284	62,529,010	24,759,464	1,045,284	271,664,722
Investments in associates	-	-	-	-	-	115,979	115,979
Total financial assets	**459,964,155**	**79,879,552**	**96,099,274**	**114,390,293**	**32,633,058**	**75,540,427**	**858,506,759**
Financial liabilities							
Due to banks	9,896,311	64,381	521,130	-	-	1,976,181	12,458,003
Due to customers	276,798,801	69,358,398	55,497,147	152,834,754	808,683	121,939,696	677,237,479
Derivatives financial instruments (including IRS notional amount)	1,566,854	13,918,717	6,895	95,018	-	-	15,587,484
Issued debt instruments	-	-	-	3,073,349	-	-	3,073,349
Other loans	40,807	7,463,123	4,792,479	187,498	-	-	12,483,907
Total financial liabilities	**288,302,773**	**90,804,619**	**60,817,651**	**156,190,619**	**808,683**	**123,915,877**	**720,840,222**
Total interest re-pricing gap	**171,661,382**	**(10,925,067)**	**35,281,623**	**(41,800,326)**	**31,824,375**	**(48,375,450)**	**137,666,537**
Total financial assets as of December 31, 2022	**287,210,474**	**75,741,644**	**94,671,298**	**113,411,522**	**43,605,574**	**50,186,474**	**664,826,986**
Total financial liabilities as of December 31, 2022	**235,230,243**	**75,497,885**	**54,772,128**	**99,211,335**	**3,730,655**	**97,269,516**	**565,711,762**
Total interest re-pricing gap as of December 31, 2022	**51,980,231**	**243,759**	**39,899,170**	**14,200,187**	**39,874,919**	**(47,083,042)**	**99,115,224**

3.3. Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn.

The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

Liquidity Risk Management Organization and Measurement Tools

Liquidity Risk is governed by Asset and Liability Committee (ALCO) and Board Risk Committee (BRC) subject to provisions of Treasury Poilcy Guide (TPG).

Board Risk Committee (BRC): Provides oversight of risk management functions and assesses compliance to the set risk strategies and policies approved by the Board of Directors (BoD) through periodic reports submitted by the Risk Group. The committee makes recommendations to the BoD with regards to risk management strategies and policies (including those related to capital adequacy, liquidity management,various types of risks: credit, market, operation, compliance, reputation and any other risks the Bank may be exposed to).

Asset & Liability Committee (ALCO): Optimises the allocation of assets and liabilities, taking into consideration expectations of the potential impact of future interest rate fluctuations, liquidity constraints, and foreign exchange exposures. ALCO monitors the Bank's liquidity and market risks, economic developments, market fluctuations, and risk profile to ensure ongoing activities are compatible with the risk/ reward guidelines approved by the BoD.

Treasury Policy Guide (TPG): The purpose of the TPG is to document and communicate the policies that govern the activities performed by the Treasury Group and monitored by Risk Group.

The main measures and monitoring tools used to assess the Bank's liquidity risk include regulatory and internal ratios, gaps, Basel III liquidity ratios, asset and liability gapping mismatch, stress testing, and funding base concentration. More conservative internal targets and Risk Appetite indicators (RAI) against regulatory requirements are set for various measures of Liquidity and Funding Concentration Risks.

At the end of Period, the Basel III Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) maintained strong and well above regulatory requirements.

The Bank maintained a solid LCY & FCY Liquidity position with decent buffers to meet both the global and local increase in risk profile. CIB will continue with its robust Liability strategy with reliance on customer deposits (stable funding) as the main contributor of total liabilities, and low dependency on the Wholesale Funding. CIB has ample level of High Quality Liquid Assets (HQLA) based on its LCY & FCY Sovereign Portfolio investments, which positively reflects the Bank's solid Liquidity Ratios and Basel III LCR & NSFR ratios, with a large buffer maintained above the Regulatory ratios requirements.

3.3.1. Liquidity risk management process

The Bank's liquidity management process is carried by the Assets and Liabilities Management Department and monitored independently by the Risk Management Department, and includes projecting cash flows by major currency under various stress scenarios and considering the level of liquid assets necessary in relation thereto:

- Maintaining an active presence in global money markets to enable this to happen.
- Maintaining a diverse range of funding sources with back-up facilities
- Monitoring balance sheet liquidity and advances to core funding ratios against internal and CBE regulations.
- Managing the concentration and profile of debt maturities.

Monitoring and reporting takes the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

3.3.2. Funding approach

Sources of liquidity are regularly reviewed jointly by the bank's Assets & Liabilities Management Department and Consumer Banking to maintain a wide diversification by currency, provider, product and term.

3.3.3. Non-derivative cash flows

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities by remaining contractual maturities and the maturities assumption for non contractual products on the - basis of their behaviour studies, at balance sheet date.

EGP Thousands

Dec.31, 2023	Up to 1 month	One to three months	Three months to one year	One year to five years	Over five years	Total
Financial liabilities						
Due to banks	12,296,040	65,462	552,098	-	-	12,913,600
Due to customers	61,646,285	77,872,527	194,550,897	414,913,382	12,533,110	761,516,201
Issued debt instruments	10,189	19,720	90,384	3,257,074	-	3,377,367
Other loans	137,513	215,330	658,073	5,372,219	12,080,624	18,463,759
Total liabilities (contractual and non contractual maturity dates)	**74,090,027**	**78,173,039**	**195,851,452**	**423,542,675**	**24,613,734**	**796,270,927**
Total financial assets (contractual and non contractual maturity dates)	**277,803,459**	**75,457,297**	**209,938,489**	**321,260,443**	**117,900,508**	**1,002,360,196**

EGP Thousands

Dec.31, 2022	Up to 1 month	One to three months	Three months to one year	One year to five years	Over five years	Total
Financial liabilities						
Due to banks	3,579,434	-	-	-	-	3,579,434
Due to customers	47,230,473	65,858,750	167,856,018	282,414,105	11,079,361	574,438,707
Issued debt instruments	8,161	15,531	72,392	2,697,474	-	2,793,558
Other loans	821,482	338,609	971,984	6,158,164	1,787,943	10,078,182
Total liabilities (contractual and non contractual maturity dates)	**51,639,550**	**66,212,890**	**168,900,394**	**291,269,743**	**12,867,304**	**590,889,881**
Total financial assets (contractual and non contractual maturity dates)	**147,046,643**	**103,639,656**	**142,239,730**	**272,824,348**	**113,525,774**	**779,276,151**

The disclosed figures cannot be compared with the corresponding items in the financial statements, as they include the principal amount and related interest.

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, due from CBE and due from banks, treasury bills, other government notes , loans and advances to banks and customers.

In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, debt instrument and treasury bills and other governmental notes have been pledged to secure liabilities. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources.

3.3.4. Derivative cash flows

The Bank's derivatives include:

Foreign exchange derivatives: exchange traded options and over-the-counter (OTC) ,exchange traded forwards currency options that will be settled on a gross basis interest rate derivatives: interest rate swaps, forward rate agreements, OTC and exchange traded interest rate options, other interest rate contracts and exchange traded futures .

The table below analyses the Bank's derivative undiscounted financial liabilities into maturity groupings based on the remaining period of the balance sheet to the contractual maturity date will be settled on a net basis. The amounts disclosed in the table are the contractual undiscounted cash flows:

EGP Thousands

	Up to 1 month	One to three months	Three months to one year	One year to five years	Over five years	Total
Dec.31, 2023						
Liabilities						
Derivatives financial instruments						
Foreign exchange derivatives	22,199	16,822	6,895	-	-	45,916
Interest rate derivatives	-	-	-	95,018	-	95,018
Total	**22,199**	**16,822**	**6,895**	**95,018**	**-**	**140,934**
Total as of Dec. 31, 2022	**215,085**	**4,667**	**-**	**-**	**-**	**219,752**

Off balance sheet items

EGP Thousands

Dec.31, 2023	Up to 1 year	1-5 years	Over 5 years	Total
Letters of credit, guarantees and other commitments	112,655,172	48,169,918	13,826,592	174,651,682
Total	**112,655,172**	**48,169,918**	**13,826,592**	**174,651,682**
Total as of Dec. 31, 2022	**78,378,459**	**46,408,459**	**10,409,540**	**135,196,458**

Dec.31, 2023	Up to 1 year	1-5 years	Total
Credit facilities commitments	4,296,934	1,078,987	5,375,921
Total	**4,296,934**	**1,078,987**	**5,375,921**
Total as of Dec. 31, 2022	**1,818,133**	**5,259,267**	**7,077,400**

3.4. Fair value of financial assets and liabilities

3.4.1. Financial instruments not measured at fair value

The table below summarizes the book value and fair value of the financial assets and liabilities not presented on the Bank's balance sheet at their fair value.

	Book value		Fair value	
	Dec.31, 2023	Dec.31, 2022	Dec.31, 2023	Dec.31, 2022
Financial assets				
Gross due from banks	231,087,402	133,906,112	231,713,694	134,627,973
Gross loans and advances to banks	823,739	2,988,410	823,739	2,988,410
Gross loans and advances to customers	266,375,398	219,746,382	263,012,927	219,163,469
Financial investments:				
Financial Assets at Amortized cost	38,539,488	34,603,597	36,709,182	33,813,552
Total financial assets	**536,826,027**	**391,244,501**	**532,259,542**	**390,593,404**
Financial liabilities				
Due to banks	12,458,003	3,496,698	12,783,893	3,502,732
Due to customers	677,237,479	531,616,550	681,407,303	534,738,218
Issued debt instruments	3,073,349	2,456,607	3,074,203	2,461,042
Other loans	12,483,907	7,978,975	12,613,487	7,981,357
Total financial liabilities	**705,252,738**	**545,548,830**	**709,878,886**	**548,683,349**

The fair value is considered in the previous note from the second and third level in accordance with the fair value standard

Due from banks

The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of floating interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and similar maturity date.

Fair values of financial instruments

The following table provides the fair value measurement hierarchy of the assets and liabilities according to EAS.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2023:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability,assuming that market participants act in their best economic interest.A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the bank can access at the measurement date.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability.

EGP Thousands

	Fair value measurement using				
Dec.31, 2023	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
Measured at fair value:					
Financial assets					
Financial Assets at Fair Value through OCI	31-Dec-23	233,125,234	114,973,913	118,151,321	-
Total		**233,125,234**	**114,973,913**	**118,151,321**	-
Derivative financial instruments:					
Financial assets	31-Dec-23	1,105,148	-	-	1,105,148
Financial liabilities	31-Dec-23	140,934	-	-	140,934
Total		**1,246,082**	-	-	**1,246,082**
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	31-Dec-23	36,709,182	-	36,709,182	-
Loans and advances to banks	31-Dec-23	823,739	-	-	823,739
Loans and advances to customers	31-Dec-23	263,012,927	-	-	263,012,927
Total		**300,545,848**	-	**36,709,182**	**263,836,666**
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Dec-23	3,074,203	-	3,074,203	-
Other loans	31-Dec-23	12,613,487	-	12,613,487	-
Due to customers	31-Dec-23	681,407,303	-	-	681,407,303
Total		**697,094,993**	-	**15,687,690**	**681,407,303**

EGP Thousands

			Fair value measurement using		
Dec.31, 2022	**Date of Valuation**	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (level 2)**	**Valuation techniques (level 3)**
Measured at fair value:					
Financial assets					
Financial Assets at Fair value through OCI	31-Dec-22	204,020,733	142,101,346	61,919,387	-
Total		**204,020,733**	**142,101,346**	**61,919,387**	-
Derivative financial instruments					
Financial assets	31-Dec-22	1,939,961	-	-	1,939,961
Financial liabilities	31-Dec-22	219,752	-	-	219,752
Total		**2,159,713**	-	-	**2,159,713**
Assets for which fair values are disclosed:					
Amortized cost	31-Dec-22	33,813,552	-	33,813,552	-
Loans and advances to banks	31-Dec-22	2,988,410	-	-	2,988,410
Loans and advances to customers	31-Dec-22	219,163,469	-	-	219,163,469
Total		**255,965,431**	-	**33,813,552**	**222,151,879**
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Dec-22	2,461,042	-	2,461,042	-
Other loans	31-Dec-22	7,981,357	-	7,981,357	-
Due to customers	31-Dec-22	534,738,218	-	-	534,738,218
Total		**545,180,617**	-	**10,442,399**	**534,738,218**

Fair value of financial assets and liabilities

Loans and advances to banks

Loans and advances to banks are represented in loans that do not consider bank placing. The expected fair value of the loans and advances represents the discounted value of future cash flows expected to be collected. Cash flows are discounted using the current market rate to determine fair value.

Loans and advances to customers

Loans and advances are net of ECL. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Financial Investments

Investment securities include financial assets at amortized cost while fair value through OCI is being revaluated. Fair value for amortized cost assets is based on market prices. If this data is not available, the fair value is estimated using financial market prices for traded securities with similar credit characteristics, maturity dates, and rates.

Due to other banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar maturity date.

3.5 Capital management

For capital management purposes, the Bank's capital includes total equity as reported in the balance sheet plus some other elements that are managed as capital. The Bank manages its capital to ensure that the following objectives are achieved:

- Complying with the legally imposed capital requirements in Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling the generation of yield for shareholders and other parties dealin with the bank.
- Maintaining a strong capital base to enhance growth of the Bank's operations.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the banking supervision unit in the Central Bank of Egypt.

The required data is submitted to the Central Bank of Egypt on a monthly basis.

Central Bank of Egypt requires the following:

- Maintaining EGP 5 billion as a minimum requirement for the issued and paid-in capital, noting that at the reporting date the issued and paid up capital has reached EGP 30.2 billion.
- Maintaining a minimum level of capital adequacy ratio of 12.75%, calculated as the ratio between total value of the capital elements, and the risk-weighted assets and contingent liabilities of the Bank (credit risk, market risk and opertional risk). While taking into consideration the conservation buffer.

The numerator of the capital adequacy ratio consists of the following two segments:

Tier one:

Tier one comprises of paid-in capital, retained earnings and reserves resulting from the distribution of profits except the banking risk reserve, interim profits, fair value through other comprehensive income reserve and deducting some items such as previously recognized goodwill, any retained losses and deferred tax assets

Tier two:

Tier two consists of stage one of Expected Credit Lossed (ECL) for debt instrument, loans and credit facilities capped by 1.25% risk weighted assets and contingent liabilities ,subordinated loans with more than five years to maturity (amortizing 20% of its carrying amount in each year of the remaining five years to maturity) and 45% of the increase in fair value than book value for the investments in subsidiaries and associates.

When calculating the numerator of capital adequacy ratio, total amount of subordinated loans (deposits) should not exceed 50 % of Tier 1.

Assets risk weight scale ranging from zero to 400% is based on the counterparty risk to reflect the related credit risk scheme, taking into considration the cash collatrals and local currency guarantees. Similar criteria are used for off balance sheet items after applying conversion factors to reflect the nature of contingency and the potential loss of those amounts. The Bank has complied with all local capital adequacy requirements for the current period.

The tables below summarize the compositions of capital base , capital adequacy ratio and leverage ratio.

1. Capital Adequacy Ratio

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Tier 1 capital		
Share capital	30,195,010	29,825,134
Goodwill	-	(96,268)
Reserves	30,800,441	21,337,273
Retained Earnings (Losses)	332,888	261,557
Total deductions from tier 1 capital common equity	(1,829,068)	(297,397)
Net profit for the year	24,254,227	12,364,059
Total qualifying tier 1 capital	**83,753,498**	**63,394,358**
Tier 2 capital		
Subordinated Loans	12,057,970	7,874,520
**Expected Credit Losses for loans , Credit facilities, contingent liabilities and debt instruments - stage 1	4,281,122	3,712,734
Total qualifying tier 2 capital	**16,339,092**	**11,587,254**
Total capital 1+2	**100,092,590**	**74,981,612**
Risk weighted assets and contingent liabilities		
Total credit risk	343,408,395	298,496,606
Total market risk	-	1,648,310
Total operational risk	36,038,665	27,697,003
Cross border over limit	2,060,413	3,072,997
Total	**381,507,473**	**330,914,916**
***Capital adequacy ratio (%)**	**26.2%**	**22.7%**

*Based on consolidated financial statement figures and in accordance with Central Bank of Egypt regulation issued on 24 December 2012.

**Not more than 1.25% of total assets and contingent liabilities weighted by credit risk weights.

2. Leverage ratio

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Total qualifying tier 1 capital	83,753,498	63,394,358
On-balance sheet items & derivatives	856,118,571	641,042,272
Off-balance sheet items	106,722,210	86,762,583
Total exposures	**962,840,781**	**727,804,855**
Percentage*	**8.7%**	**8.7%**

*Based on consolidated financial statement figures and in accordance with Centeral Bank of Egypt regulation issued on 14 July 2015.

For December 2023 NSFR ratio record 253% (LCY 264% and FCY 229%), and LCR ratio record 1342% (LCY 2250% and FCY 175%).

For December 2022 NSFR ratio record 229% (LCY 239% and FCY 208%), and LCR ratio record 1086% (LCY 1291% and FCY 297%).

3. Critical accounting estimates andjudgments

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year.

Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and available information. Uncertainty about these assumptions and estimates could result in outcomes that require adjustments to the carrying amount of assets or liabilities affected in future periods.

3.1. Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. these valuation techniques (as models) are validated and periodically reviewed by qualified personnel independent of the area that created them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. For practicality purposes, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

4. Segment analysis

By business segment

The Bank is divided into the following business segments:

- Corporate banking & SME's: This includes current account activities, deposits, overdrafts, loans, credit facilities, and financial derivatives to large, medium, and small entities, currency and derivative products.
- Investment : Incorporating financial instruments, structured financing, corporate leasing, merger and acquisitions Information .
- Retail banking: incorporating private banking services, private customer current accounts, savings, deposits, investme savings products, custody, credit and debit cards, consumer loans and mortgages.
- Assets and liabilities management –Including other banking business.

Inter-segment activities which is affected by the Bank's normal course of business. Assets and liabilities of each segment include operating assets and liabilities as displayed in the Financial Statements.

EGP Thousands

Dec.31, 2023	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Net revenue according to business segment *	23,243,897	6,953,542	7,821,971	16,358,868	8,388,368	62,766,646
Expenses according to business segment	(11,174,590)	(1,913,988)	(2,291,261)	(5,202,654)	(607,205)	(21,189,698)
Profit before tax	12,069,307	5,039,554	5,530,710	11,156,214	7,781,163	41,576,948
Income tax	(3,290,559)	(1,462,052)	(1,678,066)	(3,254,295)	(2,257,434)	(11,942,406)
Profit for the year	**8,778,748**	**3,577,502**	**3,852,644**	**7,901,919**	**5,523,729**	**29,634,542**
Total assets	**202,130,053**	**8,211,322**	**271,690,860**	**57,840,618**	**294,993,246**	**834,866,099**
Total liabilities	**287,279,101**	**60,305,027**	-	**369,256,762**	**27,383,743**	**744,224,633**

* Represents the net interest income and other income.

Dec.31, 2022	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Net revenue according to business segment	11,629,435	3,201,847	7,944,944	10,108,567	5,144,825	38,029,618
Expenses according to business segment	(8,192,459)	(1,491,815)	(278,474)	(4,179,967)	(3,379)	(14,146,094)
Profit before tax	3,436,976	1,710,032	7,666,470	5,928,600	5,141,446	23,883,524
Income tax	(1,134,070)	(554,919)	(2,487,830)	(1,923,877)	(1,668,440)	(7,769,136)
Profit for the year	**2,302,906**	**1,155,113**	**5,178,640**	**4,004,723**	**3,473,006**	**16,114,388**
Total assets at 31 December 2022	**157,888,749**	**6,819,154**	**243,597,100**	**53,296,732**	**174,230,182**	**635,831,917**
Total liabilities at 31 December 2022	**239,694,892**	**67,995,672**	-	**251,469,542**	**8,333,643**	**567,493,749**

5. By geographical segment

EGP Thousands

Dec.31, 2023	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt (CIB Kenya)	Total
Revenue according to geographical segment	52,412,050	8,531,843	1,435,796	386,957	62,766,646
Expenses according to geographical segment	(18,600,171)	(2,115,141)	(25,997)	(448,389)	(21,189,698)
Profit before tax	**33,811,879**	**6,416,702**	**1,409,799**	**(61,432)**	**41,576,948**
Income tax	(9,741,043)	(1,861,583)	(409,004)	69,224	(11,942,406)
Profit for the year	24,070,836	4,555,119	1,000,795	7,792	29,634,542
Total assets	**776,593,063**	**45,036,445**	**9,773,559**	**3,463,032**	**834,866,099**
Total liabilities	**558,474,448**	**151,824,454**	**31,298,613**	**2,627,118**	**744,224,633**

Dec.31, 2022	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt (CIB Kenya)	Total
Revenue according to geographical segment	32,546,617	4,486,973	758,580	237,448	38,029,618
Expenses according to geographical segment	(12,119,363)	(1,547,224)	(156,132)	(323,375)	(14,146,094)
Profit before tax	**20,427,254**	**2,939,749**	**602,448**	**(85,927)**	**23,883,524**
Income tax	(6,779,801)	(953,972)	(195,499)	160,136	(7,769,136)
Profit for the year	**13,647,453**	**1,985,777**	**406,949**	**74,209**	**16,114,388**
Total assets at 31 December 2022	**586,848,023**	**36,636,416**	**9,747,543**	**2,599,935**	**635,831,917**
Total liabilities at 31 December 2022	**439,604,426**	**107,081,685**	**19,101,653**	**1,705,985**	**567,493,749**

6. Net interest income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Interest and similar income		
- Banks	30,018,930	5,345,778
- Clients	36,650,367	19,936,711
Total	**66,669,297**	**25,282,489**
Treasury bills, bonds and other governmental notes	32,950,513	28,823,013
Debt instruments at fair value through OCI and AC	4,408,569	1,618,199
Total	**104,028,379**	**55,723,701**
Interest and similar expense		
- Banks	(2,458,316)	(195,095)
- Clients	(47,249,312)	(23,807,888)
Total	**(49,707,628)**	**(24,002,983)**
Repos	(156,017)	(165,895)
Other loans	(1,115,442)	(473,246)
Issued debt instruments	(119,630)	(76,679)
Total	**(51,098,717)**	**(24,718,803)**
Net interest income	**52,929,662**	**31,004,898**

7. Net fee and commission income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Fee and commission income		
Fee and commissions related to credit	3,286,402	1,885,109
Custody fee	551,324	241,455
Other fee	5,212,198	3,428,518
Total	9,049,924	5,555,082
Fee and commission expense		
Other fee paid	(3,611,699)	(2,476,945)
Total	**(3,611,699)**	**(2,476,945)**
Net income from fee and commission	**5,438,225**	**3,078,137**

8. Dividend income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Financial assets at fair value through P&L	-	1,600
Financial assets at fair value through OCI	234,010	50,811
Total	**234,010**	**52,411**

9. Net trading income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profit (Loss) from foreign exchange transactions	4,096,288	1,617,694
Profit (Loss) from forward foreign exchange deals revaluation	(60,945)	716,231
Profit (Loss) from interest rate swaps revaluation	291,504	482
Profit (Loss) from currency swap deals revaluation	(401,470)	421,130
Profit (Loss) from financial assets at fair value through P&L	17,562	(5,880)
Total	**3,942,939**	**2,749,657**

10. Administrative expenses

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Staff costs		
Wages and salaries	(5,339,030)	(3,696,111)
Social insurance	(354,136)	(157,565)
Other benefits	(282,763)	(214,640)
Other administrative expenses *	(4,100,084)	(3,303,313)
Total	**(10,076,013)**	**(7,371,629)**

*The expenses related to the activity for which the bank obtains a commodity or service, donations and depreciation.

11. Other operating income (expenses)

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(756,492)	(1,089,939)
Profits from selling property and equipment	1,663	2,208
Release (charges) of other provisions	(2,838,761)	(1,855,407)
Other income (expenses)	(2,997,150)	(2,137,000)
Total	**(6,590,740)**	**(5,080,138)**

12. Impairment release (charges) for credit losses

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Loans and advances to customers and banks	(2,311,867)	(1,043,776)
Due from banks impairment provision	47,234	(8,395)
Financial securities	(2,005,448)	(532,771)
Total	**(4,270,081)**	**(1,584,942)**

13. Adjustments to calculate the effective tax rate

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profit before tax	41,653,373	23,941,286
Tax rate	22.50%	22.50%
Income tax based on accounting profit	**9,372,009**	**5,386,789**
Add / (Deduct)		
Non-deductible expenses	4,790,895	3,853,758
Tax exemptions	(7,458,312)	(6,345,343)
Withholding tax	5,237,814	4,873,932
Income and Deferred tax	**11,942,406**	**7,769,136**
Effective tax rate	**28.67%**	**32.45%**

14. Earnings per share

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Net profit for the year, available for distribution	28,763,709	16,124,903
Board members' bonus*	(110,239)	(110,239)
Staff profit sharing*	(2,876,371)	(1,612,490)
Profits attributable to shareholders	**25,777,099**	**14,402,174**
Weighted average number of shares	3,001,981	3,001,981
Basic earning per share	**8.59**	**4.80**
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	3,038,040	3,038,040
Diluted earning per share	**8.48**	**4.74**

* Proposed amounts are subject to change according to GAM decision.

Based on separate financial statement profits.

15. Cash and balances at the central bank

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Cash	7,491,636	6,998,942
Obligatory reserve balance with CBE		
- Current accounts	64,396,185	40,493,607
Total	**71,887,821**	**47,492,549**
Non-interest bearing balances	**71,887,821**	**47,492,549**

16. Due from banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Current accounts	4,750,675	2,920,513
Deposits	226,336,727	130,985,599
Expected credit losses	(2,158)	(49,392)
Total	**231,085,244**	**133,856,720**
Central banks	198,129,519	86,487,886
Local banks	7,418,937	25,816,767
Foreign banks	25,536,788	21,552,067
Total	**231,085,244**	**133,856,720**
Non-interest bearing balances	2,491,343	1,768,912
Floating interest bearing balances	98,470,020	69,663,117
Fixed interest bearing balances	130,123,881	62,424,691
Total	**231,085,244**	**133,856,720**
Current balances	226,451,466	130,145,210
Non-Current balances	4,633,778	3,711,510
Total	**231,085,244**	**133,856,720**

17. Treasury bills and Other Governmental notes

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
91 Days maturity	718,500	10,575
182 Days maturity	6,619,200	656,150
273 Days maturity	9,998,675	7,515,700
364 Days maturity	51,590,470	54,502,250
Unearned interest	(4,911,765)	(2,878,502)
Total Treasury bills	**64,015,080**	**59,806,173**
Repos - Treasury bills	(611,377)	(659,349)
Net	**63,403,703**	**59,146,824**
Other Governmental notes	50,000,000	-
Total Treasury bills and other governmental notes	**113,403,703**	**59,146,824**

Governmental bonds

EGP Thousands

	Dec.31, 2023 Financial Assets at Fair Value through OCI	Dec.31, 2022 Financial Assets at Fair Value through OCI
Governmental bonds	87,442,849	124,344,205
Repos - Treasury bonds	-	(3,711,489)
Net	**87,442,849**	**120,632,716**

18. Loans and advances to banks, net

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Time loans	823,739	2,988,410
ECL	(1,291)	(10,213)
Net	**822,448**	**2,978,197**
Current balances	822,448	2,978,197
Net	**822,448**	**2,978,197**

Analysis for ECL of loans and advances to banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	(10,213)	(2,118)
Released (charged) during the year	8,922	(8,095)
Ending balance	**(1,291)**	**(10,213)**

19. Loans and advances to customers, net

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Individual		
- Overdraft	2,927,620	2,132,876
- Credit cards	10,297,598	7,636,331
- Personal loans	42,552,132	40,374,834
- Mortgage loans	4,348,982	3,399,858
Total 1	**60,126,332**	**53,543,899**
Corporate and Business Banking		
- Overdraft	55,047,153	42,595,303
- Direct loans	99,455,837	78,759,856
- Syndicated loans	51,311,552	44,722,871
- Other loans	434,524	124,453
Total 2	**206,249,066**	**166,202,483**
Total Loans and advances to customers (1+2)	**266,375,398**	**219,746,382**
Less:		
Unamortized bills discount	(509,523)	(678,795)
Unamortized syndicated loans discount	(145,003)	(221,018)
ECL	(29,237,737)	(24,536,712)
Suspended credit account	(1,497,199)	(709,985)
Net loans and advances to customers	**234,985,936**	**193,599,872**
Distributed to		
Current balances	126,122,466	99,866,973
Non-current balances	108,863,470	93,732,899
Total	**234,985,936**	**193,599,872**

Analysis of the expected credit losses on loans and advances to customers by product during the year is as follows:

Beginning balance

EGP Thousands

Dec.31, 2023

Individual Loans	Overdraft	Credit cards	Personal loans	Mortgage loans	Total
Beginning balance	(7,131)	(321,989)	(1,201,774)	(63,242)	(1,594,136)
Released (charged) during the year	663	(402,460)	(337,815)	(25,362)	(764,974)
Written off during the year	1,960	59,027	177,095	3,332	241,414
Recoveries during the year	(1,009)	(58,102)	(66,308)	(180)	(125,599)
Ending balance	**(5,517)**	**(723,524)**	**(1,428,802)**	**(85,452)**	**(2,243,295)**

Dec.31, 2023

Corporate and Business Banking	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(2,516,317)	(15,277,168)	(5,140,284)	(8,807)	(22,942,576)
Released (charged) during the year	205,563	(2,270,797)	520,032	(10,613)	(1,555,815)
Written off during the year	2,529	2,234,286	-	-	2,236,815
Recoveries during the year	-	(51,666)	-	-	(51,666)
Foreign currencies translation differences	(506,322)	(3,002,315)	(1,172,563)	-	(4,681,200)
Ending balance	**(2,814,547)**	**(18,367,660)**	**(5,792,815)**	**(19,420)**	**(26,994,442)**

Dec.31, 2022

Individual Loans	Overdraft	Credit cards	Personal loans	Mortgage loans	Total
Beginning balance	(10,115)	(305,005)	(817,525)	(49,814)	(1,182,459)
Released (charged) during the year	1,213	(19,585)	(502,625)	(13,551)	(534,548)
Write off during the year	2,190	52,918	172,195	123	227,426
Recoveries during the year	(419)	(50,317)	(53,819)	-	(104,555)
Ending balance	**(7,131)**	**(321,989)**	**(1,201,774)**	**(63,242)**	**(1,594,136)**

Dec.31, 2022

Corporate and Business Banking	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(1,650,580)	(10,896,531)	(4,180,998)	(6,795)	(16,734,904)
Released (charged) during the year	(233,631)	(1,044,899)	779,409	(2,012)	(501,133)
Write off during the year	5,145	980,540	-	-	985,685
Recoveries during the year	-	(9,662)	-	-	(9,662)
foreign currencies translation differences	(637,251)	(4,306,616)	(1,738,695)	-	(6,682,562)
Ending balance	**(2,516,317)**	**(15,277,168)**	**(5,140,284)**	**(8,807)**	**(22,942,576)**

20. Derivative financial instruments

20.1 Derivatives

The Bank uses the following financial derivatives for non hedging purposes.

Forward contracts represent commitments to buy foreign and local currencies including unexecuted spot transactions. Future contracts for foreign currencies and/or interest rates represent contractual commitments to receive or pay net on the basis of changes in foreign exchange rates or interest rates, and/or to buy/sell foreign currencies or financial instruments in a future date with a fixed contractual price under active financial market.

Credit risk is considered low, and future interest rate contract represents future exchange rate contracts negotiated for case by case, These contracts require financial settlements of any differences in contractual interest rates and prevailing market interest rates on future interest rates on future dates based on contractual amount (nominal value) pre agreed upon.

Foreign exchange and/or interest rate swap represents commitments to exchange cash flows, resulting from these contracts are exchange of currencies or interest (fixed rate versus variable rate for example) or both (meaning foreign exchange and interest rate contracts). Contractual amounts are not exchanged except for some foreign exchange contracts.

Credit risk is represented in the expected cost of foreign exchange contracts that takes place if other parties default to fulfill their liabilities. This risk is monitored continuously through comparisons of fair value and contractual amount, and in order to control the outstanding credit risk, the Bank evaluates other parties using the same methods as in borrowing activities.

Options contracts in foreign currencies and/or interest rates represent contractual agreements for the buyer (issuer) to the seller (holders) as a right not an obligation whether to buy (buy option) or sell (sell option) at a certain day or within certain year for a predetermined amount in foreign currency or interest rate. Options contracts are either traded in the market or negotiated between The Bank and one of its clients (Off balance sheet). The Bank is exposed to credit risk for purchased options contracts only and in the line of its book cost which represent its fair value.

The contractual value for some derivatives options is considered a base to analyze the realized financial instruments on the balance sheet, but it doesn't provide an indicator for the projected cash flows of the fair value for current instruments, and those amounts don't reflects credit risk or interest rate risk.

Derivatives in the Bank's benefit that are classified as (assets) are conversely considered (liabilities) as a result of the changes in foreign exchange prices or interest rates related to these derivatives. Contractual / expected total amounts of financial derivatives can fluctuate from time to time as well as the range through which the financial derivatives can be in benefit for the Bank or conversely against its benefit and the total fair value of the financial derivatives in assets and liabilities. Hereunder are the fair values of the booked financial derivatives:

20.1.1. For trading derivatives

	Dec.31, 2023			Dec.31, 2022		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Foreign currencies derivatives						
- Forward foreign exchange contracts	8,573,448	578,528	37,765	9,886,585	823,287	218,296
- Swap deals	74,891,979	49,037	8,151	2,081,255	440,559	1,456
Total (1)		**627,565**	**45,916**		**1,263,846**	**219,752**

20.1.2. Fair value hedge

Interest rate derivatives						
Interest rate derivatives	15,446,550	40,482	95,018	12,520,160	30,480	-
Total (2)		**40,482**	**95,018**		**30,480**	-

20.1.3. Cash flow hedge

Cash flow hedge	3,089,310	437,101	-	7,423,020	645,635	-
Total (3)		437,101	-		645,635	-
Total financial derivatives (1+2+3)		**1,105,148**	**140,934**		**1,939,961**	**219,752**

20.2.Hedging derivatives

Fair value hedge

The Bank uses interest rate swap contracts to cover part of the risk of potential increase in fair value of its fixed rate customer deposits in foreign currencies. Net derivative value resulting from the related hedging instruments is EGP 382,565 thousand at the end of December 31, 2023 against EGP 676,115 thousand at December 31, 2022, resulting in profits from hedging instruments at December 31, 2023 of EGP 293,550 thousand against profits of EGP 623,945 thousand at December 31, 2022. Profits arose from the hedged items at December 31, 2023 reached EGP 84,228 thousand against Profits EGP 13,191 thousand at December 31, 2022.

21. Movement of financial investment securities:

EGP Thousands

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost
Beginning balance as of 2022	193,198,894	20,547,465
Addition	45,665,232	19,908,223
Disposals	(26,130,169)	(6,738,937)
Profit (losses) from fair value difference	(15,383,080)	-
Exchange revaluation differences for foreign financial assets	6,669,856	808,009
Ending Balance as of Dec.31, 2022	**204,020,733**	**34,524,760**

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost
Beginning balance as of 2023	204,020,733	34,524,760
Addition	129,073,519	9,290,232
Disposals	(98,945,138)	(6,125,452)
Profit (losses) from fair value difference	(5,814,834)	-
Exchange revaluation differences for foreign financial assets	4,790,954	651,479
Ending Balance as of Dec.31, 2023	**233,125,234**	**38,341,019**

21 .Financial investments securities

EGP Thousands

	Dec.31, 2023		
	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
Investments listed in the market			
Governmental bonds	87,442,849	37,905,528	125,348,377
Securitized and other bonds	26,535,662	363,647	26,899,309
Equity instruments	121,184	-	121,184
Sukuk	874,218	-	874,218
Investments not listed in the market			
Treasury bills and Other Governmental notes	113,403,703	-	113,403,703
Securitized and other bonds	3,299,797	71,844	3,371,641
Equity instruments	1,038,885	-	1,038,885
Mutual funds	408,936	-	408,936
Total	**233,125,234**	**38,341,019**	**271,466,253**

EGP Thousands

31-Dec-2022	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
Investments listed in the market			
Governmental bonds	120,632,716	33,197,277	153,829,993
Securitized and other bonds	19,536,994	-	19,536,994
Equity instruments	257,586	-	257,586
Sukuk	1,674,050	-	1,674,050
Investments not listed in the market			
Treasury bills and Other Governmental notes	59,146,824	-	59,146,824
Securitized and other bonds	1,709,429	1,327,483	3,036,912
Equity instruments	716,432	-	716,432
Mutual funds	346,702	-	346,702
Total	**204,020,733**	**34,524,760**	**238,545,493**

Classification and measurement of financial assets and financial liabilities:

The following table shows the financial assets and the net financial liabilities according to the business model classification:

Dec.31, 2023	Amortized cost	Debt financial Assets at Fair value through OCI	Equity financial Assets at Fair value through OCI	Financial Assets/ Liabilities at Fair value through P&L	Total book value
Cash and balances with central bank	71,887,821	-	-	-	71,887,821
Due from banks	231,085,244	-	-	-	231,085,244
Treasury bills and Other Governmental notes	-	113,403,703	-	-	113,403,703
Loans and advances to customers, net	234,985,936	-	-	-	234,985,936
Loans and advances to banks, net	822,448	-	-	-	822,448
Derivative financial instruments	-	-	-	1,105,148	1,105,148
Financial Assets at Fair value through OCI	-	118,152,526	1,569,005	-	119,721,531
Amortized cost	38,341,019	-	-	-	38,341,019
Total 1	**577,122,468**	**231,556,229**	**1,569,005**	**1,105,148**	**811,352,850**
Due to banks	12,458,003	-	-	-	12,458,003
Due to customers	677,237,479	-	-	-	677,237,479
Derivative financial instruments	-	-	-	140,934	140,934
Issued debt instruments	3,073,349	-	-	-	3,073,349
Other loans	12,483,907	-	-	-	12,483,907
Other Provisions	11,095,089	-	-	-	11,095,089
Total 2	**716,347,827**	**-**	**-**	**140,934**	**716,488,761**

21.1. Profits (Losses) on financial investments

	Dec.31, 2023	Dec.31, 2022
Profit (Loss) from selling FVOCI financial instruments	205,344	1,162,195
Profit from selling shares of associates	7,466	-
Released (Impairment) for invesment in associates	9,000	-
Total	**221,810**	**1,162,195**

22. Investments in associates

EGP Thousands

Dec.31, 2023	Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
-TCA Properties	Egypt	1,508,346	1,364,689	56,196	(89,746)	88,711	37.00
- Al Ahly Computer	Egypt	30,031	30,620	48,038	(20,097)	27,268	39.34
Total		**1,538,377**	**1,395,309**	**104,234**	**(109,843)**	**115,979**	

EGP Thousands

Dec.31, 2022	Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
-TCA Properties	Egypt	1,511,066	1,251,615	21,503	(72,446)	131,555	37.00
- Al Ahly Computer	Egypt	42,494	19,534	50,892	(188)	29,270	39.34
- Fawry Plus	Egypt	187,036	100,492	127,246	42,413	25,237	14.99
- International Co. for Security and Services (Falcon)	Egypt	779,891	833,180	356,164	(146,617)	-	30.00
Total		**2,520,487**	**2,204,821**	**555,805**	**(176,838)**	**186,062**	

23. Other assets

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Accrued revenues	13,018,038	11,437,147
Prepaid expenses	903,169	572,509
Advances to purchase fixed assets	1,906,547	1,342,568
Accounts receivable (after deducting the provision)*	3,044,238	1,035,654
Assets acquired as settlement of debts	49,019	124,098
Insurance	51,775	49,647
Gross	**18,972,786**	**14,561,623**
Impairment of other assets	-	(40,196)
Net	**18,972,786**	**14,521,427**

*A provision has been created for other assets with amount EGP 17 million.

This item includes other assets that are not classified under specific items of balance sheet assets, such as: accrued income and prepaid expenses, custodies, debit accounts under settlement and any balance that has no place in any other asset category.

24. Property and equipment

EGP Thousands

Dec.31, 2023	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
Cost at Jan 01, 2023 (1)	229,669	1,233,310	3,538,692	193,875	1,004,226	943,941	161,246	7,304,959
Additions during the year	-	3,727	1,054,355	31,313	14,023	14,677	3,772	1,121,867
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Cost at end of the year (2)	**229,669**	**1,232,387**	**4,574,069**	**225,188**	**1,018,249**	**940,061**	**162,568**	**8,382,191**
Accumulated depreciation at beginning of the year (3)	-	564,587	2,628,760	81,470	815,287	689,216	120,205	4,899,525
Depreciation for the year	-	32,217	573,020	10,610	100,507	59,744	12,111	788,209
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Accumulated depreciation at end of the year (4)	**-**	**592,154**	**3,182,802**	**92,080**	**915,794**	**730,403**	**129,866**	**5,643,099**
Ending net assets (2-4)	**229,669**	**640,233**	**1,391,267**	**133,108**	**102,455**	**209,658**	**32,702**	**2,739,092**
Beginning net assets (1-3)	**229,669**	**668,723**	**909,932**	**112,405**	**188,939**	**254,725**	**41,041**	**2,405,434**

Property and equipment

Dec.31, 2022	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
Cost at Jan 01, 2022 (1)	64,709	1,170,322	3,194,730	161,744	955,100	868,478	159,247	6,574,330
Additions during the year	164,960	82,392	359,573	32,131	65,501	120,325	5,237	830,119
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
Cost at end of the year (2)	**229,669**	**1,233,310**	**3,538,692**	**193,875**	**1,004,226**	**943,941**	**161,246**	**7,304,959**
Accumulated depreciation at beginning of the year (3)	-	506,634	2,128,401	68,539	715,756	587,823	106,061	4,113,214
Depreciation for the year	-	77,357	515,970	12,931	115,906	146,255	17,382	885,801
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
Accumulated depreciation at end of the year (4)	**-**	**564,587**	**2,628,760**	**81,470**	**815,287**	**689,216**	**120,205**	**4,899,525**
Ending net assets (2-4)	**229,669**	**668,723**	**909,932**	**112,405**	**188,939**	**254,725**	**41,041**	**2,405,434**
Beginning net assets (1-3)	**64,709**	**663,688**	**1,066,329**	**93,205**	**239,344**	**280,655**	**53,186**	**2,461,116**

25. Due to banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Current accounts	2,308,193	2,666,251
Deposits	10,149,810	830,447
Total	**12,458,003**	**3,496,698**
Central banks	618,597	460,169
Local banks	16,626	45,065
Foreign banks	11,822,780	2,991,464
Total	**12,458,003**	**3,496,698**
Non-interest bearing balances	1,976,181	2,376,326
Floating bearing interest balances	553,295	573,860
Fixed interest bearing balances	9,928,527	546,512
Total	**12,458,003**	**3,496,698**
Current balances	**12,458,003**	**3,496,698**

26. Due to customers

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Demand deposits	255,597,422	197,948,359
Time deposits	117,608,870	106,969,176
Certificates of deposit	188,832,842	128,342,125
Saving deposits	107,598,758	91,986,230
Other deposits	7,599,587	6,370,660
Total	**677,237,479**	**531,616,550**
Corporate deposits	306,678,764	262,902,380
Individual deposits	370,558,715	268,714,170
Total	**677,237,479**	**531,616,550**
Non-interest bearing balances	121,939,696	95,060,092
Floating interest bearing balances	5,930,188	7,936,950
Fixed interest bearing balances	549,367,595	428,619,508
Total	**677,237,479**	**531,616,550**
Current balances	483,660,140	396,058,202
Non-current balances	193,577,339	135,558,348
Total	**677,237,479**	**531,616,550**

In 2023, Due to customers contains an amount of EGP 1,931 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million in 2022. The fair value of these deposits is approximately their present value.

27. Issued debt instruments

EGP Thousands

	Interest rate			
Fixed rate bonds with 5 years maturity	**Dec.31, 2023**	**Dec.31, 2022**	**Dec.31, 2023**	**Dec.31, 2022**
Green bonds (USD)	Fixed rate	Fixed rate	3,073,349	2,456,607
Total			**3,073,349**	**2,456,607**
Non current balances			**3,073,349**	**2,456,607**

28 .Other loans

EGP Thousands

	Interest rate	Loan duration	Due within one year	Dec.31, 2023	Dec.31, 2022
British International Investment subordinated loan	Floating rate	10 years	-	2,879,244	2,644,356
Environmental Compliance Project (ECO)	Fixed rate	3-5 years*	315	525	840
Agricultural Research and Development Fund (ARDF)	Fixed rate	Less than 1 year*	200,619	200,619	16,000
Egyptian Pollution Abatement Program (EPAP)	Floating / Fixed rate	3-5 years*	37,506	224,793	87,614
European Bank for Reconstruction and Development (EBRD) subordinated Loan	Floating rate	10 years	-	4,588,784	2,561,585
International Finance Corporation (IFC) subordinated Loan	Floating rate	10 years	-	4,589,942	2,668,580
Total			**238,440**	**12,483,907**	**7,978,975**

Interest rates on variable-interest subordinated loans are determined in advance every 3 months.

*Represents the date of loan repayment to the lending agent.

29. Other liabilities

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Accrued interest payable	3,807,422	2,084,649
Accrued expenses	2,554,726	1,686,588
Accounts payable	11,440,035	7,522,203
Other credit balances	537,282	313,472
Total	**18,339,465**	**11,606,912**

30. Other provisions

EGP Thousands

Dec.31, 2023	Beginning balance	Charged during the year	Exchange revaluation difference	Net utilized / recovered during the year	Provisions no longer used	Ending balance
Provision for legal claims*	7,456	1,400	448	(2,058)	-	7,246
Provision for contingent	6,675,694	2,817,520	1,179,866	(2,512)	-	10,670,568
Provision for other claim**	383,522	2,221	32,812	(1,280)	-	417,275
Total	**7,066,672**	**2,821,141**	**1,213,126**	**(5,850)**	**-**	**11,095,089**

EGP Thousands

Dec.31, 2022	Beginning balance	Charged during the year	Exchange revaluation difference	Net utilized / recovered during the year	Provisions no longer used	Ending balance
Provision for legal claims	7,184	-	656	(212)	(172)	7,456
Provision for contingent	3,205,105	2,124,575	1,346,014	-	-	6,675,694
Provision for other claim	329,173	8,960	48,303	(2,914)	-	383,522
Total	**3,541,462**	**2,133,535**	**1,394,973**	**(3,126)**	**(172)**	**7,066,672**

* A provision for legal cases that are expected to generate losses has been created.

** To face the potential risk of banking operations.

31 Equity

31.1 Capital

The authorized capital is EGP 100 billion according to the extraordinary general assembly decision on 20 March 2023.

On January 11, 2023 issued and Paid in Capital increased by an amount of EGP 165,429 thousand to reach EGP 29,990,563 thousand, according to BOD Meeting decision on September 28 ,2022, by issuance of 13th tranche for E.S.O.P program.

On June 8, 2023 issued and Paid in Capital increased by an amount of EGP 204,447 thousand to reach EGP 30,195,010 thousand, according to BOD Meeting decision on January 24 ,2023, by issuance of 14th tranche for E.S.O.P program.

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Authorized Capital	100,000,000	50,000,000
Issued and paid up capital	30,195,010	29,825,134
Number of outstanding shares in thousnds	3,019,501	2,982,513

	Dec.31, 2023	Dec.31, 2022
	EGP	EGP
Par value per share	10	10

31.2 Reserves

According to The Bank status 5% of net profit is used to increase the legal reseve to reaches 50% of The Bank's issued and paid in capital.

Central Bank of Egypt concurrence for usage of special reserve is required.

32. Deferred tax assets (Liabilities)

Deferred tax assets and liabilities are attributable to the following:

EGP Thousands

	Assets (Liabilities) Dec.31, 2023	Assets (Liabilities) Dec.31, 2022
Fixed assets (depreciation)	(83,567)	(45,921)
Other provisions (excluded loan loss, contingent liabilities and income tax provisions)	782,907	347,128
Change in fair value of investments through OCI	1,399,815	1,057,872
Other Balance Sheet Revaluation	(1,183,449)	(1,582,895)
Other investments impairment	395,979	82,953
Reserve for employee stock ownership plan (ESOP)	334,352	426,473
Interest rate swaps revaluation	(65,588)	(108)
Trading investment revaluation	-	17,770
Forward foreign exchange deals revaluation	104,782	(117,526)
Balance	**1,685,231**	**185,746**

EGP Thousands

Deferred tax assets (Liabilities)	Assets (Liabilities) Dec.31, 2023	Assets (Liabilities) Dec.31, 2022
Movement of Deferred Tax Assets and Liabilities:		
Beginning Balance	185,746	456,002
Additions / disposals through OCI	341,943	1,153,777
Additions / disposals through P&L	1,157,542	(1,424,033)
Ending Balance	**1,685,231**	**185,746**

33. Share-based payments

According to the extraordinary general assembly meeting on June 26, 2006, the Bank launched new Employees Share Ownership Plan (ESOP) scheme and issued equity-settled share-based payments. Eligible employees should complete a term of 3 years of service in The Bank to have the right in ordinary shares at face value (right to share) that will be issued on the vesting date,otherwise such grants will be forfeited. Equity-settled share-based payments are measured at fair value at the grant date, and expensed on a straight-line basis over the vesting year (3 years) with corresponding increase in equity based on estimated number of shares that will eventually vest. The fair value for such equity instruments is measured using the Black-Scholes pricing model.

Details of the rights to share outstanding during the year are as follows:

	Dec.31, 2023 No. of shares in thousand	Dec.31, 2022 No. of shares in thousand
Outstanding at the beginning of the year	92,551	76,328
Granted during the year	28,143	31,177
Forfeited during the year	(3,693)	(2,682)
Exercised during the year	(36,988)	(12,272)
Outstanding at the end of the year	**80,013**	**92,551**

Details of the outstanding tranches are as follows:

Maturity date	EGP Exercise price	EGP Fair value	No. of shares in thousand
2024	10.00	26.34	23,788
2025	10.00	28.43	29,052
2026	10.00	34.09	27,173
Total			**80,013**

The fair value of granted shares is calculated using Black-Scholes pricing model with the following:

	17th tranche	16th tranche
Exercise price	10	10
Current share price	41.48	42.65
Expected life (years)	3	3
Risk free rate %	18.00%	14.65%
Dividend yield%	1.30%	2.50%
Volatility%	34.75%	25.73%

Volatility is calculated based on the standard deviation of returns for the last five years.

34. Reserves and retained earnings

EGP Thousands

	Dec.31,2023	Dec.31,2022
Legal reserve	4,770,354	3,963,946
General reserve	39,840,707	27,096,858
Capital reserve	21,155	18,947
Retained earnings	29,993,331	16,393,841
Reserve for transactions under common control	(670,972)	8,183
Reserve for financial assets at fair value through OCI	(16,868,691)	(13,188,818)
Reserve for employee stock ownership plan	1,486,010	1,895,435
Banking risks reserve	15,230	11,981
Cumulative foreign currencies translation differences	148,353	181,324
General risk reserve	1,550,906	1,550,906
Ending balance	**60,286,383**	**37,932,603**

34.1. Banking risks reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	11,981	9,141
Transferred to banking risk reserve	3,249	2,840
Ending balance	**15,230**	**11,981**

34.2. Legal reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	3,963,946	3,293,074
Transferred to legal reserve	806,408	670,872
Ending balance	**4,770,354**	**3,963,946**

34.3. Reserve for financial assets at fair value through OCI

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	(13,188,818)	641,372
Transferred to RE from financial assets at fair value through OCI	(95,308)	(3,436)
Net unrealised gain/(loss) on financial assets at fair value through OCI	(5,472,891)	(14,281,801)
Effect of ECL in fair value of debt instruments measured at fair value through OCI	1,888,326	455,047
Ending balance	**(16,868,691)**	**(13,188,818)**

34.4. Retained earnings

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	16,393,841	13,696,402
Transferred to reserves	(12,388,223)	(9,007,223)
Dividends paid	(3,738,888)	(4,410,322)
Net profit of the year	29,634,542	16,114,388
Transferred (from) to banking risk reserve	(3,249)	(2,840)
Transferred to RE from financial assets at fair value through OCI	95,308	3,436
Ending balance	**29,993,331**	**16,393,841**

34.5. Reserve for employee stock ownership plan

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	1,895,435	1,674,392
Transferred to reserves	(1,164,242)	(502,922)
Cost of employees stock ownership plan (ESOP)	754,817	723,965
Ending balance	**1,486,010**	**1,895,435**

34.6. General risk reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	1,550,906	1,550,906
Ending balance	**1,550,906**	**1,550,906**

35. Cash and cash equivalent

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Cash and balances at the central bank	71,887,821	47,492,549
Due from banks	231,087,402	133,906,112
Treasury bills and other governmental notes	113,403,703	59,146,824
Obligatory reserve balance with CBE	(64,396,185)	(40,493,607)
Due from banks with maturities more than three months	(4,942,896)	(47,286,754)
Treasury bills and other governmental notes with maturities more than three months	(112,721,932)	(59,795,598)
Total	**234,317,913**	**92,969,526**

36. Contingent liabilities and commitments

36.1. Legal claims

- There is a number of existing cases against the bank on December 31, 2023 for which no provisions are made as the bank doesn't expect to incur losses from it.
- A provision for legal cases that are expected to generate losses has been created. (Note No. 30)

36.2. Capital commitments

36.2.1. Financial investments

The capital commitments for the financial investments reached on the date of financial position EGP 1,931 thousand as follows:

	Investments value	Paid	Remaining
Financial Assets at Fair value through OCI	308,931	307,000	1,931

36.2.2. Fixed assets and branches constructions

The value of commitments for the purchase of fixed assets, contracts, and branches constructions that have not been implemented till the date of the financial statements amounted to EGP 396,683 thousand against EGP 397,100 thousand in 2022.

36.3. Letters of credit, guarantees and other commitments

EGP Thousands

	Dec.31,2023	Dec.31, 2022
Letters of guarantee	160,776,153	123,073,882
Letters of credit (import and export)	9,075,124	8,640,327
Customers acceptances	4,800,405	3,482,249
Total	**174,651,682**	**135,196,458**

36.4. Credit facilities commitments

EGP Thousands

	Dec.31,2023	Dec.31, 2022
Credit facilities commitments	5,375,921	7,077,400

36.5. Lease commitments

The total minimum lease payments for non-cancellable operating leases are as follows:

EGP Thousands

	Dec.31,2023	Dec.31, 2022
Not more than one year	223,456	57,119
More than one year and less than five years	659,897	563,066
More than five years	287,120	200,824

37. Mutual funds

Osoul fund

- CIB established an accumulated return mutual fund under license no.331 issued from capital market authority on February 22, 2005. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 10,164,050 with redeemed value of EGP 6,634,990 thousands.
- The market value per certificate reached EGP 652.79 on December 31, 2023.
- The Bank's portion is 237,112 certificates with a redeemed value of EGP 154,784 thousands.

Istethmar fund

- CIB bank established the second accumulated return mutual fund under license no.344 issued from capital market authority on February 26, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 396,693 with redeemed value of EGP 165,984 thousands
- The market value per certificate reached EGP 418.42 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 20,921 thousands.

Aman fund (CIB and Faisal Islamic Bank Mutual Fund)

- CIB and Faisal Islamic Bank established an accumulated return mutual fund under license no.365 issued from capital market authority on July 30, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 317,885 with redeemed value of EGP 65,427 thousands.
- The market value per certificate reached EGP 205.82 on December 31, 2023.
- The Bank's portion is 32,596 certificates with a redeemed value of EGP 6,709 thousands.

Hemaya fund

- CIB bank established an accumulated return mutual fund under license no.585 issued from financial supervisory Authority on June 23, 2010. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 83,589 with redeemed value of EGP 35,903 thousands.
- The market value per certificate reached EGP 429.52 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,476 thousands.

Thabat fund

- CIB bank established an accumulated return mutual fund under license no.613 issued from financial supervisory authority on September 13, 2011. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 252,645 with redeemed value of EGP 110,616 thousands.
- The market value per certificate reached EGP 437.83 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,892 thousands.

Takamol fund

- CIB bank established an accumulated return mutual fund under license no.431 issued from financial supervisory authority on February 18, 2015. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 145,783 with redeemed value of EGP 55,463 thousands.
- The market value per certificate reached EGP 380.45 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 19,023 thousands.

38. Transactions with related parties

All banking transactions with related parties are conducted in accordance with the normal banking practices and regulations applied to all other customers without any discrimination.

38.1. Loans, advances, deposits and contingent liabilities

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Loans, advances and other assets	941,131	1,081,864
Deposits	728,866	123,560
Contingent liabilities	-	173,143

38.2. Other transactions with related parties

EGP Thousands

	Dec.31, 2023		Dec.31, 2022	
	Income	Expenses	Income	Expenses
International Co. for Security & Services	-	-	73	215,848
CVenture Capital	716	1,284	740	93
Commercial International Bank (CIB) Kenya	1,024	4,335	790	-
Damietta shipping & marine services	14	625	2	564
Commercial International Finance Company	90	4,546	4	2,155
Al ahly computer	22	103	3	-
TCA Properties	151,493	-	138,162	-

39. Main currencies positions

EGP Thousands

	Dec.31,2023	Dec.31, 2022
Egyptian pound	204,337	(395,392)
US dollar	706,200	900,773
Sterling pound	11,609	1,289
Japanese yen	(101)	-
Swiss franc	1,471	109
Euro	(278,393)	36,082

40. Tax status

Corporate income tax

- Settlement of corporate income tax since the start of activity till 2020.
- The yearly income tax return submitted in legal dates.

Salary tax

- Settlement of salary tax since the start of activity till 2022.

Stamp duty tax

- The period since the start of activity till 31/07/2006 was examined & paid, disputed points have been transferred to the court for adjudication & cases are being resolved as per Tax disputes termination law.
- Settlment the period from 01/08/2006 till 31/12/2022 in accordance with the protocol signed between the Federation of Egyptian Banks & the Egyptian Tax Authority

Disclosures related to cash flow statement

41. Other assets - net increase (decrease)

	EGP Thousands Dec.31, 2023
Total other assets by beginning of the year	14,521,427
Assets acquired as settlement of debts	(124,098)
Advances to purchase fixed assets	(1,342,568)
Total 1	**13,054,761**
Total other assets by end of the year	18,972,786
Assets acquired as settlement of debts	(49,019)
Advances to purchase fixed assets	(1,906,547)
Uncollected installments from investments in associates	(11,956)
Impairment (Release) charge for other assets	17,620
Total 2	**17,022,884**
Change (1-2)	(3,968,123)

	EGP Thousands Dec.31, 2022
Total other assets by beginning of the year	11,207,128
Assets acquired as settlement of debts	(153,423)
Advances to purchase fixed assets	(1,139,188)
Total 1	**9,914,517**
Total other assets by end of the year	14,521,427
Assets acquired as settlement of debts	(124,098)
Advances to purchase fixed assets	(1,342,568)
Impairment (Release) charge for other assets	(277,766)
Total 2	**12,776,995**
Change (1-2)	(2,862,478)

42. Significant events during the year

On 3 August 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 19.25 percent, 20.25 percent, and 19.75 percent, respectively. The discount rate was also raised by 100 basis points to 19.75 percent , which may affect the bank's policies in pricing current and future banking products.

On 30 March 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 18.25 percent, 19.25 percent, and 18.75 percent, respectively. The discount rate was also raised by 200 basis points to 18.75 percent , which may affect the bank's policies in pricing current and future banking products.

During 2023 Central Bank of Egypt (CBE) and the Central Bank of Kenya (CBK) have granted the Bank their consent to acquire 49% of Commercial International Bank (CIB) Kenya to become a fully owned subsidiary of the Bank, for USD 40 million.

During 2023, CIB obtained USD 150 million Subordinated Debt from the International Finance Corporation (IFC) member of the World Bank Group.

During 2023, CIB obtained USD 150 million Subordinated Debt from European Bank for Reconstruction and Development (EBRD).

43. Goodwill

EGP Thousands

	Commercial International Bank (CIB) Kenya Dec.31, 2023	Commercial International Bank (CIB) Kenya Dec.31, 2022
Acquisition cost	560,963	560,963
Net assets value	(354,676)	(354,676)
Goodwill	**206,287**	**206,287**

EGP Thousands

	Commercial International Bank (CIB) Kenya Dec.31, 2023	Commercial International Bank (CIB) Kenya Dec.31, 2022
Goodwill at acquisition date	206,287	206,287
Amortization	(206,287)	(110,019)
Net book value	-	**96,268**

According to Central Bank of Egypt regulation issued on Dec 16, 2008, an amortization of 20% annually has been applied on Goodwill starting from acquisition date.

44. Intangible assets

EGP Thousands

	Commercial International Bank (CIB) Kenya Dec.31, 2023	Commercial International Bank (CIB) Kenya Dec.31, 2022
Intangible Assets at acquisition date	51,831	51,831
Amortization	(51,831)	(27,643)
Net book value	-	**24,188**

The following tables represent the summarize Financial information of (CVenture Capital) subsidiary under liquidation.

45. Non current assets held for sale

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Financial Assets at Fair Value through OCI	79	-
Other assets	2	-
Property and equipment	80	-
Total	**161**	-

46. Non current liabilities held for sale

	EGP Thousands	
	Dec.31, 2023	Dec.31, 2022
Other liabilities	680	-
Other provisions	193	-
Total	**873**	-

47. Profit (loss) from discontinued operations

	EGP Thousands	
	Dec.31, 2023	Dec.31, 2022
Net interest income	3,983	-
Net fee and commission income	136	-
Net trading income	(311)	-
Profits (Losses) on financial investments	(44,182)	-
Administrative expenses	(2,255)	-
Other operating income (expenses)	(632)	-
Impairment release (charges) for credit losses	1,151	-
Deferred tax assets (Liabilities)	8	-
Net profit (loss) from discontinued operations	**(42,102)**	-

During 2023 CIB BOD decided to start liquidation process for C-Ventures company, one of bank's subsidiaries.

48. Subsequent events

On 1 February 2024, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 21.25 percent, 22.25 percent, and 21.75 percent, respectively. The discount rate was also raised by 200 basis points to 21.75 percent , which may affect the bank's policies in pricing current and future banking products.

Auditor's Report

Saleh, Barsoum & Abdel Aziz - Grant Thornton
Accountants & Auditors

Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants

AUDITORS' REPORT

To the Shareholders of Commercial International Bank – Egypt - CIB S.A.E

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Commercial International Bank - Egypt - CIB S.A.E "the Bank", which comprise the separate financial position as at December 31, 2023 and the related separate statements of income, comprehensive income, changes in shareholder's equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations. Management's responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error; management's responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the separate financial statements.

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of the Bank as of December 31, 2023 and of its separate financial performance and its separate cash flows for the year then ended, in accordance with Central Bank of Egypt's rules, pertaining to the preparation and presentation of the banks' financial statements, issued on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations relating to the preparation of these separate financial statements.

Report on Legal and Other Regulatory Requirements

No material contravention, during the financial year ended 31 December 2023, of the provisions of Central Bank of Egypt and the Banking System Law no 194 of 2020 in the light of our audit of the financial statements.

The Bank maintains proper books of accounts, which include all that is required by law and by the statutes of the bank. The separate financial statements are in agreement thereto.

The separate financial information included in the Board of Directors' report, prepared in accordance with law no. 159 of 1981 and its executive regulations, is in agreement with the Bank's books of account.

Cairo; 11 February 2024

Auditors

Farid Samir

Farid Samir Farid
Financial Regulatory Authority Register Number "210"
Saleh, Barsoum & Abdel Aziz - Grant Thornton
Public Accountants & Consultants

Saleh, Barsoum, Abdel Aziz & Co.
Accountants & Auditors

Hossam Hilal

Hossam Mohamed Hilal
Financial Regulatory Authority Register Number "147"
Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants

Separate Statement of Financial Position

As at December 31, 2023

EGP Thousands

	Notes	Dec. 31,2023	Dec 31, 2022
Assets			
Cash and balances at the central bank	15	71,747,343	47,384,574
Due from banks	16	230,709,419	133,766,196
Loans and advances to banks, net	18	822,448	2,978,197
Loans and advances to customers, net	19	233,824,745	192,621,288
Derivative financial instruments	20	1,101,896	1,939,961
Financial investments			
- Financial Assets at Fair Value through OCI	21	232,290,598	202,916,225
- Financial Assets at Amortized cost	21	37,847,114	34,178,753
- Investments in subsidiaries and associates	22	671,525	1,074,250
Non current assets held for sale	43	159,828	-
Other assets	23	18,929,067	14,454,868
Deferred tax assets	32	1,685,223	24,240
Property and equipment	24	2,737,936	2,304,513
Total assets		**832,527,142**	**633,643,065**
Liabilities and equity			
Liabilities			
Due to banks	25	12,427,384	3,475,848
Due to customers	26	675,310,076	530,124,905
Derivative financial instruments	20	140,934	219,752
Current income tax liabilities		9,395,534	3,051,583
Other liabilities	29	18,307,580	11,549,472
Issued debt instruments	27	3,073,349	2,456,607
Other loans	28	12,483,907	7,978,975
Other provisions	30	11,088,372	7,065,292
Total liabilities		**742,227,136**	**565,922,434**
Equity			
Issued and paid up capital	31	30,195,010	29,825,134
Reserves	34	29,388,626	19,502,716
Reserve for employee stock ownership plan (ESOP)	34	1,486,010	1,895,435
Retained earnings *	34	29,230,360	16,497,346
Total equity and net profit for the year		**90,300,006**	**67,720,631**
Total liabilities and equity		**832,527,142**	**633,643,065**

The accompanying notes are an integral part of these financial statements.
(Audit report attached)

* Including net profit for the current year

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Separate Income Statement

For the year ended December 31, 2023

EGP Thousands

	Notes	Dec. 31,2023	Dec. 31,2022
Interest and similar income		103,687,267	55,442,268
Interest and similar expense		(50,940,504)	(24,606,441)
Net interest income	6	**52,746,763**	**30,835,827**
Fee and commission income		9,046,004	5,542,843
Fee and commission expense		(3,612,232)	(2,477,342)
Net fee and commission income	7	**5,433,772**	**3,065,501**
Dividend income	8	187,229	62,226
Net trading income	9	3,923,848	2,741,854
Profits (Losses) on financial investments	21.1	(1,223,009)	1,116,776
Administrative expenses	10	(9,765,736)	(7,177,250)
Other operating income (expenses)	11	(6,490,604)	(5,070,547)
Impairment release (charges) for credit losses	12	(4,287,279)	(1,512,007)
Profit before income tax		**40,524,984**	**24,062,380**
Income tax expense	13	(13,075,958)	(6,342,457)
Deferred tax assets (Liabilities)	32 - 13	1,319,040	(1,589,563)
Net profit for the year		**28,768,066**	**16,130,360**
Earnings per share	14		
Basic		8.59	4.80
Diluted		8.48	4.74

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Separate Statement of Comprehensive Income

for the year Ended December 31, 2023

EGP Thousands

	Dec. 31,2023	Dec. 31, 2022
Net profit for the year	28,768,066	16,130,360
Comprehensive income items that will not be reclassified to the Profit or Loss:		
Change in fair value of equity instruments measured at fair value through comprehensive income	259,291	294,799
Deferred Tax impact for investments that will not be reclassified to P&L	(131,008)	(61,753)
Transferred to RE from financial assets at fair value through comprehensive income	(95,308)	(3,436)
Comprehensive income items that may be reclassified to the profit or loss:		
Change in fair value of debt instruments measured at fair value through comprehensive income	(6,912,611)	(14,465,198)
Selling FVOCI financial instruments	(205,344)	(1,116,776)
Deferred Tax impact for investments that may be reclassified to P&L	1,530,823	1,119,625
Effect of ECL on fair value of debt instruments measured at fair value through comprehensive income	1,884,353	455,047
Total comprehensive income for the year	**25,098,262**	**2,352,668**

Separate Cash Flow

for the year Ended December 31, 2023

EGP Thousands

	Notes	Dec. 31,2023	Dec. 31,2022
Cash flow from operating activities			
Profit before income tax		40,524,984	24,062,380
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	24	884,569	868,611
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)	12	2,334,846	978,374
Other provisions charged (Released)	30	2,815,599	2,133,941
Impairment (Released) charge for credit losses (due from banks)	12	(49,042)	8,795
Impairment (Released) charge for credit losses (financial investments)	12	2,001,475	524,838
Impairment (Released) charge for other assets	23	17,620	(277,766)
Exchange revaluation differences for financial assets at fair value through OCI and AC	21	(5,442,433)	(7,477,865)
Revaluation differences Impairment charge for Financial Assets at Fair value through OCI		1,903	-
Revaluation differences Impairment charge for Financial Assets at Amortized cost		607	-
Utilization of other provisions	30	(5,850)	(3,126)
Other provisions no longer used	30	-	(172)
Exchange revaluation differences of other provisions	30	1,213,331	1,394,973
profits from selling property and equipment	11	(1,663)	(2,208)
profits from selling financial investments at fair value through OCI	21.1	(205,344)	(1,116,776)
Losses (Profits) from selling investments in associates	21.1	(7,466)	-
Shares based payments		754,817	723,965
Impairment (Released) charges of investments in associates and subsidiaries	21.1	1,435,819	-
Operating profits before changes in operating assets and liabilities		**46,273,772**	**21,817,964**
Net decrease / increase in assets and liabilities			
Due from banks	16	18,429,555	(25,816,942)
Financial assets at fair value through P&L	21	-	240,987
Derivative financial instruments	20	759,247	(1,760,098)
Loans and advances to banks and customers	18 - 19	(41,307,475)	(51,470,510)
Other assets	41	(3,987,891)	(2,859,380)
Due to banks	25	8,951,536	2,613,089
Due to customers	26	145,185,172	124,023,989
Current income tax obligations paid		(3,680,424)	(3,221,401)
Other liabilities	29	3,706,525	1,223,704
Net cash generated from (used in) operating activities		**174,330,017**	**64,791,402**
Cash flow from investing activities			
Proceeds from investments in associates		4,510	-
Payments for investment in subsidiaries		(1,216,022)	(59,900)
Payment for purchases of property, equipment and branches construction		(1,885,043)	(974,017)
Proceeds from selling property and equipment	11	1,663	2,208
Proceeds from redemption of financial assets at amortized cost		6,125,452	6,738,937
Payment for purchases of financial assets at amortized cost		(9,261,966)	(19,860,705)
Payment for purchases of financial assets at fair value through OCI		(129,278,830)	(45,171,763)
Proceeds from selling financial assets at fair value through OCI		100,444,607	27,087,151
Net cash generated from (used in) investing activities		**(35,065,629)**	**(32,238,089)**

Separate Cash Flow (Cont.)

for the year Ended December 31, 2023

EGP Thousands

	Notes	Dec. 31,2023	Dec. 31,2022
Cash flow from financing activities			
Other loans	28	4,504,932	2,838,193
Dividends paid		(3,738,888)	(4,410,322)
Issued debt instruments		616,742	899,344
Capital increase		369,876	122,716
Net cash generated from (used in) financing activities		**1,752,662**	**(550,069)**
Net (decrease) increase in cash and cash equivalent during the year		141,017,050	32,003,244
Beginning balance of cash and cash equivalent		92,895,143	60,891,899
Cash and cash equivalent at the end of the year		**233,912,193**	**92,895,143**
Cash and cash equivalent comprise:			
Cash and balances at the central bank	15	71,747,343	47,384,574
Due from banks	16	230,709,611	133,815,430
Treasury bills and other governmental notes	17	113,403,703	59,146,824
Obligatory reserve balance with CBE	15	(64,283,636)	(40,414,752)
Due from banks with maturity more than three months		(4,942,896)	(47,241,335)
Treasury bills and other governmental notes with maturity more than three months		(112,721,932)	(59,795,598)
Total cash and cash equivalent		**233,912,193**	**92,895,143**

Separate Statement of Changes in Shareholders' Equity

EGP Thousands

Dec. 31, 2022	Issued and paid up capital	Legal reserve	General reserve	General risk reserve	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Total
Beginning balance	19,702,418	3,293,074	28,260,532	1,549,445	16,000	639,231	9,141	13,783,935	1,674,392	68,928,168
Capital increase	10,122,716	-	(10,000,000)	-	-	-	-	-	-	122,716
Transferred to reserves	-	670,872	8,836,326	-	2,947	-	-	(9,007,223)	(502,922)	-
Dividend paid	-	-	-	-	-	-	-	(4,410,322)	-	(4,410,322)
Net profit for the year	-	-	-	-	-	-	-	16,130,360	-	16,130,360
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	(3,436)	-	3,436	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	(14,229,303)	-	-	-	(14,229,303)
Transferred (from) to bank risk reserve	-	-	-	-	-	-	2,840	(2,840)	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	455,047	-		-	455,047
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	723,965	723,965
Ending balance	**29,825,134**	**3,963,946**	**27,096,858**	**1,549,445**	**18,947**	**(13,138,461)**	**11,981**	**16,497,346**	**1,895,435**	**67,720,631**

Dec. 31, 2023	Issued and paid up capital	Legal reserve	General reserve	General risk reserve	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Total
Beginning balance	29,825,134	3,963,946	27,096,858	1,549,445	18,947	(13,138,461)	11,981	16,497,346	1,895,435	67,720,631
Capital increase	369,876	-	-	-	-	-	-	-	-	369,876
Transferred to reserves	-	806,408	12,743,849	-	2,208	-	-	(12,388,223)	(1,164,242)	-
Dividend paid	-	-	-	-	-	-	-	(3,738,888)	-	(3,738,888)
Net profit for the year	-	-	-	-	-	-	-	28,768,066	-	28,768,066
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	(95,308)	-	95,308	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	(5,458,849)	-	-	-	(5,458,849)
Transferred (from) to bank risk reserve	-	-	-	-	-	-	3,249	(3,249)	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	1,884,353	-	-	-	1,884,353
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	754,817	754,817
Ending balance	**30,195,010**	**4,770,354**	**39,840,707**	**1,549,445**	**21,155**	**(16,808,265)**	**15,230**	**29,230,360**	**1,486,010**	**90,300,006**

Proposed Appropriation Account

for the year Ended December 31, 2023

EGP Thousands

	Dec. 31,2023	Dec. 31,2022
Net profit after tax	28,768,066	16,130,360
Deduct:		
Profits from selling property and equipment transferred to capital reserve according to the law	(1,663)	(2,208)
Bank risk reserve	(2,694)	(3,249)
Available net profit for distributing	**28,763,709**	**16,124,903**
Added		
Retained Earnings beginning balance	366,986	363,550
Transferred to retained earnings	95,308	3,436
Total	**29,226,003**	**16,491,889**
To be distributed as follows:		
Legal reserve	1,438,320	806,408
General reserve	21,958,960	11,579,607
Dividends to shareholders	1,660,726	1,613,036
Staff profit sharing	2,876,371	1,612,490
Board members bonus	110,239	110,239
CIB's foundation	431,456	241,874
Support and development of banking sector fund	287,637	161,249
Retained Earnings closing balance	462,294	366,986
Total	**29,226,003**	**16,491,889**

Notes to The Separate Financial Statements

for the year ended December 31, 2023

1. General information

Commercial International Bank-Egypt (CIB) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 193 branches, and 15 units employing 7,917 employees on the statement of financial position date.

Commercial International Bank-Egypt (CIB) S.A.E. was formed as a commercial bank under the investment law no. 43 of 1974 amended by law no. 32/1977 and its amendments. The address of its registered head office is as follows: Nile tower, 21/23 Charles de Gaulle Street-Giza. The Bank is listed in the Egyptian stock exchange.

Financial statements have been approved by board of directors on February 11, 2024.

2. Summary of accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1. Basis of preparation

The separate financial statements have been prepared in accordance with the Central Bank of Egypt regulations approved by the Board of Directors on December 16, 2008 as modified by the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019. Reference is made to the Egyptian Accounting Standards for policies not specifically mentioned in the instructions of the Central Bank of Egypt, under the historical cost convention, as modified by the initial recognition of financial instruments at fair value, financial instruments categorized at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI"). The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented and are set below.

Subsidiaries are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly - has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity, the Bank's consolidated financial statements can be obtained from the Bank's management. The Bank accounts for investments in subsidiaries and associate companies in the separate financial statements at cost minus impairment loss.

The separate financial statements of the Bank should be read with its consolidated financial statements, for the year ended on 31 December, 2023 to get complete information on the Bank's financial position, results of operations, cash flows and changes in ownership rights.

2.2. Subsidiaries and associates

2.2.1. Subsidiaries

Subsidiaries are those investees, including structured entities, that the Bank controls because the Bank (i) has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether the Bank has power over another entity. For a right to be substantive, the holder must have practical ability to exercise that right when decisions about the direction of the relevant activities of the investee need to be made. The Bank may have power over an investee even when it holds less than majority of voting power in an investee. In such a case, the Bank assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Protective rights of other investors, such as those that relate to fundamental changes of investee's activities or apply only in exceptional circumstances, do not prevent the Bank from controlling an investee. Subsidiaries are consolidated in the Bank's consolidated financial statements from the date on which control is transferred to the Bank, and are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries [other than those acquired from parties under common control]. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Bank measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis, either at: (a) fair value, or (b) the non-controlling interest's proportionate share of net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date. Any negative amount ("negative goodwill") is recognized in profit or loss, after management reassesses whether it identified all the assets acquired and all liabilities and contingent liabilities assumed, and reviews appropriateness of their measurement.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, including fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt are deducted from its carrying amount and all other transaction costs associated with the acquisition are expensed.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless the cost cannot be recovered. The Bank and all its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Bank. Non-controlling interest forms a separate component of the Group's equity.

Purchases and sales of non-controlling interests. The Bank applies the economic entity model to account for transactions with owners of non-controlling interest. Any difference between the purchase consideration and the carrying amount of non-controlling interest acquired is recorded as a capital transaction directly in equity. The Bank recognizes the difference between sales consideration and carrying amount of non-controlling interest sold as a capital transaction in the statement of changes in equity.

2.2.2. Associates

Associates are entities over which the Bank has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The carrying amount of associates includes goodwill identified on acquisition less accumulated credit losses, if any. Dividends received from associates reduce the carrying value of the investment in associates. Other post-acquisition changes in Group's share of net assets of an associate are recognized as follows: (i) the Group's share of profits or losses of associates is recorded in the consolidated profit or loss for the year as share of result of associates, (ii) the Group's share of other comprehensive income is recognized in other comprehensive income and presented separately, (iii); all other changes in the Group's share of the carrying value of net assets of associates are recognized in profit or loss within the share of result of associates. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Bank applies the impairment requirements in IFRS 9 to long-term loans, preference shares and similar long-term interest that in substance form part of the investment in associate before reducing the carrying value of the investment by a share of a loss of the investee that exceeds the amount of the Group's interest in the ordinary shares.

Disposals of subsidiaries, associates or joint ventures. When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are recycled to profit or loss.

2.3. Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

2.4. Foreign currency translation

2.4.1. Functional and presentation currency

The financial statements are presented in Egyptian pound, which is the Bank's functional and presentation currency.

2.4.2. Transactions and balances in foreign currencies

The Bank maintains its accounting records in Egyptian pound. Transactions in foreign currencies during the period are translated into the Egyptian pound using the prevailing exchange rates on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the end of reporting period at the prevailing exchange rates. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following line items:

- Net trading income from held-for-trading assets and liabilities.
- Items of other comprehensive income with equity in relation to investments in equity instruments at fair value through comprehensive income.
- Other operating revenues (expenses) from the remaining assets and liabilities.

Changes in the fair value of financial instruments of a monetary nature in foreign currencies that are classified as financial investments at fair value through comprehensive income (debt instruments) are analyzed between valuation differences that resulted from changes in the cost consumed for the instrument and differences that resulted from changing the exchange rates in effect and differences caused by changing the fair value For the instrument, the evaluation differences related to changes in the cost consumed are recognized in the income of loans and similar revenues and in the differences related to changing the exchange rates in other operating income (expenses) item, and are recognized in the items of comprehensive income right The ownership of the difference in the change in the fair value (fair value reserve / financial investments at fair value through comprehensive income).

Valuation differences arising from the measurement of items of a non-monetary nature at fair value through profit and losses resulting from changes in the exchange rates used to translate those items include, and then are recognized in the income statement by the total valuation differences resulting from the measurement of equity instruments classified at fair value through Profits and losses, while the total valuation differences resulting from the measurement of equity instruments at fair value through comprehensive income are recognized within other comprehensive income items in equity, fair value reserve item for financial investments at fair value through comprehensive income.

2.5. Financial assets

Key Measurement Terms:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with enough frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analyzed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs).

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid. Transaction costs do not include debt premiums or discounts.

Amortized cost is the amount at which the financial instrument was recognized at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses. Accrued interest includes amortization of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount, which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortized over the expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Financial instruments - initial recognition.

Financial instruments at FVTPL are initially recorded at fair value. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognized for financial assets measured at amortized cost and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss. All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date on which the bank commits to deliver a financial asset. All other purchases are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets - classification and subsequent measurement - measurement categories.

The bank classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the bank's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

The following table summarizes measurement categories

Financial Instrument	Methods of Measurement according to Business Models		
	Amortized Cost	Fair Value	
		Through Other Comprehensive Income	Through Profit or Loss
Equity Instruments	Not Applicable	An irrevocable election at Initial Recognition	Normal treatment of equity instruments
Debt Instruments /Loans & Facilities	Business Model of Assets held for Collecting Contractual Cash Flows	Business Model of Assets held for Collecting Contractual Cash Flows & Selling	Business Model of Assets held for Trading

Financial assets - classification and subsequent measurement - business model.

The business model reflects how the bank manages the assets in order to generate cash flows - whether the bank's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the bank undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the bank in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed.

Financial assets - classification and subsequent measurement - cash flow characteristics.

Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the bank assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the bank considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin.

Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed.

The following table summarizes the classification of the Banks Financial Assets in accordance with the business model:

Financial asset	Business model	Basic characteristics
Financial Assets at Amortized Cost (AC)	Business model for financial assets held to collect contractual cash flows	• The objective of the business model is to retain the financial assets to collect the contractual cash flows of the principal amount of the investment and the proceeds. • Sale is an exceptional event for the purpose of this model and under the terms of the criterion of a deterioration in the creditworthiness of the issuer of the financial instrument. • Lowest sales in terms of turnover and value. • The Bank makes clear and reliable documentation of the reasons for eachsale and its compliance with the requirements of the Standard.
Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)	Business model of financial assets held to collect cash flows and sales	• Both the collection of contractual cash flows and sales are complementary to the objective of the model. • High sales (in terms of turnover and value) compared to the business model retained for the collection of cash flows.
Financial Assets at Fair Value through Profit or Loss (FVTPL)	Other business models include trading - management of financial assets at fair value - maximizing cash flows by selling	• The objective of the business model is not to retain the financial asset for the collection of contractual or retained cash flows for the collection of contractual cash flows and sales. • Collecting contractual cash flows is an incidental event for the model objective. • Management of financial assets at fair value through profit or loss to avoid inconsistency in accounting measurement.

Financial assets - reclassification. Financial instruments are reclassified only when the business model for managing the portfolio as a whole changes. The Bank did not change its business model during the current and comparative year and did not make any reclassifications.

Financial assets impairment - credit loss allowance for ECL. The bank assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The bank measures ECL and recognizes credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting date about past events, current conditions and forecasts of future conditions.

The bank applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the bank identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the bank determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Financial assets - write-off. Financial assets are written-off, in whole or in part, when the bank exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event.

Financial assets - derecognition. The bank derecognizes financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the bank has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

When the financial asset is derecognized, the difference between the carrying amount of the financial asset and the total of the consideration received in other comprehensive income is recognized in profit or loss.

Gain / Loss recognized in other comprehensive income in respect of investment securities in equity securities is not recognized in profit or loss on disposal of such securities.

Financial liabilities - measurement categories. Financial liabilities are classified as subsequently measured at AC, except for financial liabilities at FVTPL: this classification is applied to derivatives or financial liabilities held for trading (e.g. short positions in securities)

Financial liabilities - derecognition. Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a legally enforceable right to offset the recognized amounts and there is an intention to be settled on a net basis.

Agreements of repos & reverse repos are shown by the net in the financial statement in treasury bills and other governmental notes.

2.7. Derivative financial instruments and hedge accounting

Derivatives are recognized initially, and subsequently, at fair value. Fair values of exchange traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded derivatives in other financial instruments, such as conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in income statement unless the Bank chooses to designate the hybrid contract as at fair value through net trading income through profit and loss.

The timing method of recognition in profit and loss, of any gains or losses arising from changes in the fair value of derivatives, depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. The Bank designates certain derivatives as:

- Hedging instruments of the risks associated with fair value changes of recognized assets or liabilities or firm commitments (fair value hedge).
- Hedging of risks relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge)
- Hedge accounting is used for derivatives designated in a hedging relationship when the following criteria are met.

At the inception of the hedging relationship, the Bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge, and on ongoing basis, the Bank documents whether the hedging instrument is expected to be highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

2.7.1. Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recognized in profit and loss immediately together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in the 'net interest income' line item of the income statement. Any ineffectiveness is recognized in profit and loss in 'net trading income'.

When the hedging instrument is no longer qualified for hedge accounting, the adjustment to the carrying amount of a hedged item, measured at amortized cost, arising from the hedged risk is amortized to profit and loss from that date using the effective interest method.

2.7.2. Derivatives that do not qualify for hedge accounting

All gains and losses from changes in the fair values of derivatives that do not qualify for hedge accounting are recognized immediately in the income statement. These gains and losses are reported in 'net trading income', except where derivatives are managed in conjunction with financial instruments designated at fair value, in which case gains and losses are reported in 'net income from financial instruments designated at fair value'.

2.8. Interest income and expense

Interest income and expense for all financial instruments except for those classified as held-for-trading or designated at fair value are recognized in 'interest income' and 'interest expense' in the income statement using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that represents an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once loans or debts are classified as nonperforming or impaired, the revenue of interest income will not be recognized and will be recorded off balance sheet, and are recognized as income subsequently based on a cash basis according to the following:

- When all arrears are collected for consumer loans, personnel mortgages and micro-finance loans.
- When calculated interest for corporate are capitalized according to the rescheduling agreement conditions until paying 25% from rescheduled payments for a minimum performing period of one year, if the customer continues to perform, the calculated interest will be recognized in interest income (interest on the performing rescheduling agreement balance) without the marginalized before the rescheduling agreement which will be recognized in interest income after the settlement of the outstanding loan balance.

2.9. Fee and commission income

Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off balance sheet. These are recognized as revenue, on a cash basis, only when interest income on those loans is recognized in profit and loss, at that time, fees and commissions that represent an integral part of the effective interest rate of a financial asset, are treated as an adjustment to the effective interest rate of that financial asset.

Commitment fees and related direct costs for loans and advances where draw down is probable are deferred and recognized as an adjustment to the effective interest on the loan once drawn. Commitment fees in relation to facilities where draw down is not probable are recognized at the maturity of the term of the commitment.

Fees are recognized on the debt instruments that are measured at fair value through profit and loss on initial recognition and syndicated loan fees received by the Bank are recognized when the syndication has been completed and the Bank does not hold any portion of it or holds a part at the same effective interest rate used for the other participants portions.

Commission and fee arising from negotiating, or participating in the negotiation of a transaction for a third party such as the arrangement of the acquisition of shares or other securities and the purchase or sale of properties are recognized upon completion of the underlying transaction in the income statement.

Other management advisory and service fees are recognized based on the applicable service contracts, usually on accrual basis. Financial planning fees related to investment funds are recognized steadily over the period in which the service is provided. The same principle is applied for wealth management; financial planning and custody services that are provided on the long term are recognized on the accrual basis also.

2.10. Dividend income

Dividends are recognized in the income statement when the right to collect it is declared.

2.11. Sale and repurchase agreements

Securities may be lent or sold according to a commitment to repurchase (Repos) are reclassified in the financial statements and deducted from treasury bills balance. Securities borrowed or purchased according to a commitment to resell them (Reverse Repos) are reclassified in the financial statements and added to treasury bills balance. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest rate method.

Investment property

The investment property represents lands and buildings owned by the Bank in order to obtain rental returns or capital gains and therefore do not include real estate assets which the Bank is carrying out its operations through or those that have owned by the Bank as settlement of debts. The accounting treatment is the same used with property and equipment.

2.12. Property and equipment

Lands and buildings comprise mainly branches and offices. All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their residual values over estimated useful lives, as follows:

Buildings	20 years.
Leasehold improvements	3 years,
Furniture and safes	3-5 years.
Air-conditioners	5 years
Vehicles	5 years
Computers and core systems	3-4 years
Fixtures and fittings	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, on each balance sheet date. Depreciable assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered. An asset's carrying amount is written down immediately to its recoverable value if the asset's carrying amount exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Gains and losses on disposals are determined by comparing the selling proceeds with the asset carrying amount and charged to other operating expenses in the income statement.

2.13. Impairment of non-financial assets

Assets that have an indefinite useful life are not amortized -except goodwill- and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Assets are tested for impairment with reference to the lowest level of cash generating unit(s). A previously recognized impairment loss relating to a fixed asset may be reversed in part or in full when a change in circumstances leads to a change in the estimates used to determine the fixed asset's recoverable amount. The carrying amount of the fixed asset will only be increased up to the amount that the original impairment not been recognized.

2.13.1. Goodwill

Goodwill is capitalized and represents the excess of acquisition cost over the fair value of the Bank's share in the acquired entity's net identifiable assets on the date of acquisition. For the purpose of calculating goodwill, the fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows. Goodwill is included in the cost of investments in associates and subsidiaries in the Bank's separate financial statements. Goodwill is tested for impairment on an annual basis or shorter when trigger event took place, impairment loss is charged to the income statement.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The cash generating units represented in the Bank main segments.

2.13.2. Other intangible assets

The intangible assets other than goodwill and computer programs (trademarks, licenses, contracts for benefits, the benefits of contracting with clients).

Other intangible assets that are acquired by the Bank are recognized at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of the intangible asset with definite life. Intangible assets with indefinite life are not amortized and tested for impairment.

2.14. Leases

The accounting treatment for the finance lease is complied with the instructions of Central Bank of Egypt, if the contract entitles the lessee to purchase the asset at a specified date and predefined value. The other leases contracts are considered operating leases contracts.

2.14.1. Being lessee

Finance lease contract recognizes the lease cost, including the cost of maintenance of the leased assets in the income statement for the period in which they occurred. If the Bank decides to exercise the right to purchase the leased asset the leased assets are capitalized and included in 'property, plant and equipment' and depreciated over the useful life of the expected remaining life of the asset in the same manner as similar assets.

Operating lease payments leases are accounted for on a straight-line basis over the periods of the leases and are included in 'general and administrative expenses'.

2.14.2. Being lessor

For finance lease, assets are recorded in the property and equipment in the balance sheet and amortized over the expected useful life of this asset in the same manner as similar assets. Lease income is recognized on the basis of rate of return on the lease in addition to an amount corresponding to the cost of depreciation for the period. The difference between the recognized rental income and the total finance lease clients' accounts is transferred to the in the income statement until the expiration of the lease to be reconciled with a net book value of the leased asset. Maintenance and insurance expenses are charged to the income statement when incurred to the extent that they are not charged to the tenant.

In case there is objective evidence that the Bank will not be able to collect the of financial lease obligations, the finance lease payments are reduced to the recoverable amount.

For assets leased under operating lease it appears in the balance sheet under property, plant and equipment, and depreciated over the expected useful life of the asset in the same way as similar assets, and the lease income recorded less any discounts given to the lessee on a straight-line method over the contract period.

2.15. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash and non-restricted balances with central banks, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.16. Other provisions

Provisions for restructuring costs and legal claims are recognized when the Bank has present legal or constructive obligations as a result of past events; where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

In case of similar obligations, the related cash outflow should be determined in order to settle these obligations as a group. The provision is recognized even in case of minor probability that cash outflow will occur for an item of these obligations.

When a provision is wholly or partially no longer required, it is reversed through profit or loss under other operating income (expenses).

Provisions for obligations, other than those for credit risk or employee benefits, due in more than 12 months from the balance sheet date are recognized based on the present value of the best estimate of the consideration required to settle the present obligation on the balance sheet date. An appropriate pretax discount rate that reflects the time value of money is used to calculate the present value of such provisions. For obligations due within less than twelve months from the balance sheet date, provisions are calculated based on undiscounted expected cash outflows unless the time value of money has a significant impact on the amount of provision, then it is measured at the present value.

2.17. Share based payments

The Bank applies an equity-settled, share-based compensation plan. The fair value of equity instruments recognized as an expense over the vesting period using appropriate valuation models, taking into account the terms and conditions upon which the equity instruments were granted. The vesting period is the period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied. Vesting conditions include service conditions, performance conditions and market performance conditions are taken into account when estimating the fair value of equity instruments on the date of grant. On each balance sheet date the number of options that are expected to be exercised are estimated. Recognizes estimate changes, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The bank's contributions to the employees' social insurance fund

Bank employees benefit from the Social Insurance Fund that has been established under the Law No. 64 of year 84 regarding alternative social insurance systems. This system is considered an alternative to state regulations and is subject to the supervision of the Ministry of Social Insurance. A Ministerial Resolution No. 22 of year 83 was issued regarding approval of the establishment of the Social Fund for Employees. The bank is obliged to pay to the fund the contributions due for each month represented in the employer's share and the share of the insured and pay his obligations towards the fund in implementation of the provisions of the fund system. This is a system of benefits enjoyed by employees, a system of specific benefits for the bank, according to the Egyptian accounting standards.

2.18. Income tax

Income tax on the profit and loss for the period and deferred tax are recognized in the income statement except for income tax relating to items of equity that are recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable on the date of the balance sheet in addition to tax adjustments for previous years.

Deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and value according to the foundations of the tax, this is determining the value of deferred tax on the expected manner to realize or settle the values of assets and liabilities, using tax rates applicable on the date of the balance sheet.

Deferred tax assets of the Bank recognized when there is likely to be possible to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

2.19. Borrowings

Borrowings are recognized initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortized cost also any difference between proceeds net of transaction costs and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

2.20. Dividends

Dividends on ordinary shares and profit sharing are recognized as a charge of equity upon the general assembly approval. Profit sharing includes the employees' profit share and the Board of Directors' remuneration as prescribed by the Bank's articles of incorporation and the corporate law.

2.21. Comparatives

Comparative figures have been adjusted to conform with changes in the presentation of the current period where necessary.

2.22. Non-current assets held for sale

A non-current asset (or disposal group) to be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Determining whether (and when) an asset stops being recovered principally through use and becomes recoverable principally through sale. For an asset (or disposal group) to be classified as held for sale:

(a) It must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups);
(b) Its sale must be highly probable;

The standard requires that non-current assets (and, in a 'disposal group', related liabilities and current assets,) meeting its criteria to be classified as held for sale be:

(a) Measured at the lower of carrying amount and fair value less costs to sell, with depreciation on them ceasing; and
(b) Presented separately on the face of the statement of financial position with the results of discontinued operations presented separately in the income statement.

2.23. Discontinued operation
Discontinued operation as 'a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) Represents a separate major line of business or geographical area of operations,
(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or
(c) Is a subsidiary acquired exclusively with a view to resale.

When presenting discontinued operations in the income statement, the comparative figures should be adjusted as if the operations had been discontinued in the comparative period.

Important Accounting Estimates, and Judgements in Applying Accounting Policies
The bank makes estimates and assumptions that affect the amounts recognized, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognized and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

ECL measurement: Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as forward-looking of macro-economic indicators. The bank regularly reviews and validates the models and inputs to the models to reduce any gaps between expected credit loss estimates and actual credit loss experience.

The bank used forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. The most significant forward-looking assumptions, for both corporate, that correlate with ECL level and their assigned weights were interest rate, GDP growth rate, Inflation rate and Foreign currency index. In addition to these assumptions liquidity standard M2 and foreign direct investment have been used for the retail facilities portfolio.

A change in the assigned weight to the base scenario of the forward looking macro-economic variables by 10% towards the downturn scenario would result in an increase in ECL by EGP 1,817,837 thousand as of 31 December 2023 (31 December 2022: by EGP 1,188,080 thousand). A corresponding change towards the upturn scenario would result in a decrease in ECL by EGP 1,817,788 thousand as of 31 December 2023 (31 December 2022: by EGP 1,179,558 thousand). A 10% increase or decrease in LGD estimates would result in an increase or decrease in total expected credit loss allowances of EGP 2,055,659 thousand at 31 December 2023 (31 December 2022: increase or decrease of EGP 1,530,366 thousand).

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the bank compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition. The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting date using, Transition in risk ratings, delinquency status, number of defaulted days and restructured status resulting from credit risk in addition to watch list. The bank considers all information about actual or estimated negative changes at working environment , financial and economic circumstances and regulatory jurisdiction which may affect negatively the ability of the borrower to settle outstanding's dues. The bank identifies behavioral indicators of increases in credit risk prior to delinquency and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level.

Business model assessment. The business model drives classification of financial assets. Management applied judgement in determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the bank considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity. Sales transactions aimed at minimizing potential losses due to credit deterioration are considered consistent with the "hold to collect" business model. Other sales before maturity, not related to credit risk management activities, are also consistent with the "hold to collect" business model, provided that they are infrequent or insignificant in value, both individually and in aggregate. The bank assesses significance of sales transactions by comparing the value of the sales to the value of the portfolio subject to the business model assessment over the average life of the portfolio. In addition, sales of financial asset expected only in stress case scenario, or in response to an isolated event that is beyond the bank's control, is not recurring and could not have been anticipated by the bank, are regarded as incidental to the business model objective and do not impact the classification of the respective financial assets.

The "hold to collect and sell" business model means that assets are held to collect the cash flows, but selling is also integral to achieving the business model's objective, such as, managing liquidity needs, achieving a particular yield, or matching the duration of the financial assets to the duration of the liabilities that fund those assets.

The residual category includes those portfolios of financial assets, which are managed with the objective of realizing cash flows primarily through sale, such as where a pattern of trading exists. Collecting contractual cash flow is often incidental for this business model.

Assessment whether cash flows are solely payments of principal and interest ("SPPI"). Determining whether a financial asset's cash flows are solely payments of principal and interest required judgement.

The time value of money element may be modified, for example, if a contractual interest rate is periodically reset but the frequency of that reset does not match the tenor of the debt instrument's underlying base interest rate. The effect of the modified time value of money was assessed by comparing relevant instrument's cash flows against a benchmark debt instrument with SPPI cash flows, in each period and cumulatively over the life of the instrument. The assessment was done for all reasonably possible scenarios, including reasonably possible financial stress situation that can occur in financial markets.

3. Financial risk management
The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and rewards and minimize potential adverse effects on the Bank's financial performance. The most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also market risk includes exchange rate risk, rate of return risk and other prices risks.

The Bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by risk department under policies approved by the Board of Directors. Bank treasury identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units.

The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, credit risk management is responsible for the independent review of risk management and the control environment.

3.1. Credit risk
The Bank takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Bank by failing to discharge an obligation. Management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in loans and advances, debt securities and other bills. There is also credit risk in off-balance sheet financial arrangements such as loan commitments. The credit risk management and control are centralized in a credit risk management team and reported to the Board of Directors and head of each business unit regularly.

3.1.1. Credit risk measurement
3.1.1.1. Loans and advances to banks and customers

Bank's rating	description of the grade
1	Performing loans
2	Regular watching
3	Watch list
4	Non-performing loans

Loss given default or loss severity represents the Bank expectation of the extent of loss on a claim should default occur. It is expressed as percentage loss per unit of exposure and typically varies by type of counterparty, type and seniority of claim and availability of collateral or other credit mitigation.

3.1.1.2. Debt instruments, Treasury Bills and Other Governmental Notes
For debt instruments and bills, by external rating agencies are used for assessing of the credit risk exposures, and if this rating is not available, then other ways similar to those used with the credit customers are uses.

The investments in those securities and bills are viewed as a way to gain a better credit quality mapping and maintain a readily available source to meet the funding requirement at the same time.

3.1.2. Risk limit control and mitigation policies
The Bank manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and banks, and to industries and countries.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by individual, counterparties, product, and industry sector and by country are approved quarterly by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below:

3.1.2.1. Collateral
The Bank sets a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances,which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Mortgage business assets such as premises, and inventory.
- Mortgage financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimize the credit loss the Bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other governmental securities are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

3.1.2.2. Derivatives
The Bank maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the Bank (i.e., assets with positive fair value), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from counterparties.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Bank market transactions on any single day.

3.1.2.3. Clearing house
The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of balance sheet assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if a default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Bank overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

3.1.2.4. Credit related commitments
The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit - which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3.1.3. Impairment and provisioning policies
The internal rating system described in Note 3.1.1 focus on the credit-quality mapping from the lending and investment activities perspective. Conversely, for only financial reporting purposes impairment losses are recognized for that has been incurred on the balance sheet date when there is an objective evidence of impairment. for internal operational management.

The impairment provision reported in balance sheet at the end of the year is derived from each of the four internal credit risk ratings. However, the majority of the impairment provision is usually driven by the last two rating degrees. The following table illustrates the proportional distribution of loans and advances reported in the balance sheet for each of the four internal credit risk ratings of the Bank and their relevant impairment losses:

	December 31, 2023		December 31, 2022	
Bank's rating	Loans and advances (%)	Impairment provision (%)	Loans and advances (%)	Impairment provision (%)
1-Performing loans	81.88	32.91	78,41	22,93
2-Regular watching	14.01	36.75	15,05	25,12
3-Watch list	0,57	2.54	1,73	12,81
4-Non-Performing loans	3,54	27.8	4,81	39,14

The internal rating tools assists management to determine whether objective evidence of impairment exists, based on the following criteria set by the Bank:

- Cash flow difficulties experienced by the borrower or debtor
- Breach of loan covenants or conditions
- Initiation of bankruptcy proceedings
- Deterioration of the borrower's competitive position
- Bank granted concessions may not be approved under normal circumstances due to economic, legal reasons and financial difficulties facing the borrower
- Deterioration of the collateral value
- Deterioration of the credit situation

The Bank's policy requires the review of all financial assets that are above materiality thresholds at least annually or more regularly when circumstances require. Impairment provisions on individually assessed accounts are determined by an evaluation of the incurred loss at balance-sheet date, and are applied to all significant accounts individually. The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account. Collective impairment provisions are provided portfolios of homogenous assets by using the available historical loss experience, experienced judgment and statistical techniques.

3.1.4. Model of measuring the general banking risk

In addition to the four categories of the Bank's internal credit ratings indicated in note 3.1.1, management classifies based on more detailed subgroups to comply with CBE requirements.

The Bank calculates required provisions for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE. In case, the provision required for impairment losses as per CBE credit worthiness rules exceeds the required provisions by the application used in balance sheet preparation in accordance to the International Financial Reporting Standard (9) issued by the Central Bank of Egypt on February 26, 2019 . That excess shall be added to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so, that reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution.

Below is a statement of institutional worthiness according to internal ratings, compared to CBE ratings and rates of provisions needed for assets impairment related to credit risk:

CBE Rating	Categorization	Provision%	Internal rating	Categorization
1	Low risk	0%	1	Performing loans
2	Average risk	1%	1	Performing loans
3	Satisfactory risk	1%	1	Performing loans
4	Reasonable risk	2%	1	Performing loans
5	Acceptable risk	2%	1	Performing loans
6	Marginally acceptable risk	3%	2	Regular watching
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non performing loans
9	Doubtful	50%	4	Non performing loans
10	Bad debts	100%	4	Non performing loans

3.1.5. Maximum exposure to credit risk before collateral held

EGP Thousands

In balance sheet items exposed to credit risk	Dec. 31, 2023	Dec. 31, 2022
Cash and balances at the central bank	71,747,343	47,384,574
Gross Due from banks	230,709,611	133,815,430
Less: ECL	(192)	(49,234)
Gross loans and advances to banks	823,739	2,988,410
Less: ECL	(1,291)	(10,213)
Gross loans and advances to customers		
Individual:		
- Overdraft	2,922,161	2,123,198
- Credit cards	10,297,598	7,636,331
- Personal loans	42,508,494	40,137,967
- Mortgages	4,336,631	3,389,908
Corporate:		
- Overdraft	54,824,060	42,468,290
- Direct loans	98,468,654	78,030,082
- Syndicated loans	51,311,552	44,722,871
- Other loans	434,524	124,453
Unamortized bills discount	(509,523)	(678,795)
Unamortized syndicated loans discount	(145,003)	(221,018)
ECL	(29,127,204)	(24,402,014)
Suspended credit account	(1,497,199)	(709,985)
Derivative financial instruments	1,101,896	1,939,961
Financial investments:		
-Debt instruments	268,801,918	236,120,516
Other assets (Accrued revenues)	13,018,038	11,437,147
Total	**820,025,807**	**626,247,879**
Off balance sheet items exposed to credit risk		
Financial guarantees	8,021,170	8,977,208
Customers acceptances	4,631,478	3,482,249
Letters of credit (import and export)	9,068,007	8,464,457
Letter of guarantee	160,735,346	123,040,556
Total	**182,456,001**	**143,964,470**

The above table represents the Bank's Maximum exposure to credit risk on December 31, 2023, before taking into account any held collateral.

For assets recognized on balance sheet, the exposures set out above are based on net carrying amounts as reported in the balance sheet.

As shown above, 28.61% of the total maximum exposure is derived from loans and advances to banks and customers against 31.23% on December 31, 2022, while investments in debt instruments represent 32.78% against 37.70% on December 31, 2022.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk resulting from both the bank's loans and advances portfolio and debt instruments based on the following:

- 95.89% of the loans and advances are concentrated in the top two grades of the internal credit risk rating system against 93.45% on December 31, 2022
- Loans and advances assessed individualy are valued EGP 9,413,975 thousand against EGP 10,663,438 thousand on December 31, 2022
- The Bank has implemented more prudent processes when granting loans and advances during the financial year ended on December 31, 2023.
- 88.41% of the investments in debt Instruments are Egyptian sovereign instruments against 89.73% on December 31, 2022.

3.1.6. Loans and advances

Loans and advances are summarized as follows:

EGP Thousands

	Dec.31, 2023		Dec.31, 2022	
	Loans and advances tocustomers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Gross Loans and advances	**265,103,674**	**823,739**	**218,633,100**	**2,988,410**
Less:				
ECL	29,127,204	1,291	24,402,014	10,213
Unamortized bills discount	509,523	-	678,795	-
Unamortized syndicated loans discount	145,003	-	221,018	-
Suspended credit account	1,497,199	-	709,985	-
Net	**233,824,745**	**822,448**	**192,621,288**	**2,978,197**

Expected credit losses for loans and advances totaled EGP 29,128,495 thousand. During the year, the Bank's total loans and advances increased by 19.99% In order to minimize the probable exposure to credit risk, the Bank focuses more on conducting business with large enterprises, banks and retail customers with good credit rating or sufficient collateral.

Total balances of loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	53,593,845	5,643,833	827,206	60,064,884
Corporate and Business Banking	128,180,946	68,271,075	8,586,769	205,038,790
Total	**181,774,791**	**73,914,908**	**9,413,975**	**265,103,674**

Expected credit losses for loans and facilities to customers divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Individuals	1,547,894	205,268	477,297	2,230,459
Corporate and Business Banking	4,398,818	14,876,507	7,621,420	26,896,745
Total	**5,946,712**	**15,081,775**	**8,098,717**	**29,127,204**

Loans, advances and expected credit losses to banks divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	86,495	737,244	-	823,739
Expected credit losses	-	(1,291)	-	(1,291)
Net	**86,495**	**735,953**	-	**822,448**

Off balance sheet items exposed to credit risk and expected credit losses divided by stages:

EGP Thousands

Dec.31, 2023	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	113,360,811	55,000,921	6,073,099	174,434,831
Expected credit losses	(5,121,964)	(3,391,432)	(2,150,455)	(10,663,851)
Net	**108,238,847**	**51,609,489**	**3,922,644**	**163,770,980**

Total balances of loans and facilities divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	47,271,035	5,241,042	775,327	53,287,404
Corporate and Business Banking	90,991,045	64,466,540	9,888,111	165,345,696
Total	**138,262,080**	**69,707,582**	**10,663,438**	**218,633,100**

Expected credit losses for loans and facilities to customers divided by stages :

EGP Thousands

Dec.31, 2022	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Individuals	1,023,758	171,630	386,953	1,582,341
Corporate and Business Banking	2,605,958	11,044,132	9,169,583	22,819,673
Total	**3,629,716**	**11,215,762**	**9,556,536**	**24,402,014**

Loans and advances and expected credit losses to banks divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	-	2,988,410	-	2,988,410
Expected credit losses	-	(10,213)	-	(10,213)
Net	-	**2,978,197**	-	**2,978,197**

Off balance sheet items exposed to credit risk and expected credit losses divided by stages:

EGP Thousands

Dec.31, 2022	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	84,304,802	45,046,087	5,636,373	134,987,262
Expected credit losses	(3,560,010)	(1,443,926)	(1,670,378)	(6,674,314)
Net	**80,744,792**	**43,602,161**	**3,965,995**	**128,312,948**

Expected credit losses divided by internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1%-12%	3,502,001	4,535,215	-	8,037,216
Regular watching (6)	12%-21%	896,817	9,601,363	-	10,498,180
Watch list (7)	21%-37%	-	739,929	-	739,929
Non-performing loans (8-10)	100%	-	-	7,621,420	7,621,420

Individual Loans:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1% - 10%	1,547,894	-	-	1,547,894
Regular watching (6)	11% <	-	205,184	-	205,184
Watch list (7)	11% <	-	84	-	84
Non-performing loans (8-10)	100%	-	-	477,297	477,297

The total balances of loans and facilities divided according to the internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-12%	116,503,071	46,809,570	-	163,312,641
Regular watching (6)	12%-21%	11,677,875	19,989,275	-	31,667,150
Watch list (7)	21%-37%	-	1,472,230	-	1,472,230
Non-performing loans (8-10)	100%	-	-	8,586,769	8,586,769

Individual Loans:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 10%	53,593,845	-	-	53,593,845
Regular watching (6)	11% <	-	5,605,156	-	5,605,156
Watch list (7)	11% <	-	38,677	-	38,677
Non-performing loans (8-10)	100%	-	-	827,206	827,206

Expected credit losses divided by internal classification:

Corporate and Business Banking loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1%-11%	2,040,754	2,522,526	-	4,563,280
Regular watching (6)	11%-22%	565,204	5,394,713	-	5,959,917
Watch list (7)	22%-38%	-	3,126,893	1,203	3,128,096
Non-performing loans (8-10)	100%	-	-	9,168,380	9,168,380

Individual Loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	1% - 9%	1,023,758	-	-	1,023,758
Regular watching (6)	10% <	-	171,629	-	171,629
Watch list (7)	10% <	-	1	-	1
Non-performing loans (8-10)	100%	-	-	386,953	386,953

The total balances of loans and facilities divided according to the internal classification:

Corporate and Business Banking loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-11%	81,251,018	42,257,778	-	123,508,796
Regular watching (6)	11%-22%	9,740,027	18,365,641	-	28,105,668
Watch list (7)	22%-38%	-	3,843,121	1,203	3,844,324
Non-performing loans (8-10)	100%	-	-	9,886,908	9,886,908

Individual Loans:

EGP Thousands

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 9%	47,271,035	-	-	47,271,035
Regular watching (6)	10% <	-	5,241,005	-	5,241,005
Watch list (7)	10% <	-	37	-	37
Non-performing loans (8-10)	100%	-	-	775,327	775,327

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Dec.31, 2023 — EGP Thousands

Due from banks	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	5,005,918	-	-	5,005,918
Regular watching	-	-	-	-
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**5,005,918**	-	-	**5,005,918**
Less: ECL	(192)	-	-	(192)
Net	**5,005,726**	-	-	**5,005,726**

The following table provides information on the quality of financial assets during the financial year:

Dec.31, 2023 — EGP Thousands

Individual Loans:	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	53,593,845	-	-	53,593,845
Regular watching	-	5,605,156	-	5,605,156
Watch list	-	38,677	-	38,677
Non-performing loans	-	-	827,206	827,206
Total	**53,593,845**	**5,643,833**	**827,206**	**60,064,884**
Less: ECL	(1,547,894)	(205,268)	(477,297)	(2,230,459)
Net	**52,045,951**	**5,438,565**	**349,909**	**57,834,425**

Dec.31, 2023 — EGP Thousands

Corporate and Business Banking:	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	116,503,071	46,809,570	-	163,312,641
Regular watching	11,677,875	19,989,275	-	31,667,150
Watch list	-	1,472,230	-	1,472,230
Non-performing loans	-	-	8,586,769	8,586,769
Total	**128,180,946**	**68,271,075**	**8,586,769**	**205,038,790**
Less: ECL	(4,398,818)	(14,876,507)	(7,621,420)	(26,896,745)
Net	**123,782,128**	**53,394,568**	**965,349**	**178,142,045**

Dec.31, 2023 — EGP Thousands

Debt Instruments at Fair value through OCI	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	183,003,634	-	-	183,003,634
Regular watching	47,951,170	-	-	47,951,170
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**230,954,804**	-	-	**230,954,804**
ECL	**(2,864,298)**	-	-	**(2,864,298)**

Dec.31, 2023 — EGP Thousands

Debt Instruments at amortized cost	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Performing loans	33,966,077	-	-	33,966,077
Regular watching	4,071,573	-	-	4,071,573
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**38,037,650**	-	-	**38,037,650**
ECL	(190,536)	-	-	(190,536)
Net	**37,847,114**	-	-	**37,847,114**

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Dec.31, 2022				EGP Thousands
Due from banks	**Stage 1 12 months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Performing loans	3,958,944	-	-	3,958,944
Regular watching	15,639,858	6,095,598	-	21,735,456
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	19,598,802	6,095,598	-	25,694,400
Less: ECL	**(38,726)**	**(10,508)**	-	**(49,234)**
Net	**19,560,076**	**6,085,090**	-	**25,645,166**

The following tables provides information on the quality of financial assets during the financial year:

Dec.31, 2022				EGP Thousands
Individual Loans:	**Stage 1 12 months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Performing loans	47,271,035	-	-	47,271,035
Regular watching	-	5,241,005	-	5,241,005
Watch list	-	37	-	37
Non-performing loans	-	-	775,327	775,327
Total	**47,271,035**	**5,241,042**	**775,327**	**53,287,404**
Less: ECL	(1,023,758)	(171,630)	(386,953)	(1,582,341)
Net	**46,247,277**	**5,069,412**	**388,374**	**51,705,063**

Dec.31, 2022				EGP Thousands
Corporate and Business Banking:	**Stage 1 12 months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Performing loans	81,251,018	42,257,778		123,508,796
Regular watching	9,740,027	18,365,641		28,105,668
Watch list	-	3,843,121	1,203	3,844,324
Non-performing loans	-	-	9,886,908	9,886,908
Total	**90,991,045**	**64,466,540**	**9,888,111**	**165,345,696**
Less: ECL	(2,605,958)	(11,044,132)	(9,169,583)	(22,819,673)
Net	**88,385,087**	**53,422,408**	**718,528**	**142,526,023**

Dec.31, 2022				EGP Thousands
Debt Instruments at Fair value through OCI	**Stage 1 12 months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Performing loans	162,694,379	-	-	162,694,379
Regular watching	39,247,384	-	-	39,247,384
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**201,941,763**	-	-	**201,941,763**
ECL	(979,945)	-	-	(979,945)

Dec.31, 2022				EGP Thousands
Debt Instruments at amortized cost	**Stage 1 12 months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Performing loans	31,022,180	-	-	31,022,180
Regular watching	3,227,477	-	-	3,227,477
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	**34,249,657**	-	-	**34,249,657**
ECL	(70,904)	-	-	(70,904)
Net	**34,178,753**	-	-	**34,178,753**

The following table displays changes in balances and expected ECL between the beginning and end of the year as a result of these factors:

EGP Thousands

	Stage 1		Stage 2		Stage 3			
Dec.31, 2023	12 months		Life time		Life time		Total	
Due From Banks	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	38,726	19,598,802	10,508	6,095,598	-	-	49,234	25,694,400
Impairment during the year	(38,534)	(14,592,884)	(10,508)	(6,095,598)	-	-	(49,042)	(20,688,482)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Ending balance	**192**	**5,005,918**	-	-	-	-	**192**	**5,005,918**

	Stage 1		Stage 2		Stage 3			
Dec.31, 2023	12 months		Life time		Life time		Total	
Individual Loans	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	1,023,758	47,271,035	171,630	5,241,042	386,953	775,327	1,582,341	53,287,404
Impairment during the year	524,136	6,322,810	33,638	402,791	206,159	293,293	763,933	7,018,894
Write off during the year	-	-	-	-	(241,414)	(241,414)	(241,414)	(241,414)
Recoveries	-	-	-	-	125,599	-	125,599	-
Ending balance	**1,547,894**	**53,593,845**	**205,268**	**5,643,833**	**477,297**	**827,206**	**2,230,459**	**60,064,884**

	Stage 1		Stage 2		Stage 3			
Dec.31, 2023	12 months		Life time		Life time		Total	
Corporate and Business Banking:	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	2,605,958	90,991,045	11,044,132	64,466,540	9,169,583	9,888,111	22,819,673	165,345,696
Impairment during the year	1,667,029	34,368,318	1,182,885	6,079,306	(1,270,079)	1,482,285	1,579,835	41,929,909
Transferred to stage 1	147,558	4,573,831	(147,558)	(4,573,831)	-	-	-	-
Transferred to stage 2	(69,797)	(1,632,469)	328,459	2,323,932	(258,662)	(691,463)	-	-
Transferred to stage 3	(15,609)	(119,779)	(7,162)	(24,872)	22,771	144,651	-	-
Recoveries	-	-	-	-	51,666	-	51,666	-
Write off during the year	-	-	-	-	(2,236,815)	(2,236,815)	(2,236,815)	(2,236,815)
Cumulative foreign currencies translation differences	63,679	-	2,475,751	-	2,142,956	-	4,682,386	-
Ending balance	**4,398,818**	**128,180,946**	**14,876,507**	**68,271,075**	**7,621,420**	**8,586,769**	**26,896,745**	**205,038,790**

EGP Thousands

	Stage 1		Stage 2		Stage 3			
Dec.31, 2023	12 months		Life time		Life time		Total	
Debt Instruments at Fair value through OCI	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	979,945	62,191,193	-	-	-	-	979,945	62,191,193
Impairment during the year	1,882,450	16,469,655	-	-	-	-	1,882,450	16,469,655
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	1,903	-	-	-	-	-	1,903	-
Ending balance	**2,864,298**	**78,660,848**	-	-	-	-	**2,864,298**	**78,660,848**

	Stage 1		Stage 2		Stage 3			
Dec.31, 2023	12 months		Life time		Life time		Total	
Debt Instruments at amortized cost	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	70,904	4,554,960	-	-	-	-	70,904	4,554,960
Impairment during the year	119,025	(39,750)	-	-	-	-	119,025	(39,750)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	607	-	-	-	-	-	607	-
Ending balance	**190,536**	**4,515,210**	-	-	-	-	**190,536**	**4,515,210**

The following table displays changes in expected ECL losses between the beginning and end of the year as a result of these factors:

EGP Thousands

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Due from banks	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	19,725	13,637,868	20,714	5,950,028	-	-	40,439	19,587,896
Impairment during the year	19,001	5,960,934	(10,206)	145,570	-	-	8,795	6,106,504
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Ending balance	**38,726**	**19,598,802**	**10,508**	**6,095,598**	-	-	**49,234**	**25,694,400**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Individual Loans	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	825,814	36,509,635	90,037	3,893,211	257,071	660,606	1,172,922	41,063,452
Impairment during the year	197,944	10,761,400	81,593	1,347,831	252,753	342,147	532,290	12,451,378
Write off during the year	-	-	-	-	(227,426)	(227,426)	(227,426)	(227,426)
Recoveries	-	-	-	-	104,555	-	104,555	-
Ending balance	**1,023,758**	**47,271,035**	**171,630**	**5,241,042**	**386,953**	**775,327**	**1,582,341**	**53,287,404**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Corporate and Business Banking:	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	1,475,220	64,835,799	7,597,957	49,474,038	7,629,640	7,714,479	16,702,817	122,024,316
Impairment during the year	1,031,561	25,411,970	274,152	15,746,969	(890,686)	3,138,497	415,027	44,297,436
Transferred to stage 1	73,793	1,600,991	(107,449)	(1,548,020)	-	-	(33,656)	52,971
Transferred to stage 2	(27,535)	(847,716)	84,153	804,374	-	-	56,618	(43,342)
Transferred to stage 3	(5,598)	(9,999)	(5,988)	(10,821)	11,586	20,820	-	-
Recoveries	-	-	-	-	9,662	-	9,662	-
Write off during the year	-	-	-	-	(985,685)	(985,685)	(985,685)	(985,685)
Cumulative foreign currencies translation differences	58,517	-	3,201,307	-	3,395,066	-	6,654,890	-
Ending balance	**2,605,958**	**90,991,045**	**11,044,132**	**64,466,540**	**9,169,583**	**9,888,111**	**22,819,673**	**165,345,696**

EGP Thousands

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at Fair value through OCI	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	515,177	38,705,150	9,721	60,420	-	-	524,898	38,765,570
Impairment during the year	464,768	23,486,043	(9,721)	(60,420)	-	-	455,047	23,425,623
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	**979,945**	**62,191,193**	-	-	-	-	**979,945**	**62,191,193**

Dec.31, 2022	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
Debt Instruments at amortized cost	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2022	1,113	62,102	-	-	-	-	1,113	62,102
Impairment during the year	69,791	4,492,858	-	-	-	-	69,791	4,492,858
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	**70,904**	**4,554,960**	-	-	-	-	**70,904**	**4,554,960**

Loans and advances restructured

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies are based on indicators or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue. Restructuring is commonly applied to term loans, specially customer loans. Renegotiated loans totaled at the end of the year are as follows :

EGP Thousands

Loans and advances to customer	Dec.31, 2023	Dec.31, 2022
Corporate		
- Direct loans	18,448,475	17,200,504
Total	**18,448,475**	**17,200,504**

3.1.7. Financial investments:

The following table provides analysis of financial investment balances by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2023

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA + to AA -	-	-	-	-	-
A+ to A -	-	-	-	-	-
Less than A -	37,847,114	-	-	-	37,847,114
Not rated	-	-	-	-	-
Total	**37,847,114**	-	-	-	**37,847,114**

EGP Thousands

Dec.31, 2023

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA + to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	230,954,804	-	-	-	230,954,804
Not rated	-	-	-	-	-
Total	**230,954,804**	-	-	-	**230,954,804**

The following table displays the analysis of expected credit losses of financial investments by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2023

Fair value through OCI & Amortized cost	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	3,054,834	-	-	-	3,054,834
Not rated	-	-	-	-	-
Total	**3,054,834**	-	-	-	**3,054,834**

3.1.7. Financial investments:

The following table analyzes financial investment balances by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2022

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA + to AA-	-	-	-	-	-
A + to A-	-	-	-	-	-
Less than A-	34,178,753	-	-	-	34,178,753
Not rated	-	-	-	-	-
Total	**34,178,753**	-	-	-	**34,178,753**

EGP Thousands

Dec.31, 2022

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA + to AA-	-	-	-	-	-
A + to A-	-	-	-	-	-
Less than A-	201,941,763	-	-	-	201,941,763
Not rated	-	-	-	-	-
Total	**201,941,763**	-	-	-	**201,941,763**

The following table displays analysis of impairment on credit losses of financial investments by rating agencies at the end of the year:

EGP Thousands

Dec.31, 2022

Fair value through OCI & Amortized cost	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Individually impaired	Total
AAA	-	-	-	-	-
A A+ to AA-	-	-	-	-	-
A + to A-	-	-	-	-	-
Less than A-	1,050,849	-	-	-	1,050,849
Not rated	-	-	-	-	-
Total	**1,050,849**	-	-	-	**1,050,849**

3.1.8. Concentration of risks of financial assets with credit risk exposure

3.1.8.1. Geographical sectors

Following is a breakdown of the Bank's main credit exposure at their book values categorized by geographical region at the end of the year.

The Bank has allocated exposures to regions based on the country of domicile of its counterparties.

EGP Thousands

Dec.31, 2023	Cairo	Alex, Delta and Sinai	Upper Egypt	Total
Cash and balances at the central bank	71,747,343	-	-	71,747,343
Gross due from banks	230,709,611	-	-	230,709,611
Less: ECL	(192)	-	-	(192)
Gross loans and advances to banks	823,739	-	-	823,739
Less: ECL	(1,291)	-	-	(1,291)
Gross loans and advances to customers				
Individual:				
- Overdrafts	2,170,271	593,886	158,004	2,922,161
- Credit cards	8,169,218	1,823,675	304,705	10,297,598
- Personal loans	30,168,288	10,055,677	2,284,529	42,508,494
- Mortgages	4,111,504	195,951	29,176	4,336,631
Corporate:				
- Overdrafts	48,947,119	4,454,786	1,422,155	54,824,060
- Direct loans	64,287,140	26,635,089	7,546,425	98,468,654
- Syndicated loans	48,285,122	3,026,430	-	51,311,552
- Other loans	208,060	226,464	-	434,524
Unamortized bills discount	(479,204)	(30,319)	-	(509,523)
Unamortized syndicated loans discount	(145,003)	-	-	(145,003)
ECL	(22,385,965)	(4,175,424)	(2,565,815)	(29,127,204)
Suspended credit account	(1,496,706)	(336)	(157)	(1,497,199)
Derivative financial instruments	1,101,896	-	-	1,101,896
Financial investments:				
-Debt instruments	268,801,918	-	-	268,801,918
Total	**755,022,868**	**42,805,879**	**9,179,022**	**807,007,769**
Total as at December 31, 2022	**570,482,201**	**35,113,647**	**9,214,884**	**614,810,732**

3.1.8.2. Industry sectors

The following table analyses the Banks's main credit exposure at their book value categorized by the Bank's customers activities.

EGP Thousands

Dec.31, 2023	Financial institutions	Manufacturing	Real estate	Wholesale and retail trade	Government sector	Other activities	Individual	Total
Cash and balances at the central bank	71,747,343	-	-	-	-	-	-	71,747,343
Gross due from banks	230,709,611	-	-	-	-	-	-	230,709,611
Less: ECL	(192)	-	-	-	-	-	-	(192)
Gross loans and advances to banks	823,739	-	-	-	-	-	-	823,739
Less: ECL	(1,291)	-	-	-	-	-	-	(1,291)
Gross loans and advances to customers								
Individual:								
- Overdrafts	-	-	-	-	-	-	2,922,161	2,922,161
- Credit cards	-	-	-	-	-	-	10,297,598	10,297,598
- Personal loans	-	-	-	-	-	-	42,508,494	42,508,494
- Mortgages	-	-	-	-	-	-	4,336,631	4,336,631
Corporate:								
- Overdrafts	6,698,994	21,542,446	6,532,220	3,156,884	2,516,833	14,376,683	-	54,824,060
- Direct loans	4,784,355	43,260,206	6,353,348	2,755,709	11,447,055	29,867,981	-	98,468,654
- Syndicated loans	501,230	4,457,019	3,203,020	-	40,557,812	2,592,471	-	51,311,552
- Other loans	-	434,524	-	-	-	-	-	434,524
Unamortized bills discount	(8,625)	(8,964)	-	-	-	(491,934)	-	(509,523)
Unamortized syndicated loans discount	-	-	-	-	-	(145,003)	-	(145,003)
ECL	(326,649)	(8,201,084)	(26,024)	(343,072)	(3,119,621)	(14,880,295)	(2,230,459)	(29,127,204)
Suspended credit account	-	(194,186)	-	(46,091)	-	(1,256,922)	-	(1,497,199)
Derivative financial instruments	1,101,896	-	-	-	-	-	-	1,101,896
Financial investments:								
-Debt instruments	31,145,168	-	-	-	237,656,750	-	-	268,801,918
Total	**347,175,579**	**61,289,961**	**16,062,564**	**5,523,430**	**289,058,829**	**30,062,981**	**57,834,425**	**807,007,769**
Total as at December 31, 2022	**218,046,688**	**51,690,200**	**9,847,651**	**3,604,910**	**258,224,987**	**21,691,233**	**51,705,063**	**614,810,732**

3.2. Market risk

Market Risks represent the potential losses resulting from unfavorable movements in market prices that may negatively affect the values of the bank's investment positions linked to the bank's balance sheet as a whole, which in turn affects the bank's profitability and its capital base. These investments are represented in debt instruments, stocks, or investment funds, in addition to the currency exchange rate risks. Market risk results from open positions of the rate of return, currencies, and equity products, as each of them is exposed to general and specific risks in the market and changes in the level of sensitivity to market rates or to prices such as interest rates, exchange rates and prices of equity instruments.

The bank distinguishes between the trading Book portfolio and the Banking Book portfolio in measuring market risks, as the trading portfolio includes instruments held for the purpose of resale or taken by the bank to benefit in the short term from the actual or expected difference between the buying and selling prices or benefiting from any changes that may occur in the return rates and any other prices that affect the trading portfolio, in addition to the financial derivative positions used for the purpose of hedging The banking book portfolio for non-trading purposes includes instruments acquired that are salable or held until settlement dates and managing the return rate of assets and liabilities.

As part of market risk management, the bank performs several hedging strategies, as well as entering into interest rate swap contracts in order to balance the risk associated with debt instruments and long-term loans. Periodic reports on market risks are submitted to the Board of Directors and the members of the Assets and Liabilities Committee (ALCO).

3.2.1. Market risk measurement techniques

3.2.1.1. Value at Risk

The Bank applies a "Value at Risk" methodology (VaR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected under normal market conditions, based upon a number of assumptions for various changes in market conditions.

VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the'maximum' amount the Bank might lose , but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VaR estimate. The VaR model assumes a certain 'holding period' until positions can be closed (1 Day). The Bank assesses the historical movements in the market prices based on volatilities and correlations. The use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

As VaR constitutes an integral part of the Bank's market risk control regime, the Market Risk Management set VaR Limits, for the trading book, which have been approved by the board, and are monitored and reported on a daily basis to the Senior Management. In addition, monthly limits compliance is reported to the ALCO.

The Bank is calculating the Market Risk Capital Requirements by applying Basel II "Standardised Measurement Method", according to the Central Bank of Egypt regulatory requirements.

3.2.1.2. Stress testing

Stress tests provide an indication of the potential size of losses that could arise under extreme market conditions. Therefore, the bank computes on a daily basis trading Stressed VaR, combined with the trading VaR, to capture the abnormal movements in financial markets and to give more comprehensive picture of risk. The results of the stress tests are reviewed by the ALCO on a monthly basis and the board risk committee on a quarterly basis.

3.2.2. Value at risk (VaR) Summary

EGP Thousands

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
Total VaR by risk type	**Medium**	**High**	**Low**	**Medium**	**High**	**Low**
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	**257,479**	**502,517**	**139,481**	**154,140**	**257,980**	**79,399**
- For non trading purposes	255,617	495,768	139,248	154,140	257,980	79,399
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	**135,847**	**309,967**	**58,224**	**157,529**	**256,962**	**86,401**

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
Trading portfolio VaR by risk type	**Medium**	**High**	**Low**	**Medium**	**High**	**Low**
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	**1,862**	**6,749**	**233**	-	-	-
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	**16,184**	**103,290**	**228**	**12,469**	**84,183**	**117**

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
Non trading portfolio VaR by risk type	**Medium**	**High**	**Low**	**Medium**	**High**	**Low**
- Interest rate risk	255,617	495,768	139,248	154,140	257,980	79,399
Total VaR	**255,617**	**495,768**	**139,248**	**154,140**	**257,980**	**79,399**

The three previous outcomes of the VAR were calculated independently from the positions involved and historical market movements. The aggregate value at risk for trading and non-trading is not the Bank's risk value because of the correlation between types of risks.

3.2.3. Foreign exchange risk

The Bank's financial position and cash flows are exposed to fluctuations in foreign currency exchange rates. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Bank's exposure to foreign exchange rate risk and financial instruments at carrying amounts, categorized by currency.

Equivalent EGP Thousands

Dec.31, 2023	EGP	USD	EUR	GBP	Other	Total
Financial assets						
Cash and balances at the central bank	68,283,327	2,155,414	769,502	115,866	423,234	71,747,343
Gross due from banks	175,148,470	51,941,319	1,358,494	1,950,061	311,267	230,709,611
Gross loans and advances to banks	34,558	789,181	-	-	-	823,739
Gross loans and advances to customers	191,787,867	67,196,964	6,003,208	4,847	110,788	265,103,674
Derivative financial instruments	624,313	477,583	-	-	-	1,101,896
Financial investments						
Gross financial investment securities	218,182,631	48,396,859	3,748,758	-	-	270,328,248
Investments in associates and subsidiaries	316,251	-	-	-	355,274	671,525
Total financial assets	**654,377,417**	**170,957,320**	**11,879,962**	**2,070,774**	**1,200,563**	**840,486,036**
Financial liabilities						
Due to banks	531,455	11,335,981	545,424	9,961	4,563	12,427,384
Due to customers	463,443,996	186,935,213	21,955,120	1,991,338	984,409	675,310,076
Derivative financial instruments	45,916	95,018	-	-	-	140,934
Issued debt instruments	-	3,073,349	-	-	-	3,073,349
Other loans	226,917	12,086,470	170,520	-	-	12,483,907
Total financial liabilities	**464,248,284**	**213,526,031**	**22,671,064**	**2,001,299**	**988,972**	**703,435,650**
Net on-balance sheet financial position	**190,129,133**	**(42,568,711)**	**(10,791,102)**	**69,475**	**211,591**	**137,050,386**
Total financial assets as of December 31, 2022	**452,351,369**	**169,140,657**	**18,505,653**	**1,496,980**	**1,506,948**	**643,001,607**
Total financial liabilities as of December 31, 2022	**369,950,367**	**157,112,832**	**15,222,166**	**1,426,653**	**544,069**	**544,256,087**
Net financial position as of December 31, 2022	**82,401,002**	**12,027,825**	**3,283,487**	**70,327**	**962,879**	**98,745,520**

3.2.4. Interest rate risk

The Bank addresses exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but profit may decrease as a consequence unexpected movements.The Board sets limits on the gaps of interest rate repricing that may be undertaken,which is monitored by the bank's Risk Management Department.

The table below summarizes the Bank's exposure to interest rate risks. It includes the Bank's financial instruments at carrying amounts, categorized by the earlier of repricing or contractual maturity dates.

Dec.31, 2023	Up to1 Month	1-3 Months	3-12 Months	1-5 years	Over 5 years	Non-Interest Bearing	Total
Financial assets							
Cash and balances at the central bank	-	-	-	-	-	71,747,343	71,747,343
Gross due from banks	202,307,851	20,989,483	308,931	4,633,965	-	2,469,381	230,709,611
Gross loans and advances to banks	171,319	652,420	-	-	-	-	823,739
Gross loans and advances to customers	176,253,270	28,835,218	20,841,660	31,299,932	7,873,594	-	265,103,674
Derivatives financial instruments (including IRS notional amount)	107,866	111,047	405,399	15,924,134	-	-	16,548,446
Financial investments							
Gross financial investment securities	79,759,112	29,028,568	74,302,140	62,348,339	23,844,805	1,045,284	270,328,248
- Investments in subsidiaries and associates	-	-	-	-	-	671,525	671,525
Total financial assets	**458,599,418**	**79,616,736**	**95,858,130**	**114,206,370**	**31,718,399**	**75,933,533**	**855,932,586**
Financial liabilities							
Due to banks	9,865,692	64,381	521,130	-	-	1,976,181	12,427,384
Due to customers	276,431,320	68,438,707	55,041,516	152,790,692	808,683	121,799,158	675,310,076
Derivatives financial instruments (including IRS notional amount)	1,566,854	13,918,717	6,895	95,018	-	-	15,587,484
Issued debt instruments	-	-	-	3,073,349	-	-	3,073,349
Other loans	40,807	7,463,123	4,792,479	187,498	-	-	12,483,907
Total financial liabilities	**287,904,673**	**89,884,928**	**60,362,020**	**156,146,557**	**808,683**	**123,775,339**	**718,882,200**
Total interest re-pricing gap	**170,694,745**	**(10,268,192)**	**35,496,110**	**(41,940,187)**	**30,909,716**	**(47,841,806)**	**137,050,386**
Total financial assets as of December 31, 2022	**286,091,595**	**75,657,311**	**94,473,071**	**113,128,691**	**42,636,127**	**50,957,992**	**662,944,787**
Total financial liabilities as of December 31, 2022	**235,117,545**	**74,889,218**	**54,133,565**	**99,199,212**	**3,730,655**	**97,129,072**	**564,199,267**
Total interest re-pricing gap as of December 31, 2022	**50,974,050**	**768,093**	**40,339,506**	**13,929,479**	**38,905,472**	**(46,171,080)**	**98,745,520**

3.3. Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

Liquidity Risk Management Organization and Measurement Tools

Liquidity Risk is governed by Asset and Liability Committee (ALCO) and Board Risk Committee (BRC) subject to provisions of Treasury Poilcy Guide (TPG).

Board Risk Committee (BRC): Provides oversight of risk management functions and assesses compliance to the set risk strategies and policies approved by the Board of Directors (BoD) through periodic reports submitted by the Risk Group. The committee makes recommendations to the BoD with regards to risk management strategies and policies (including those related to capital adequacy, liquidity management,various types of risks: credit, market, operation, compliance, reputation and any other risks the Bank may be exposed to).

Asset & Liability Committee (ALCO): Optimises the allocation of assets and liabilities, taking into consideration expectations of the potential impact of future interest rate fluctuations, liquidity constraints, and foreign exchange exposures. ALCO monitors the Bank's liquidity and market risks, economic developments, market fluctuations, and risk profile to ensure ongoing activities are compatible with the risk/ reward guidelines approved by the BoD.

Treasury Policy Guide (TPG): The purpose of the TPG is to document and communicate the policies that govern the activities performed by the Treasury Group and monitored by Risk Group.

The main measures and monitoring tools used to assess the Bank's liquidity risk include regulatory and internal ratios, gaps, Basel III liquidity ratios, asset and liability gapping mismatch, stress testing, and funding base concentration. More conservative internal targets and Risk Appetite indicators (RAI) against regulatory requirements are set for various measures of Liquidity and Funding Concentration Risks. At the end of Period, the Basel III Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) maintained strong and well above regulatory requirements.

The Bank maintained a solid LCY & FCY Liquidity position with decent buffers to meet both the global and local increase in risk profile. CIB will continue with its robust Liability strategy with reliance on customer deposits (stable funding) as the main contributor of total liabilities, and low dependency on the Wholesale Funding. CIB has ample level of High Quality Liquid Assets (HQLA) based on its LCY & FCY Sovereign Portfolio investments, which positively reflects the Bank's solid Liquidity Ratios and Basel III LCR & NSFR ratios, with a large buffer maintained above the Regulatory ratios requirements.

3.3.1. Liquidity risk management process

The Bank's liquidity management process is carried by the Assets and Liabilities Management Department and monitored independently by the Risk Management Department, and includes projecting cash flows by major currency under various stress scenarios and considering the level of liquid assets necessary in relation thereto:

- Maintaining an active presence in global money markets to enable this to happen.
- Maintaining a diverse range of funding sources with back-up facilities
- Monitoring balance sheet liquidity and advances to core funding ratios against internal and CBE regulations.
- Managing the concentration and profile of debt maturities.

Monitoring and reporting takes the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

3.3.2. Funding approach

Sources of liquidity are regularly reviewed jointly by the bank's Assets & Liabilities Management Department and Consumer Banking to maintain a wide diversification by currency, provider, product and term.

3.3.3. Non-derivative cash flows

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities by remaining contractual maturities and the maturities assumption for non contractual products on the basis of their behaviour studies, at balance sheet date.

EGP Thousands

Dec.31, 2023	Up to1 Month	One to three Month	Three months to one year	One year to five years	Over five years	Total
Financial liabilities						
Due to banks	11,971,567	65,462	552,098	-	-	12,589,127
Due to customers	61,187,716	76,925,779	193,715,435	414,820,323	12,533,110	759,182,363
Issued debt instruments	10,189	19,720	90,384	3,257,074	-	3,377,367
Other loans	137,513	215,330	658,073	5,372,219	12,080,624	18,463,759
Total liabilities (contractual and non contractual maturity dates)	**73,306,985**	**77,226,291**	**195,015,990**	**423,449,616**	**24,613,734**	**793,612,616**
Total financial assets (contractual and non contractual maturity dates)	**276,249,364**	**75,194,481**	**209,938,489**	**321,079,772**	**116,723,952**	**999,186,058**

EGP Thousands

Dec.31, 2022	Up to1 Month	One to three Month	Three months to one year	One year to five years	Over five years	Total
Financial liabilities						
Due to banks	3,558,584	-	-	-	-	3,558,584
Due to customers	45,738,828	65,858,750	167,856,018	282,414,105	11,079,361	572,947,062
Issued debt instruments	8,161	15,531	72,392	2,697,474	-	2,793,558
Other loans	821,482	338,609	971,984	6,158,164	1,787,943	10,078,182
Total liabilities (contractual and non contractual maturity dates)	**50,127,055**	**66,212,890**	**168,900,394**	**291,269,743**	**12,867,304**	**589,377,386**
Total financial assets (contractual and non contractual maturity dates)	**147,046,643**	**103,639,656**	**142,239,730**	**272,824,348**	**113,525,774**	**779,276,151**

The disclosed figures cannot be compared with the corresponding items in the financial statements, as they include the principal amount and related interest.

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, due from CBE and due from banks, treasury bills, other government notes , loans and advances to banks and customers.

In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, debt instrument and treasury bills and other governmental notes have been pledged to secure liabilities. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources.

3.3.4. Derivative cash flows

The Bank's derivatives include:

Foreign exchange derivatives: exchange traded options and over-the-counter (OTC) ,exchange traded forwards currency options that will be settled on a gross basis interest rate derivatives: interest rate swaps, forward rate agreements, OTC and exchange traded interest rate options, other interest rate contracts and exchange traded futures .

The table below analyses the Bank's derivative undiscounted financial liabilities into maturity groupings based on the remaining period of the balance sheet to the contractual maturity date will be settled on a net basis. The amounts disclosed in the table are the contractual undiscounted cash flows:

EGP Thousands

Dec.31, 2023	Up to1 Month	One to three Month	Three months to one year	One year to five years	Over five years	Total
Liabilities						
Derivatives financial instruments						
Foreign exchange derivatives	22,199	16,822	6,895	-	-	45,916
Interest rate derivatives	-	-	-	95,018	-	95,018
Total	**22,199**	**16,822**	**6,895**	**95,018**	-	**140,934**
Total as of Dec. 31, 2022	**215,085**	**4,667**	-	-	-	**219,752**

Off balance sheet items

EGP Thousands

Dec.31, 2023	Up to 1 year	1-5 years	Over 5 years	Total
Letters of credit, guarantees and other commitments	112,440,402	48,167,837	13,826,592	174,434,831
Total	**112,440,402**	**48,167,837**	**13,826,592**	**174,434,831**
Total as of Dec. 31, 2022	**78,169,263**	**46,408,459**	**10,409,540**	**134,987,262**

EGP Thousands

Dec.31, 2023	Up to 1 year	1-5 years	Total
Credit facilities commitments	4,273,566	1,078,987	5,352,553
Total	**4,273,566**	**1,078,987**	**5,352,553**
Total as of Dec. 31, 2022	**1,818,133**	**5,259,267**	**7,077,400**

3.4. Fair value of financial assets and liabilities

3.4.1. Financial instruments not measured at fair value

The table below summarizes the book value and fair value of the financial assets and liabilities not presented on the Bank's balance sheet at their fair value.

	Book value		Fair value	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Financial assets				
Gross due from banks	230,709,611	133,815,430	231,443,734	134,581,524
Gross loans and advances to banks	823,739	2,988,410	823,739	2,988,410
Gross loans and advances to customers	265,103,674	218,633,100	261,851,735	218,020,891
Financial investments:				
Financial Assets at Amortized cost	38,037,650	34,249,657	36,249,803	33,490,533
Total financial assets	**534,674,674**	**389,686,597**	**530,369,011**	**389,081,358**
Financial liabilities				
Due to banks	12,427,384	3,475,848	12,460,019	3,476,025
Due to customers	675,310,076	530,124,905	679,145,586	533,139,722
Issued debt instruments	3,073,349	2,456,607	3,074,203	2,461,042
Other loans	12,483,907	7,978,975	12,613,487	7,981,357
Total financial liabilities	**703,294,716**	**544,036,335**	**707,293,295**	**547,058,146**

The fair value is considered in the previous note from the second and third level in accordance with the fair value standard

Due from banks

The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of floating interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and similar maturity date.

Fair values of financial instruments

The following table provides the fair value measurement hierarchy of the assets and liabilities according to EAS.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2023:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the bank can access at the measurement date.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability.

EGP Thousands

Dec.31, 2023	Date of Valuation	Total	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
Measured at fair value:					
Financial assets					
Financial Assets at Fair Value through OCI	31-Dec-23	232,290,598	114,372,488	117,918,110	-
Total		**232,290,598**	**114,372,488**	**117,918,110**	-
Derivative financial instruments:					
Financial assets	31-Dec-23	1,101,896	-	-	1,101,896
Financial liabilities	31-Dec-23	140,934	-	-	140,934
Total		**1,242,830**	-	-	**1,242,830**
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	31-Dec-23	36,249,803	-	36,249,803	-
Loans and advances to banks	31-Dec-23	823,739	-	-	823,739
Loans and advances to customers	31-Dec-23	261,851,735	-	-	261,851,735
Total		**298,925,277**	-	**36,249,803**	**262,675,474**
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Dec-23	3,074,203	-	3,074,203	-
Other loans	31-Dec-23	12,613,487	-	12,613,487	-
Due to customers	31-Dec-23	679,145,586	-	-	679,145,586
Total		**694,833,276**	-	**15,687,690**	**679,145,586**

EGP Thousands

Dec.31, 2022	Date of Valuation	Total	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
Measured at fair value:					
Financial assets					
Financial Assets at Fair value through OCI	31-Dec-22	202,916,225	141,343,096	61,573,129	-
Total		**202,916,225**	**141,343,096**	**61,573,129**	-
Derivative financial instruments:					
Financial assets	31-Dec-22	1,939,961	-	-	1,939,961
Financial liabilities	31-Dec-22	219,752	-	-	219,752
Total		**2,159,713**	-	-	**2,159,713**
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	31-Dec-22	33,490,533	-	33,490,533	-
Loans and advances to banks	31-Dec-22	2,988,410	-	-	2,988,410
Loans and advances to customers	31-Dec-22	218,020,891	-	-	218,020,891
Total		**254,499,834**		**33,490,533**	**221,009,301**
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Dec-22	2,461,042	-	2,461,042	-
Other loans	31-Dec-22	7,981,357	-	7,981,357	-
Due to customers	31-Dec-22	533,139,722	-	-	533,139,722
Total		**543,582,121**		**10,442,399**	**533,139,722**

Fair value of financial assets and liabilities

Loans and advances to banks

Loans and advances to banks are represented in loans that do not consider bank placing. The expected fair value of the loans and advances represents the discounted value of future cash flows expected to be collected. Cash flows are discounted using the current market rate to determine fair value.

Loans and advances to customers

Loans and advances are net of ECL. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Financial Investments

Investment securities include financial assets at amortized cost while fair value through OCI is being revaluated. Fair value for amortized cost assets is based on market prices.

If this data is not available, the fair value is estimated using financial market prices for traded securities with similar credit characteristics, maturity dates, and rates.

Due to other banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar maturity date.

3.5 Capital management

For capital management purposes, the Bank's capital includes total equity as reported in the balance sheet plus some other elements that are managed as capital. The Bank manages its capital to ensure that the following objectives are achieved:

- Complying with the legally imposed capital requirements in Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling the generation of yield for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth of the Bank's operations.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the banking supervision unit in the Central Bank of Egypt. The required data is submitted to the Central Bank of Egypt on a monthly basis.

Central Bank of Egypt requires the following:

- Maintaining EGP 5 billion as a minimum requirement for the issued and paid-in capital, noting that at the reporting date the issued and paid up capital has reached EGP 30.2 billion.
- Maintaining a minimum level of capital adequacy ratio of 12.75%, calculated as the ratio between total value of the capital elements, and the risk-weighted assets and contingent liabilities of the Bank (credit risk, market risk and opertional risk). While taking into consideration the conservation buffer.

The numerator of the capital adequacy ratio consists of the following two segments:

Tier one:

Tier one comprises of paid-in capital, retained earnings and reserves resulting from the distribution of profits except the banking risk reserve, interim profits, fair value through other comprehensive income reserve and deducting some items such as previously recognized goodwill, any retained losses and deferred tax assets

Tier two:

Tier two consists of stage one of Expected Credit Lossed (ECL) for debt instrument, loans and credit facilities capped by 1.25% risk weighted assets and contingent liabilities ,subordinated loans with more than five years to maturity (amortizing 20% of its carrying amount in each year of the remaining five years to maturity) and 45% of the increase in fair value than book value for the investments in subsidiaries and associates.

When calculating the numerator of capital adequacy ratio, total amount of subordinated loans (deposits) should not exceed 50 % of Tier 1.

Assets risk weight scale ranging from zero to 400% is based on the counterparty risk to reflect the related credit risk scheme, taking into considration the cash collatrals and local currency guarantees. Similar criteria are used for off balance sheet items after applying conversion factors to reflect the nature of contingency and the potential loss of those amounts. The Bank has complied with all local capital adequacy requirements for the current period.

The tables below summarize the compositions of capital base , capital adequacy ratio and leverage ratio.

EGP Thousands

1-The capital adequacy ratio	Dec.31, 2023	Dec.31, 2022
Tier 1 capital		
Share capital	30,195,010	29,825,134
Goodwill	-	(96,268)
Reserves	30,800,441	21,337,273
Retained Earnings (Losses)	332,888	261,557
Total deductions from tier 1 capital common equity	(1,829,068)	(297,397)
Net profit for the year	24,254,227	12,364,059
Total qualifying tier 1 capital	**83,753,498**	**63,394,358**
Tier 2 capital		
Subordinated Loans	12,057,970	7,874,520
**Expected Credit Losses for loans , Credit facilities, contingent liabilities and debt instruments - stage 1	4,281,122	3,712,734
Total qualifying tier 2 capital	**16,339,092**	**11,587,254**
Total capital 1+2	**100,092,590**	**74,981,612**
Risk weighted assets and contingent liabilities		
Total credit risk	343,408,395	298,496,606
Total market risk	-	1,648,310
Total operational risk	36,038,665	27,697,003
Cross border over limit	2,060,413	3,072,997
Total	**381,507,473**	**330,914,916**
***Capital adequacy ratio (%)**	**26.2%**	**22.7%**

*Based on consolidated financial statement figures and in accordance with Central Bank of Egypt regulation issued on 24 December 2012.
**Not more than 1.25% of total assets and contingent liabilities weighted by credit risk weights.

EGP Thousands

2-Leverage ratio	Dec.31, 2023	Dec.31, 2022
Total qualifying tier 1 capital	**83,753,498**	**63,394,358**
On-balance sheet items & derivatives	856,118,571	641,042,272
Off-balance sheet items	106,722,210	86,762,583
Total exposures	**962,840,781**	**727,804,855**
*Percentage	**8.7%**	**8.7%**

*Based on consolidated financial statement figures and in accordance with Centeral Bank of Egypt regulation issued on 14 July 2015.

For December 2023 NSFR ratio record 253% (LCY 264% and FCY 229%), and LCR ratio record 1342% (LCY 2250% and FCY 175%).

For December 2022 NSFR ratio record 229% (LCY 239% and FCY 208%), and LCR ratio record 1086% (LCY 1291% and FCY 297%).

3. Critical accounting estimates and judgments

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and available information. Uncertainty about these assumptions and estimates could result in outcomes that require adjustments to the carrying amount of assets or liabilities affected in future periods.

3.1. Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. these valuation techniques (as models) are validated and periodically reviewed by qualified personnel independent of the area that created them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. For practicality purposes, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

4. Segment analysis

By business segment

The Bank is divided into the following business segments:

- Corporate banking & SME's: This includes current account activities, deposits, overdrafts, loans, credit facilities, and financial derivatives to large, medium, and small entities, currency and derivative products.
- Investment : Incorporating financial instruments, structured financing, corporate leasing, merger and acquisitions information.
- Retail banking: incorporating private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages.
- Assets and liabilities management -Including other banking business. Inter-segment activities which is affected by the Bank's normal course of business. Assets and liabilities of each segment include operating assets and liabilities as displayed in the Financial Statements.

EGP Thousands

Dec.31, 2023	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Net revenue according to business segment *	**21,809,637**	**6,953,542**	**7,613,362**	**16,303,694**	**8,388,368**	**61,068,603**
Expenses according to business segment	**(10,760,117)**	**(1,913,988)**	**(2,143,821)**	**(5,118,488)**	**(607,205)**	**(20,543,619)**
Profit before tax	11,049,520	5,039,554	5,469,541	11,185,206	7,781,163	40,524,984
Income tax	(3,205,635)	(1,462,052)	(1,586,798)	(3,244,999)	(2,257,434)	(11,756,918)
Profit for the year	**7,843,885**	**3,577,502**	**3,882,743**	**7,940,207**	**5,523,729**	**28,768,066**
Total assets	**201,580,703**	**8,211,322**	**270,999,772**	**56,742,099**	**294,993,246**	**832,527,142**
Total liabilities	**285,414,218**	**60,305,027**	-	**369,124,148**	**27,383,743**	**742,227,136**

* Represents the net interest income and other income

Dec.31, 2022	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Net revenue according to business segment	11,453,726	3,201,847	7,921,871	10,099,915	5,144,825	37,822,184
Expenses according to business segment	(7,843,953)	(1,491,815)	(260,929)	(4,159,728)	(3,379)	(13,759,804)
Profit before tax	3,609,773	1,710,032	7,660,942	5,940,187	5,141,446	24,062,380
Income tax	(1,189,940)	(563,702)	(2,525,384)	(1,958,147)	(1,694,847)	(7,932,020)
Profit for the year	2,419,833	1,146,330	5,135,558	3,982,040	3,446,599	16,130,360
Total assets at 31 December 2022	**157,661,395**	**6,819,154**	**242,610,969**	**52,321,365**	**174,230,182**	**633,643,065**
Total liabilities at 31 December 2022	**238,123,577**	**67,995,672**	-	**251,469,542**	**8,333,643**	**565,922,434**

5. By geographical segment

EGP Thousands

Dec.31, 2023	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Revenue according to geographical segment	51,100,964	8,531,843	1,435,796	61,068,603
Expenses according to geographical segment	(18,402,481)	(2,115,141)	(25,997)	(20,543,619)
Profit before tax	**32,698,483**	**6,416,702**	**1,409,799**	**40,524,984**
Income tax	(9,486,331)	(1,861,583)	(409,004)	(11,756,918)
Profit for the year	23,212,152	4,555,119	1,000,795	28,768,066
Total assets	**777,717,138**	**45,036,445**	**9,773,559**	**832,527,142**
Total liabilities	**559,104,069**	**151,824,454**	**31,298,613**	**742,227,136**

EGP Thousands

Dec.31, 2022	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Revenue according to geographical segment	32,576,631	4,486,973	758,580	37,822,184
Expenses according to geographical segment	(12,056,448)	(1,547,224)	(156,132)	(13,759,804)
Profit before tax	20,520,183	2,939,749	602,448	24,062,380
Income tax	(6,764,356)	(969,071)	(198,593)	(7,932,020)
Profit for the year	13,755,827	1,970,678	403,855	16,130,360
Total assets at 31 December 2022	587,259,106	36,636,416	9,747,543	633,643,065
Total liabilities at 31 December 2022	439,739,096	107,081,685	19,101,653	565,922,434

6. Net interest income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Interest and similar income		
- Banks	29,971,279	5,343,062
- Clients	36,498,229	19,761,116
Total	**66,469,508**	**25,104,178**
Treasury bills, bonds and other governmental notes	32,809,190	28,719,891
Debt instruments at fair value through OCI and AC	4,408,569	1,618,199
Total	**103,687,267**	**55,442,268**
Interest and similar expense		
- Banks	(2,462,374)	(194,524)
- Clients	(47,087,041)	(23,696,097)
Total	**(49,549,415)**	**(23,890,621)**
Repos	(156,017)	(165,895)
Other loans	(1,115,442)	(473,246)
Issued debt instruments	(119,630)	(76,679)
Total	**(50,940,504)**	**(24,606,441)**
Net interest income	**52,746,763**	**30,835,827**

7. Net fee and commission income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Fee and commission income		
Fee and commissions related to credit	3,284,557	1,874,660
Custody fee	551,324	241,455
Other fee	5,210,123	3,426,728
Total	**9,046,004**	**5,542,843**
Fee and commission expense		
Other fee paid	(3,612,232)	(2,477,342)
Total	**(3,612,232)**	**(2,477,342)**
Net income from fee and commission	**5,433,772**	**3,065,501**

8. Dividend income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Financial assets at fair value through P&L	-	1,600
Financial assets at fair value through OCI	170,638	50,811
Subsidiaries and associates	16,591	9,815
Total	**187,229**	**62,226**

9. Net trading income

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profit (Loss) from foreign exchange transactions	4,080,479	1,611,099
Profit (Loss) from forward foreign exchange deals revaluation	(64,227)	715,023
Profit (Loss) from interest rate swaps revaluation	291,504	482
Profit (Loss) from currency swap deals revaluation	(401,470)	421,130
Profit (Loss) from financial assets at fair value through P&L	17,562	(5,880)
Total	**3,923,848**	**2,741,854**

10. Administrative expenses

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Staff costs		
Wages and salaries	(5,186,718)	(3,613,680)
Social insurance	(354,136)	(157,565)
Other benefits	(282,763)	(214,640)
Other administrative expenses *	(3,942,119)	(3,191,365)
Total	**(9,765,736)**	**(7,177,250)**

*The expenses related to the activity for which the bank obtains a commodity or service, donations and depreciation.

11. Other operating income (expenses)

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(756,492)	(1,089,939)
Profits from selling property and equipment	1,663	2,208
Release (charges) of other provisions	(2,833,219)	(1,856,002)
Other income (expenses)	(2,902,556)	(2,126,814)
Total	**(6,490,604)**	**(5,070,547)**

12. Impairment release (charges) for credit losses

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Loans and advances to customers and banks	(2,334,846)	(978,374)
Due from banks	49,042	(8,795)
Financial securities	(2,001,475)	(524,838)
Total	**(4,287,279)**	**(1,512,007)**

13. Adjustments to calculate the effective tax rate

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profit before tax	40,524,984	24,062,380
Tax rate	22.50%	22.50%
Income tax based on accounting profit	**9,118,121**	**5,414,036**
Add / (Deduct)		
Non-deductible expenses	4,859,295	3,989,395
Tax exemptions	(7,458,312)	(6,345,343)
Withholding tax	5,237,814	4,873,932
Income and Deferred tax	**11,756,918**	**7,932,020**
Effective tax rate	**29.01%**	**32.96%**

14. Earnings per share

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Net profit for the year, available for distribution	28,763,709	16,124,903
Board members' bonus*	(110,239)	(110,239)
Staff profit sharing*	(2,876,371)	(1,612,490)
Profits attributable to shareholders	**25,777,099**	**14,402,174**
Weighted average number of shares	3,001,981	3,001,981
Basic earning per share	**8.59**	**4.80**
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	3,038,040	3,038,040
Diluted earning per share	**8.48**	**4.74**

* Proposed amounts are subject to change according to GAM decision.

15 Cash and balances at the central bank

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Cash	7,463,707	6,969,822
Obligatory reserve balance with CBE		
- Current accounts	64,283,636	40,414,752
Total	**71,747,343**	**47,384,574**
Non-interest bearing balances	**71,747,343**	**47,384,574**

16. Due from banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Current accounts	4,743,930	2,911,660
Deposits	225,965,681	130,903,770
Expected credit losses	(192)	(49,234)
Total	**230,709,419**	**133,766,196**
Central banks	198,023,653	86,443,811
Local banks	7,418,937	25,772,861
Foreign banks	25,266,829	21,549,524
Total	**230,709,419**	**133,766,196**
Non-interest bearing balances	2,469,381	1,760,059
Floating interest bearing balances	98,470,020	69,663,117
Fixed interest bearing balances	129,770,018	62,343,020
Total	**230,709,419**	**133,766,196**
Current balances	226,075,641	130,054,686
Non-Current balances	4,633,778	3,711,510
Total	**230,709,419**	**133,766,196**

17. Treasury bills and Other Governmental notes

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
91 Days maturity	718,500	10,575
182 Days maturity	6,619,200	656,150
273 Days maturity	9,998,675	7,515,700
364 Days maturity	51,590,470	54,502,250
Unearned interest	(4,911,765)	(2,878,502)
Total Treasury bills	**64,015,080**	**59,806,173**
Repos - Treasury bills	(611,377)	(659,349)
Net	**63,403,703**	**59,146,824**
Other Governmental notes	50,000,000	-
Total Treasury bills and other governmental notes	**113,403,703**	**59,146,824**

Governmental bonds

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
	Financial Assets at Fair Value through OCI	Financial Assets at Fair Value through OCI
Governmental bonds	86,841,424	123,585,955
Repos - Treasury bonds	-	(3,711,489)
Net	**86,841,424**	**119,874,466**

18 . Loans and advances to banks, net

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Time loans	823,739	2,988,410
ECL	(1,291)	(10,213)
Net	**822,448**	**2,978,197**
Current balances	822,448	2,978,197
Net	**822,448**	**2,978,197**

Analysis for ECL of loans and advances to banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	(10,213)	(2,118)
Released (charged) during the year	8,922	(8,095)
Ending balance	**(1,291)**	**(10,213)**

19. Loans and advances to customers, net

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Individual		
- Overdraft	2,922,161	2,123,198
- Credit cards	10,297,598	7,636,331
- Personal loans	42,508,494	40,137,967
- Mortgage loans	4,336,631	3,389,908
Total 1	**60,064,884**	**53,287,404**
Corporate and Business Banking		
- Overdraft	54,824,060	42,468,290
- Direct loans	98,468,654	78,030,082
- Syndicated loans	51,311,552	44,722,871
- Other loans	434,524	124,453
Total 2	**205,038,790**	**165,345,696**
Total Loans and advances to customers (1+2)	**265,103,674**	**218,633,100**
Less:		
Unamortized bills discount	(509,523)	(678,795)
Unamortized syndicated loans discount	(145,003)	(221,018)
ECL	(29,127,204)	(24,402,014)
Suspended credit account	(1,497,199)	(709,985)
Net loans and advances to customers	**233,824,745**	**192,621,288**
Distributed to		
Current balances	126,122,466	99,866,973
Non-current balances	107,702,279	92,754,315
Total	**233,824,745**	**192,621,288**

Analysis of the expected credit losses on loans and advances to customers by product during the year is as follows:

EGP Thousands

	Dec.31, 2023				
Individual Loans:	**Overdrafts**	**Credit cards**	**Personal loans**	**Mortgages**	**Total**
Beginning balance	(3,506)	(321,990)	(1,194,486)	(62,359)	(1,582,341)
Released (charged) during the year	(1,800)	(402,460)	(334,619)	(25,054)	(763,933)
Written off during the year	1,960	59,027	177,095	3,332	241,414
Recoveries during the year	(1,009)	(58,102)	(66,308)	(180)	(125,599)
Ending balance	**(4,355)**	**(723,525)**	**(1,418,318)**	**(84,261)**	**(2,230,459)**

	Dec.31, 2023				
Corporate and Business Banking loans:	**Overdrafts**	**Direct loans**	**Syndicated loans**	**Other loans**	**Total**
Beginning balance	(2,502,614)	(15,167,970)	(5,140,282)	(8,807)	(22,819,673)
Released (charged) during the year	209,213	(2,298,467)	520,032	(10,613)	(1,579,835)
Written off during the year	2,529	2,234,286	-	-	2,236,815
Recoveries during the year	-	(51,666)	-	-	(51,666)
Foreign currencies translation differences	(506,322)	(3,003,501)	(1,172,563)	-	(4,682,386)
Ending balance	**(2,797,194)**	**(18,287,318)**	**(5,792,813)**	**(19,420)**	**(26,896,745)**

EGP Thousands

	Dec.31, 2022				
Individual Loans:	**Overdrafts**	**Credit cards**	**Personal loans**	**Mortgages**	**Total**
Beginning balance	(6,520)	(305,006)	(811,871)	(49,525)	(1,172,922)
Released (charged) during the year	1,243	(19,585)	(500,991)	(12,957)	(532,290)
Write off during the year	2,190	52,918	172,195	123	227,426
Recoveries during the year	(419)	(50,317)	(53,819)	-	(104,555)
Ending balance	**(3,506)**	**(321,990)**	**(1,194,486)**	**(62,359)**	**(1,582,341)**

	Dec.31, 2022				
Corporate and Business Banking loans:	**Overdrafts**	**Direct loans**	**Syndicated loans**	**Other loans**	**Total**
Beginning balance	(1,648,574)	(10,866,452)	(4,180,996)	(6,795)	(16,702,817)
Released (charged) during the year	(221,934)	(993,452)	779,409	(2,012)	(437,989)
Write off during the year	5,145	980,540	-	-	985,685
Recoveries during the year	-	(9,662)	-	-	(9,662)
foreign currencies translation differences	(637,251)	(4,278,944)	(1,738,695)	-	(6,654,890)
Ending balance	**(2,502,614)**	**(15,167,970)**	**(5,140,282)**	**(8,807)**	**(22,819,673)**

20. Derivative financial instruments

20.1. Derivatives

The Bank uses the following financial derivatives for non hedging purposes.

Forward contracts represent commitments to buy foreign and local currencies including unexecuted spot transactions. Future contracts for foreign currencies and/or interest rates represent contractual commitments to receive or pay net on the basis of changes in foreign exchange rates or interest rates, and/or to buy/sell foreign currencies or financial instruments in a future date with a fixed contractual price under active financial market.

Credit risk is considered low, and future interest rate contract represents future exchange rate contracts negotiated for case by case, These contracts require financial settlements of any differences in contractual interest rates and prevailing market interest rates on future interest rates on future dates based on contractual amount (nominal value) pre agreed upon.

Foreign exchange and/or interest rate swap represents commitments to exchange cash flows, resulting from these contracts are exchange of currencies or interest (fixed rate versus variable rate for example) or both (meaning foreign exchange and interest rate contracts). Contractual amounts are not exchanged except for some foreign exchange contracts.

Credit risk is represented in the expected cost of foreign exchange contracts that takes place if other parties default to fulfill their liabilities. This risk is monitored continuously through comparisons of fair value and contractual amount, and in order to control the outstanding credit risk, the Bank evaluates other parties using the same methods as in borrowing activities.

Options contracts in foreign currencies and/or interest rates represent contractual agreements for the buyer (issuer) to the seller (holders) as a right not an obligation whether to buy (buy option) or sell (sell option) at a certain day or within certain year for a predetermined amount in foreign currency or interest rate. Options contracts are either traded in the market or negotiated between The Bank and one of its clients (Off balance sheet). The Bank is exposed to credit risk for purchased options contracts only and in the line of its book cost which represent its fair value.

The contractual value for some derivatives options is considered a base to analyze the realized financial instruments on the balance sheet, but it doesn't provide an indicator for the projected cash flows of the fair value for current instruments, and those amounts don't reflects credit risk or interest rate risk.

Derivatives in the Bank's benefit that are classified as (assets) are conversely considered (liabilities) as a result of the changes in foreign exchange prices or interest rates related to these derivatives. Contractual / expected total amounts of financial derivatives can fluctuate from time to time as well as the range through which the financial derivatives can be in benefit for the Bank or conversely against its benefit and the total fair value of the financial derivatives in assets and liabilities. Hereunder are the fair values of the booked financial derivatives:

20.1.1. For trading derivatives

EGP Thousands

	Dec.31, 2023			Dec.31, 2022		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Foreign currencies derivatives						
- Forward foreign exchange contracts	8,573,448	578,528	37,765	9,886,585	823,287	218,296
- Swap deals	74,723,052	45,785	8,151	2,081,255	440,559	1,456
Total (1)		**624,313**	**45,916**		**1,263,846**	**219,752**

20.1.2. Fair value hedge

EGP Thousands

	Dec.31, 2023			Dec.31, 2022		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Interest rate derivatives						
Interest rate derivatives	15,446,550	40,482	95,018	12,520,160	30,480	-
Total (2)		**40,482**	**95,018**		**30,480**	-

20.1.3. Cash flow hedge

EGP Thousands

	Dec.31, 2023			Dec.31, 2022		
	Notional amount	Assets	Liabilities	Notional amount	Assets	Liabilities
Cash flow hedge	3,089,310	437,101	-	7,423,020	645,635	-
Total (3)		**437,101**	-		**645,635**	-
Total financial derivatives (1+2+3)		**1,101,896**	**140,934**		**1,939,961**	**219,752**

20.2. Hedging derivatives

Fair value hedge

The Bank uses interest rate swap contracts to cover part of the risk of potential increase in fair value of its fixed rate customer deposits in foreign currencies. Net derivative value resulting from the related hedging instruments is EGP 382,565 thousand at the end of December 31, 2023 against EGP 676,115 thousand at December 31, 2022, resulting in profits from hedging instruments at December 31, 2023 of EGP 293,550 thousand against profits of EGP 623,945 thousand at December 31, 2022. Profits arose from the hedged items at December 31, 2023 reached EGP 84,228 thousand against Profits EGP 13,191 thousand at December 31, 2022.

21. Movement of financial investment securities:

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost
Beginning balance as of 2022	192,390,931	20,318,767
Addition	45,171,763	19,790,914
Disposals	(25,933,245)	(6,738,937)
Profit (losses) from fair value difference	(15,383,080)	-
Exchange revaluation differences for foreign financial assets	6,669,856	808,009
Ending Balance as of Dec.31, 2022	**202,916,225**	**34,178,753**

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost
Beginning balance as of 2023	202,916,225	34,178,753
Addition	129,292,929	9,142,334
Disposals	(98,908,718)	(6,125,452)
Profit (losses) from fair value difference	(5,800,792)	-
Exchange revaluation differences for foreign financial assets	4,790,954	651,479
Ending Balance as of Dec.31, 2023	**232,290,598**	**37,847,114**

21. Financial investments securities

EGP Thousands

	Dec.31, 2023		
	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
Investments listed in the market			
Governmental bonds	86,841,424	37,411,623	124,253,047
Securitized and other bonds	26,535,662	363,647	26,899,309
Equity instruments	121,184	-	121,184
Sukuk	874,218	-	874,218
Investments not listed in the market			
Treasury bills and Other Governmental notes	113,403,703	-	113,403,703
Securitized and other bonds	3,299,797	71,844	3,371,641
Equity instruments	805,674	-	805,674
Mutual funds	408,936	-	408,936
Total	**232,290,598**	**37,847,114**	**270,137,712**

EGP Thousands

	Dec.31, 2022		
	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
Investments listed in the market			
Governmental bonds	119,874,466	32,851,270	152,725,736
Securitized and other bonds	19,536,994	-	19,536,994
Equity instruments	257,586	-	257,586
Sukuk	1,674,050		1,674,050
Investments not listed in the market			
Treasury bills and Other Governmental notes	59,146,824	-	59,146,824
Securitized and other bonds	1,709,429	1,327,483	3,036,912
Equity instruments	370,174	-	370,174
Mutual funds	346,702	-	346,702
Total	**202,916,225**	**34,178,753**	**237,094,978**

Classification and measurement of financial assets and financial liabilities:

The following table shows the financial assets and the net financial liabilities according to the business model classification:

Dec.31, 2023	Amortized cost	Debt financial Assets at Fair value through OCI	Equity financial Assets at Fair value through OCI	Financial Assets/ Liabilities at Fair value through P&L	Total book value
Cash and balances with central bank	71,747,343	-	-	-	71,747,343
Due from banks	230,709,419	-	-	-	230,709,419
Treasury bills and Other Governmental notes	-	113,403,703	-	-	113,403,703
Loans and advances to customers, net	233,824,745	-	-	-	233,824,745
Loans and advances to banks, net	822,448	-	-	-	822,448
Derivative financial instruments	-	-	-	1,101,896	1,101,896
Financial Assets at Fair value through OCI	-	117,551,101	1,335,794	-	118,886,895
Amortized cost	37,847,114	-	-	-	37,847,114
Total 1	**574,951,069**	**230,954,804**	**1,335,794**	**1,101,896**	**808,343,563**
Due to banks	12,427,384	-	-	-	12,427,384
Due to customers	675,310,076	-	-	-	675,310,076
Derivative financial instruments	-	-	-	140,934	140,934
Issued debt instruments	3,073,349	-	-	-	3,073,349
Other loans	12,483,907	-	-	-	12,483,907
Other Provisions	11,088,372	-	-	-	11,088,372
Total 2	**714,383,088**	-	-	**140,934**	**714,524,022**

21.1. Profits (Losses) on financial investments

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Profit (Loss) from selling FVOCI financial instruments	205,344	1,116,776
Profit from selling shares of associates	7,466	-
Released (Impairment) for invesment in associates and subsidiaries	(1,435,819)	-
Total	**(1,223,009)**	**1,116,776**

22. Investments in subsidiaries and associates

EGP Thousands

Dec.31, 2023	Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
Subsidiaries							
- Damietta shipping & marine services	Egypt	79,011	2,397	64,358	61,014	97,991	49.95
- Commercial International Bank (CIB) Kenya*	Kenya	3,463,032	2,627,118	456,182	7,792	355,274	100.00
- Commercial International for Finance	Egypt	46,196	20,239	13,517	(34,043)	59,900	99.83
Associates							
-TCA Properties	Egypt	1,508,346	1,364,689	56,196	(89,746)	158,360	37.00
- Al Ahly Computer	Egypt	30,031	30,620	48,038	(20,097)	-	39.34
Total		**5,126,616**	**4,045,063**	**638,291**	**(75,080)**	**671,525**	

* For more information, please refer back to disclosure 42.

EGP Thousands

Dec.31, 2023	Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
Subsidiaries							
-CVenture Capital	Egypt	213,108	31,133	8,562	(4,491)	159,828	99.99
- Damietta shipping & marine services	Egypt	51,293	1,995	27,512	25,087	97,991	49.95
- Commercial International Bank (CIB) Kenya	Kenya	2,599,935	1,705,985	397,584	74,209	560,963	51.00
- Commercial International for Finance	Egypt	-	-	-	-	59,900	99.83
Associates							
-TCA Properties	Egypt	1,511,066	1,251,615	21,503	(72,446)	158,360	37.00
- Al Ahly Computer	Egypt	42,494	19,534	50,892	(188)	23,108	39.34
- Fawry Plus	Egypt	187,036	100,492	127,246	42,413	14,100	14.99
- International Co. for Security and Services (Falcon)	Egypt	779,891	833,180	356,164	(146,617)	-	30.00
Total		**5,384,823**	**3,943,934**	**989,463**	**(82,033)**	**1,074,250**	

23. Other assets

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Accrued revenues	13,018,038	11,437,147
Prepaid expenses	892,438	562,736
Advances to purchase fixed assets	1,906,547	1,339,496
Accounts receivable (after deducting the provision)*	3,011,250	981,940
Assets acquired as settlement of debts	49,019	124,098
Insurance	51,775	49,647
Gross	**18,929,067**	**14,495,064**
Impairment of other assets	-	(40,196)
Net	**18,929,067**	**14,454,868**

* A provision has been created for other assets with amount EGP 17 million.

This item includes other assets that are not classified under specific items of balance sheet assets, such as: accrued income and prepaid expenses, custodies, debit accounts under settlement and any balance that has no place in any other asset category.

24. Property and equipment

EGP Thousands

	Dec.31, 2023							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
Cost at Jan 01, 2023 (1)	229,669	1,170,233	3,514,649	185,552	980,692	868,485	155,586	7,104,866
Additions during the year	-	65,363	1,078,265	39,196	37,557	88,468	9,143	1,317,992
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Cost at end of the year (2)	**229,669**	**1,230,946**	**4,573,936**	**224,748**	**1,018,249**	**938,396**	**162,279**	**8,378,223**
Accumulated depreciation at beginning of the year (3)	-	541,398	2,612,834	78,210	815,287	637,275	115,349	4,800,353
Depreciation for the year	-	54,600	588,915	13,485	100,507	110,395	16,667	884,569
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Accumulated depreciation at end of the year (4)	-	**591,348**	**3,182,771**	**91,695**	**915,794**	**729,113**	**129,566**	**5,640,287**
Ending net assets (2-4)	**229,669**	**639,598**	**1,391,165**	**133,053**	**102,455**	**209,283**	**32,713**	**2,737,936**
Beginning net assets (1-3)	**229,669**	**628,835**	**901,815**	**107,342**	**165,405**	**231,210**	**40,237**	**2,304,513**

Property and equipment

EGP Thousands

	Dec.31, 2022							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
Cost at Jan 01, 2022 (1)	64,709	1,169,516	3,142,053	156,316	928,154	826,083	148,638	6,435,469
Additions during the year	164,960	20,121	388,207	29,236	68,913	87,264	10,186	768,887
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
Cost at end of the year (2)	**229,669**	**1,170,233**	**3,514,649**	**185,552**	**980,692**	**868,485**	**155,586**	**7,104,866**
Accumulated depreciation at beginning of the year (3)	-	505,828	2,093,373	66,687	703,593	559,392	102,359	4,031,232
Depreciation for the year	-	54,974	535,072	11,523	128,069	122,745	16,228	868,611
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
Accumulated depreciation at end of the year (4)	-	**541,398**	**2,612,834**	**78,210**	**815,287**	**637,275**	**115,349**	**4,800,353**
Ending net assets (2-4)	**229,669**	**628,835**	**901,815**	**107,342**	**165,405**	**231,210**	**40,237**	**2,304,513**
Beginning net assets (1-3)	**64,709**	**663,688**	**1,048,680**	**89,629**	**224,561**	**266,691**	**46,279**	**2,404,237**

25. Due to banks

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Current accounts	2,308,193	2,672,108
Deposits	10,119,191	803,740
Total	**12,427,384**	**3,475,848**
Central banks	618,597	460,169
Local banks	16,626	45,065
Foreign banks	11,792,161	2,970,614
Total	**12,427,384**	**3,475,848**
Non-interest bearing balances	1,976,181	2,382,183
Floating bearing interest balances	553,295	573,860
Fixed interest bearing balances	9,897,908	519,805
Total	**12,427,384**	**3,475,848**
Current balances	**12,427,384**	**3,475,848**

26. Due to customers

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Demand deposits	255,561,871	197,874,662
Time deposits	116,020,391	105,665,409
Certificates of deposit	188,832,842	128,342,125
Saving deposits	107,332,593	91,890,264
Other deposits	7,562,379	6,352,445
Total	**675,310,076**	**530,124,905**
Corporate deposits	305,935,625	262,223,998
Individual deposits	369,374,451	267,900,907
Total	**675,310,076**	**530,124,905**
Non-interest bearing balances	121,799,158	94,746,889
Floating interest bearing balances	5,664,023	7,840,984
Fixed interest bearing balances	547,846,895	427,537,032
Total	**675,310,076**	**530,124,905**
Current balances	481,732,737	392,968,061
Non-current balances	193,577,339	137,156,844
Total	**675,310,076**	**530,124,905**

In 2023, Due to customers contains an amount of EGP 1,931 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million in 2022. The fair value of these deposits is approximately their present value.

27. Issued debt instruments

EGP Thousands

	Interest rate	Dec.31, 2023	Dec.31, 2022
Fixed rate bonds with 5 years maturity			
Green bonds (USD)	Fixed rate	3,073,349	2,456,607
Total		**3,073,349**	**2,456,607**
Non current balances		**3,073,349**	**2,456,607**

28. Other loans

EGP Thousands

	Interest rate %	Loan duration	Due within one year	Dec.31, 2023	Dec.31, 2022
British International Investment subordinated loan	Floating rate	10 years	-	2,879,244	2,644,356
Environmental Compliance Project (ECO)	Fixed rate	3-5 years*	315	525	840
Agricultural Research and Development Fund (ARDF)	Fixed rate	Less than 1 year*	200,619	200,619	16,000
Egyptian Pollution Abatement Program (EPAP)	Floating / Fixed rate	3-5 years*	37,506	224,793	87,614
European Bank for Reconstruction and Development (EBRD) subordinated Loan	Floating rate	10 years	-	4,588,784	2,561,585
International Finance Corporation (IFC) subordinated Loan	Floating rate	10 years	-	4,589,942	2,668,580
Total			**238,440**	**12,483,907**	**7,978,975**

Interest rates on variable-interest subordinated loans are determined in advance every 3 months.

* Represents the date of loan repayment to the lending agent.

29. Other liabilities

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Accrued interest payable	3,807,422	2,084,649
Accrued expenses	2,542,423	1,679,182
Accounts payable	11,435,939	7,485,262
Other credit balances	521,796	300,379
Total	**18,307,580**	**11,549,472**

30 . Other provisions

EGP Thousands

Dec.31, 2023	Beginning balance	Charged during the year	Exchange differences of other provisions	Net utilized / recovered during the year	Provisions no longer used	Ending balance
Provision for legal claims*	7,456	1,400	448	(2,058)	-	7,246
Provision for contingent	6,674,314	2,811,978	1,180,071	(2,512)	-	10,663,851
Provision for other claim**	383,522	2,221	32,812	(1,280)	-	417,275
Total	**7,065,292**	**2,815,599**	**1,213,331**	**(5,850)**	**-**	**11,088,372**

Dec.31, 2022	Beginning balance	Charged during the year	Exchange differences of other provisions	Net utilized / recovered during the year	Provisions no longer used	Ending balance
Provision for legal claims	7,184	-	656	(212)	(172)	7,456
Provision for contingent	3,203,319	2,124,981	1,346,014	-	-	6,674,314
Provision for other claim	329,173	8,960	48,303	(2,914)	-	383,522
Total	**3,539,676**	**2,133,941**	**1,394,973**	**(3,126)**	**(172)**	**7,065,292**

* A provision for legal cases that are expected to generate losses has been created.
** To face the potential risk of banking operations.

31. Equity

31.1. Capital

The authorized capital is EGP 100 billion according to the extraordinary general assembly decision on 20 March 2023.

On January 11, 2023 issued and Paid in Capital increased by an amount of EGP 165,429 thousand to reach EGP 29,990,563 thousand, according to BOD Meeting decision on September 28 ,2022, by issuance of 13th tranche for E.S.O.P program.

On June 8, 2023 issued and Paid in Capital increased by an amount of EGP 204,447 thousand to reach EGP 30,195,010 thousand, according to BOD Meeting decision on January 24 ,2023, by issuance of 14th tranche for E.S.O.P program.

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Authorized Capital	100,000,000	50,000,000
Issued and paid up capital	30,195,010	29,825,134
Number of outstanding shares in Thousands	3,019,501	2,982,513

	Dec.31, 2023	Dec.31, 2022
	EGP	EGP
Par value per share	10	10

31.2. Reserves

According to The Bank status 5% of net profit is used to increase the legal reseve to reaches 50% of The Bank's issued and paid in capital. Central Bank of Egypt concurrence for usage of special reserve is required.

32. Deferred tax assets (Liabilities)

Deferred tax assets and liabilities are attributable to the following:

	EGP Thousands	
	Assets (Liabilities)	Assets (Liabilities)
	Dec.31, 2023	Dec.31, 2022
Fixed assets (depreciation)	(83,567)	(48,811)
Other provisions (excluded loan loss, contingent liabilities and income tax provisions)	782,899	335,490
Change in fair value of investments through OCI	1,399,815	1,057,872
Other Balance Sheet Revaluation	(1,183,449)	(1,591,765)
Other investments impairment	395,979	82,953
Reserve for employee stock ownership plan (ESOP)	334,352	426,473
Interest rate swaps revaluation	(65,588)	(108)
Trading investment revaluation	-	17,770
Forward foreign exchange deals revaluation	104,782	(255,634)
Balance	**1,685,223**	**24,240**

	EGP Thousands	
	Assets (Liabilities)	Assets (Liabilities)
	Dec.31, 2023	Dec.31, 2022
Movement of Deferred Tax Assets and Liabilities:		
Beginning Balance	24,240	460,026
Additions / disposals through OCI	341,943	1,153,777
Additions / disposals through P&L	1,319,040	(1,589,563)
Ending Balance	**1,685,223**	**24,240**

33. Share-based payments

According to the extraordinary general assembly meeting on June 26, 2006, the Bank launched new Employees Share Ownership Plan (ESOP) scheme and issued equity-settled share-based payments. Eligible employees should complete a term of 3 years of service in The Bank to have the right in ordinary shares at face value (right to share) that will be issued on the vesting date,otherwise such grants will be forfeited. Equity-settled share-based payments are measured at fair value at the grant date, and expensed on a straight-line basis over the vesting year (3 years) with corresponding increase in equity based on estimated number of shares that will eventually vest. The fair value for such equity instruments is measured using the Black-Scholes pricing model.

Details of the rights to share outstanding during the year are as follows:

	Dec.31, 2023	Dec.31, 2022
	No. of shares in thousand	No. of shares in thousand
Outstanding at the beginning of the year	92,551	76,328
Granted during the year	28,143	31,177
Forfeited during the year	(3,693)	(2,682)
Exercised during the year	(36,988)	(12,272)
Outstanding at the end of the year	**80,013**	**92,551**

Details of the outstanding tranches are as follows:

Maturity date	EGP Exercise price	EGP Fair value	No. of shares in thousand
2024	10.00	26.34	23,788
2025	10.00	28.43	29,052
2026	10.00	34.09	27,173
Total			**80,013**

The fair value of granted shares is calculated using Black-Scholes pricing model with the following:

	17th tranche	16th tranche
Exercise price	10	10
Current share price	41.48	42.65
Expected life (years)	3	3
Risk free rate %	18.00%	14.65%
Dividend yield%	**1.30%**	**2.50%**
Volatility%	**34.75%**	**25.73%**

Volatility is calculated based on the standard deviation of returns for the last five years.

34. Reserves and retained earnings

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Legal reserve	4,770,354	3,963,946
General reserve	39,840,707	27,096,858
Capital reserve	21,155	18,947
Retained earnings	29,230,360	16,497,346
Reserve for financial assets at fair value through OCI	(16,808,265)	(13,138,461)
Reserve for employee stock ownership plan	1,486,010	1,895,435
Banking risks reserve	15,230	11,981
General risk reserve	1,549,445	1,549,445
Ending balance	**60,104,996**	**37,895,497**

34.1 Banking risks reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	11,981	9,141
Transferred to banking risk reserve	3,249	2,840
Ending balance	**15,230**	**11,981**

34.2. Legal reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	3,963,946	3,293,074
Transferred to legal reserve	806,408	670,872
Ending balance	**4,770,354**	**3,963,946**

34.3. Reserve for financial assets at fair value through OCI

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	(13,138,461)	639,231
Transferred to RE from financial assets at fair value through OCI	(95,308)	(3,436)
Net unrealised gain/(loss) on financial assets at fair value through OCI	(5,458,849)	(14,229,303)
Effect of ECL in fair value of debt instruments measured at fair value through OCI	1,884,353	455,047
Ending balance	**(16,808,265)**	**(13,138,461)**

34.4. Retained earnings

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	16,497,346	13,783,935
Transferred to reserves	(12,388,223)	(9,007,223)
Dividend paid	(3,738,888)	(4,410,322)
Net profit for the year	28,768,066	16,130,360
Transferred (from) to banking risk reserve	(3,249)	(2,840)
Transferred to RE from financial assets at fair value through OCI	95,308	3,436
Ending balance	**29,230,360**	**16,497,346**

34.5. Reserve for employee stock ownership plan

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	1,895,435	1,674,392
Transferred to reserves	(1,164,242)	(502,922)
Cost of employees stock ownership plan (ESOP)	754,817	723,965
Ending balance	**1,486,010**	**1,895,435**

34.6. General risk reserve

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Beginning balance	1,549,445	1,549,445
Ending balance	**1,549,445**	**1,549,445**

35. Cash and cash equivalent

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Cash and balances at the central bank	71,747,343	47,384,574
Due from banks	230,709,611	133,815,430
Treasury bills and other governmental notes	113,403,703	59,146,824
Obligatory reserve balance with CBE	(64,283,636)	(40,414,752)
Due from banks with maturities more than three months	(4,942,896)	(47,241,335)
Treasury bills and other governmental notes with maturities more than three months	(112,721,932)	(59,795,598)
Total	**233,912,193**	**92,895,143**

36. Contingent liabilities and commitments

36.1. Legal claims

- There is a number of existing cases against the bank on December 31, 2023 for which no provisions are made as the bank doesn't expect to incur losses from it.
- A provision for legal cases that are expected to generate losses has been created. (Note No. 30)

36.2. Capital commitments

36.2.1. Financial investments

The capital commitments for the financial investments reached on the date of financial position EGP 1,931 thousand as follows:

	Investments value	Paid	Remaining
Financial Assets at Fair value through OCI	**308,931**	**307,000**	**1,931**

36.2.2. Fixed assets and branches constructions

The value of commitments for the purchase of fixed assets, contracts, and branches constructions that have not been implemented till the date of the financial statements amounted to EGP 396,683 thousand against EGP 397,100 thousand in 2022.

36.3. Letters of credit, guarantees and other commitments

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Letters of guarantee	160,735,346	123,040,556
Letters of credit (import and export)	9,068,007	8,464,457
Customers acceptances	4,631,478	3,482,249
Total	**174,434,831**	**134,987,262**

36.4. Credit facilities commitments

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Credit facilities commitments	5,352,553	7,077,400

36.5. Lease commitments

The total minimum lease payments for non-cancellable operating leases are as follows:

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Not more than one year	223,456	57,119
More than one year and less than five years	659,897	563,066
More than five years	287,120	200,824

37 . Mutual funds

Osoul fund

- CIB established an accumulated return mutual fund under license no.331 issued from capital market authority on February 22, 2005. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 10,164,050 with redeemed value of EGP 6,634,990 thousands.
- The market value per certificate reached EGP 652.79 on December 31, 2023.
- The Bank's portion is 237,112 certificates with a redeemed value of EGP 154,784 thousands.

Istethmar fund

- CIB bank established the second accumulated return mutual fund under license no.344 issued from capital market authority on February 26, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 396,693 with redeemed value of EGP 165,984 thousands
- The market value per certificate reached EGP 418.42 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 20,921 thousands.

Aman fund (CIB and Faisal Islamic Bank Mutual Fund)

- CIB and Faisal Islamic Bank established an accumulated return mutual fund under license no.365 issued from capital market authority on July 30, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 317,885 with redeemed value of EGP 65,427 thousands.
- The market value per certificate reached EGP 205.82 on December 31, 2023.
- The Bank's portion is 32,596 certificates with a redeemed value of EGP 6,709 thousands.

Hemaya fund

- CIB bank established an accumulated return mutual fund under license no.585 issued from financial supervisory Authority on June 23, 2010. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 83,589 with redeemed value of EGP 35,903 thousands.
- The market value per certificate reached EGP 429.52 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,476 thousands.

Thabat fund

- CIB bank established an accumulated return mutual fund under license no.613 issued from financial supervisory authority on September 13, 2011. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 252,645 with redeemed value of EGP 110,616 thousands.
- The market value per certificate reached EGP 437.83 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,892 thousands.

Takamol fund

- CIB bank established an accumulated return mutual fund under license no.431 issued from financial supervisory authority on February 18, 2015. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 145,783 with redeemed value of EGP 55,463 thousands.
- The market value per certificate reached EGP 380.45 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 19,023 thousands.

38. Transactions with related parties

All banking transactions with related parties are conducted in accordance with the normal banking practices and regulations applied to all other customers without any discrimination.

38.1. Loans, advances, deposits and contingent liabilities

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Loans, advances and other assets	941,131	1,081,864
Deposits	728,866	123,560
Contingent liabilities	-	173,143

38.2. Other transactions with related parties

EGP Thousands

	Dec.31, 2023		Dec.31, 2022	
	Income	Expenses	Income	Expenses
International Co. for Security & Services	-	-	73	215,848
CVenture Capital	716	1,284	740	93
Commercial International Bank (CIB) Kenya	1,024	4,335	790	-
Damietta shipping & marine services	14	625	2	564
Commercial International Finance Company	90	4,546	4	2,155
Al ahly computer	22	103	3	-
TCA Properties	151,493	-	138,162	-

39. Main currencies positions

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
Egyptian pound	204,337	(395,392)
US dollar	677,736	899,747
Sterling pound	11,418	1,124
Japanese yen	(101)	-
Swiss franc	1,471	109
Euro	(278,430)	35,891

Main currencies positions above represents what is recognized in the balance sheet position of the Central Bank of Egypt.

40. Tax status

Corporate income tax

- Settlement of corporate income tax since the start of activity till 2020.
- The yearly income tax return submitted in legal dates.

Salary tax

- Settlement of salary tax since the start of activity till 2022.

Stamp duty tax

- The period since the start of activity till 31/07/2006 was examined & paid, disputed points have been transferred to the court for adjudication & cases are being resolved as per Tax disputes termination law.
- Settlment the period from 01/08/2006 till 31/12/2022 in accordance with the protocol signed between the Federation of Egyptian Banks & the Egyptian Tax Authority

Disclosures related to cash flow statement

41 . Other assets - net increase (decrease)

EGP Thousands

	Dec.31, 2023
Total other assets by beginning of the year	14,454,868
Assets acquired as settlement of debts	(124,098)
Advances to purchase fixed assets	(1,339,496)
Total 1	**12,991,274**
Total other assets by end of the year	18,929,067
Assets acquired as settlement of debts	(49,019)
Advances to purchase fixed assets	(1,906,547)
Uncollected installments from investments in associates	(11,956)
Impairment (Release) charge for other assets	17,620
Total 2	**16,979,165**
Change (1-2)	**(3,987,891)**

EGP Thousands

	Dec.31, 2022
Total other assets by beginning of the year	11,141,917
Assets acquired as settlement of debts	(153,423)
Advances to purchase fixed assets	(1,134,366)
Total 1	**9,854,128**
Total other assets by end of the year	14,454,868
Assets acquired as settlement of debts	(124,098)
Advances to purchase fixed assets	(1,339,496)
Impairment (Release) charge for other assets	(277,766)
Total 2	**12,713,508**
Change (1-2)	**(2,859,380)**

42. Significant events during the year

- On 3 August 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 19.25 percent, 20.25 percent, and 19.75 percent, respectively. The discount rate was also raised by 100 basis points to 19.75 percent , which may affect the bank's policies in pricing current and future banking products.
- On 30 March 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 18.25 percent, 19.25 percent, and 18.75 percent, respectively. The discount rate was also raised by 200 basis points to 18.75 percent , which may affect the bank's policies in pricing current and future banking products.
- During 2023 Central Bank of Egypt (CBE) and the Central Bank of Kenya (CBK) have granted the Bank their consent to acquire 49% of Commercial International Bank (CIB) Kenya to become a fully owned subsidiary of the Bank, for USD 40 million.
- During 2023, CIB obtained USD 150 million Subordinated Debt from the International Finance Corporation (IFC) member of the World Bank Group.
- During 2023, CIB obtained USD 150 million Subordinated Debt from European Bank for Reconstruction and Development (EBRD).

43. Non current assets held for sale

EGP Thousands

	Dec.31, 2023	Dec.31, 2022
- CVenture Capital	159,828	-

- During 2023 CIB BOD decided to start liquidation process for C-Ventures company, one of bank's subsidiaries.

44. Subsequent events

On 1 February 2024, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 21.25 percent, 22.25 percent, and 21.75 percent, respectively. The discount rate was also raised by 200 basis points to 21.75 percent , which may affect the bank's policies in pricing current and future banking products.