



GROWING WITH PURPOSE

2017

SUSTAINABILITY REPORT



GROWING WITH PURPOSE



For more than four rewarding decades, the Commercial International Bank (CIB) continues its determined efforts to advance an inclusive sustainability culture, that shapes minds and hearts. This inspiring journey is rooted in a holistic long-term vision that strikes a sound balance between the strategic goal of increased profitability as well as serving socio-economic, environmental and governance interests. CIB's circular business model is at the heart of this success. Over the years the Bank has reinforced its human, physical and other resources to meet the changing needs of its customers, shareholders and regulators, while minimizing any negative impact on communities and the environment; the world's life support system. It was in this positive spirit that the Bank joined the international community to galvanize action for the implementation of the 2030 Global Sustainable Development Agenda; a global charter for people and planet. Indeed, the Bank's business goals are aligned with the 2030 Sustainable Development Goals (SDGs) as well as Egypt's 2030 Vision. This is reflected in CIB's performance on different fronts, its environmental credentials as well as community well-being. CIB's 2017 Sustainability Report is a reflection of this steady, responsible, impact-based, inclusive and progressive approach. As such, the Bank is a pace-setter in the powerful global green drive to achieve a resource-efficient, climate-resilient and a more sustainable future. As the leading private sector Bank in Egypt, CIB is determined to continue this journey of transformation and change, and all along, secure a successful future that is made to last



From our humble beginnings in 1975 to our evolution as Egypt's leading private sector bank, CIB has always taken pride in being recognized as a pillar of the Egyptian economy

PARAMETERS OF THE REPORT



The 2017 Sustainability Report is assembled according to the Global Reporting Initiative (GRI) Standards / Core option

Reporting Timeline

12 months from January to end of December 2017

Reporting Cycle

Annually



Disclaimer

The 2017 Sustainability Report is a distinctive outline of CIB's sustainable businesses and operations. Although data and figures in the report are accountable, there is no assurance that anticipated future performance will be in accordance due to exceptional unforeseen circumstances.

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Delivering Growth with Purpose



When we first opened for business as Chase National Bank in 1975; Egypt's first joint-venture bank, we sought from the outset to bring best practices in banking to the nation in which we are privileged to do business. Today, we are a best-practices leader in the Egyptian business community in general — and in our industry in specific — thanks to four decades of heritage that have planted these values at the heart of our institution. These practices started with new approaches to risk and to staff development, and have since expanded to cover every aspect of how we do business, interact with all of our stakeholders, and make a difference in the nation at large.

It is against this backdrop that I am pleased to present our 2017 Sustainability Report, which takes as its theme “Growing with Purpose.” The key word here is purpose: We are happiest when we can profitably and sustainably put capital to work by helping our clients grow, by helping create meaningful jobs and by helping finance growth that has the lowest-possible environmental footprint. We also happen to believe that by placing sustainability at the heart of every business and credit decision we make, we have breathed new life into the robust and flexible risk framework that has served us well for more than 40 years.

As such we have aligned our strategy with the UN's Sustainable Development Goals (SDGs), a set of 17 universal Goals that cover a broad range of social and economic development issues to help end poverty and protect the environment,

and Egypt 2030 which is an adaptation of the SDGs into an Egyptian context. Whether its education & training or knowledge & innovation, CIB has highlighted these goals within the business community and tailored its programs to tackle the various issues that the SDGs and Egypt 2030 represent.

This year's report covers this and more as it looks at how we have delivered sustainable growth and profitability; supported the health of our employees and of thousands of other Egyptians; helped safeguard not just the environment we touch daily in our offices and branches, but that of the nation as a whole; and ensured that the rights and responsibilities of all stakeholders are protected.

After years of macroeconomic challenges, the Sisi administration's economic reform program has put the wind at our backs. As Egypt's leading private sector bank, CIB's growth story is directly linked to Egypt's development story. It is our hope that the economic contribution that the Bank continues to make will have a positive impact on the Egyptian economy and society. The prospect of real economic growth in the years to come leaves us optimistic about the outlook for Egypt and for our bank, but it comes at the same time as sweeping technological change looks set to re-shape our industry in the long-term.

Banks around the world face an imperative to embrace technology across all segments — from back office to front, from nano-credit solutions to the largest syndicated facilities we extend to our corporate clients. Technology will help us



In July 2017 CIB was the first bank in Egypt and MENA to win “World's Best Bank in the Emerging Markets” from Euromoney

drive financial inclusion by banking the unbanked. It will help us create products that make a meaningful difference in the lives of our clients. And it will help us develop sustainable profit streams that accrue to the benefit of our shareholders.

In the past year, our government has made financial inclusion a pillar of national policy. Egypt has created a National Payments Council headed by the President, and hosted the premier global conference on financial inclusion, attended by central bank governors, government officials and senior industry players in Sharm El Sheikh last fall.

The upside potential of these developments is clear — it is why the transformative power of technology has been one

of the fundamental building blocks of both our short- and long-term strategies for the past three years as we build the bank of the future. Equally clear is the imperative that these technological shifts be sustainable and inclusive, that financing be extended in a responsible manner and for responsible uses, and that growth be shared among all stakeholders.

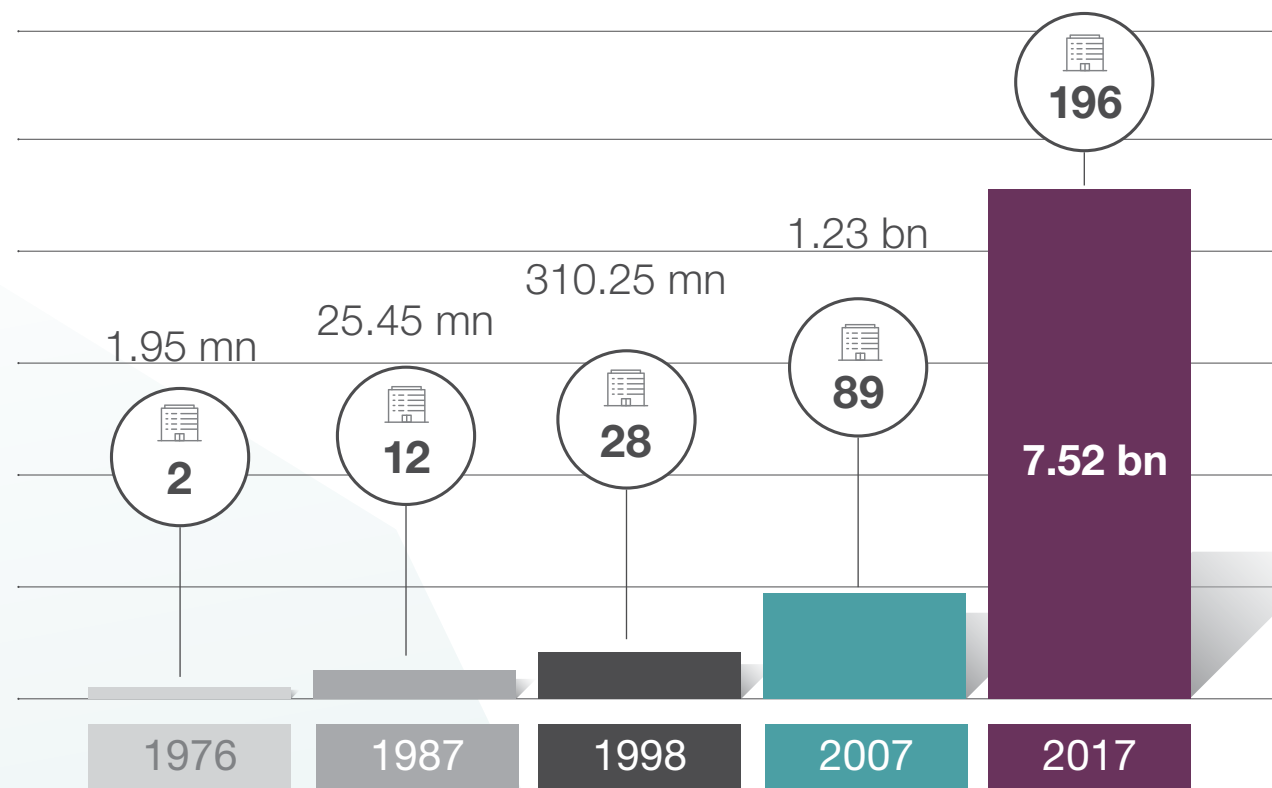
The challenges of the next 40 years will surely be more pronounced than those of the past four decades, but so, too, are the opportunities. I am confident that we can, together, deliver “Growth with Purpose” as we address them.

Hisham Ezz Al-Arab
Chairman and Managing Director

42 Years of Organic Growth

Profitability & Number of Branches

Net Income Figures in EGP



250^{EGP}_{BN}
TOTAL DEPOSITS

850
ATMs

Total Assets

2016	EGP 263.85 BN
2015	EGP 179.19 BN

Total Portfolio

2016	EGP 86.15 BN
2015	EGP 57.21 BN

Net Gross Income

2016	EGP 5.95 BN
2015	EGP 4.64 BN

Loan Market Share

2016	7.56%
2015	7.95%

Deposit Market Share

2016	8.40%
2015	8.12%

7.5%
2017

EGP
7.0
BN
2017

EGP
7.6
BN
2017

EGP
88.4
BN
2017

EGP
294.8
BN
2017

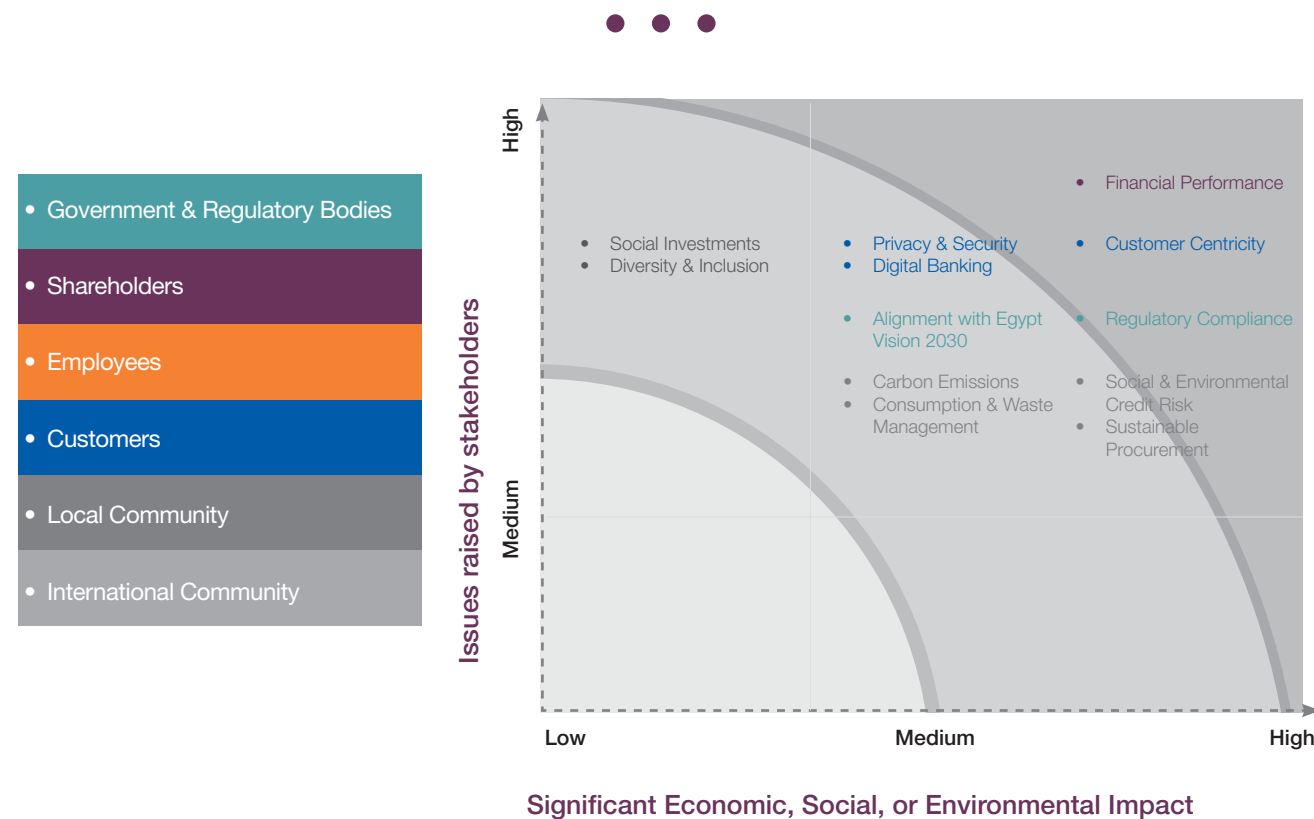
Materiality

CIB is constantly listening to its stakeholders' demands and acting accordingly to meet their expectations and serve their interests. In addition to GRI guidelines regarding information on stakeholder engagement, a mapping survey was circulated internally to identify each division's stakeholders and channels of communication.

The team agreed on the concept and content of the 2017 Sustainability Report 'Growing with Purpose'. Stakeholder feedback was used as a tool to update the materiality matrix which outlines the various communication channels used amongst both CIBians and/or external entities.

Our Sustainability Ambassadors, who are volunteers from different departments within the Bank, will gradually expand and systemize engagement activities in each reporting cycle as of 2018. Their role as focal points of communication, data collection, and guidance for sustainability reporting and development is being enhanced through training and monthly meetings.

Below is a summary of the main internal stakeholder groups identified, the standard communication channels that were used and the main purpose of their communication. The materiality matrix section of this report will outline their key interests and respective needs



WE LISTEN
and react accordingly to
meet the needs
of our stakeholders



In 1985 the first mobile phone came out. Since that time, mobile phones have completely transformed the way that we communicate both personally and as a business

Stakeholder Name	Standard Channel of Communication	Purpose of Communication
Internal Stakeholders		
Board of Directors	Memos, Quarterly Reports, Board Meetings (6 in 2017).	<ul style="list-style-type: none">• Approving the entry, exit and liquidation of specific investments• Summarizing regulator’s instructions and correspondents.• Updating reports on Corporate Governance and Code of Conduct.• Updating and approving budget, performance and strategy implementation along with any new initiatives.
Employees	Annual Employee Effectiveness Survey (EES), town halls, focus groups, job evaluations, job description reassessments.	<ul style="list-style-type: none">• Uncovering employee demands, concerns, and discussing appropriate actions in response.• Determining performance levels of each employee and accordingly setting profit share and promotion plans.• Improving employee motivation and satisfaction levels through effective individual and collective communication schemes that connect employees with senior management on a regular basis.
External Stakeholders		
Shareholders	Annual General Assembly and Annual Report	<ul style="list-style-type: none">• The General Assembly and the Annual Report provides shareholders with a detailed presentation on the bank’s achievements and operational insight .
Central Bank (CBE) (And other regulatory entities like EFSA)	Standard mail, emails, phone-calls, meetings	<ul style="list-style-type: none">• Approvals (on pricing, product features, new initiatives, etc).• Compliance follow-up.• New regulations/ directives.• Collaboration on initiatives such as financial inclusion.• Knowledge transfer and guidance.
EGX	Assessment Form (Sustainability)	<ul style="list-style-type: none">• Inclusion on Sustainability Index.• Direct Investment: Buy/sell transactions.
Customers	Branches, call center, mobile app, online banking, social Media, TV advertisements, customer satisfaction key Service Indictors.	<ul style="list-style-type: none">• Delivering service.• Evaluation, feedback, and compliance channels.• Needs assessments.• Marketing purposes.• Relaying updates and general information.
Suppliers and Business Partners	Per each department	<ul style="list-style-type: none">• Collaborations and partnerships for internal development, successful service delivery, and community development.
Community	CIB Foundation Annual Report, sponsorships, communications, CSR initiatives.	<ul style="list-style-type: none">• To advance our contribution to arts and culture, to support athletes, and to improve children’s health in Egypt.• A wide range of sponsorships supporting various sectors and groups.



As computers began replacing typewriters, it is estimated that work productivity became five times greater than it was in the 1970's when CIB first opened for business

Anchoring with the Regulator for Equitable Smart Growth



While profitability is a priority for any financial institution; our stakeholder engagement exercise revealed that CIB's shareholders are also conscious of sustainable growth patterns and risk management by virtue of the economic and political volatility of the MENA region. To maintain our solid position in the market and ensure future growth, CIB's leadership has focused on strategies and processes that are committed to Smart Growth.

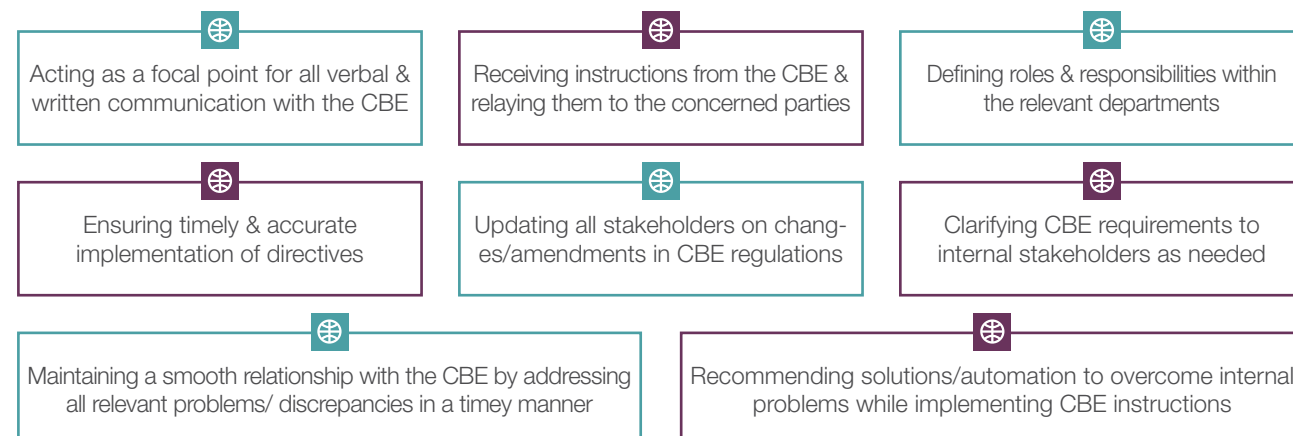
As the Egyptian government's challenging economic reform strategy has required the support and guidance of the banking sector, CIB has maintained effective communication channels and strong relationships with major regulatory bodies, primarily the Central Bank of Egypt (CBE). An independent CBE Relations department was established in 2010 to ensure coherent levels of compliance and timely approvals across all bank activities. Likewise we are maintaining a productive dia-

logue with other public sector entities such as the Ministries of Investment, Environment, and Electricity and Renewable Energy. This two-way relationship has helped foster a unique culture of collaboration between CIB and the government of Egypt as illustrated through the Bank's effective participation in the Egyptian Pollution Abatement Project and the funding of 12 projects in the Ben Ban Solar Park in Aswan, one of the largest projects of its kind in the world.

Snapshot on CBE

The CBE, established in 1960, has played an instrumental role in shielding the banking sector from the full impact of 2008-2009 global financial crisis. Tough regulations implemented in 2011-2012 helped the banking sector to rebound relatively quickly post-revolution preventing a looming liquidity crisis. Today, as the government continues to implement a tough national economic reform agenda, the CBE's role remains as critical as ever.

The CBE Relations Department manages all of CIB's communication with the regulator including the following key functions:



ENSURING
timely & coherent levels of
compliance across all departments



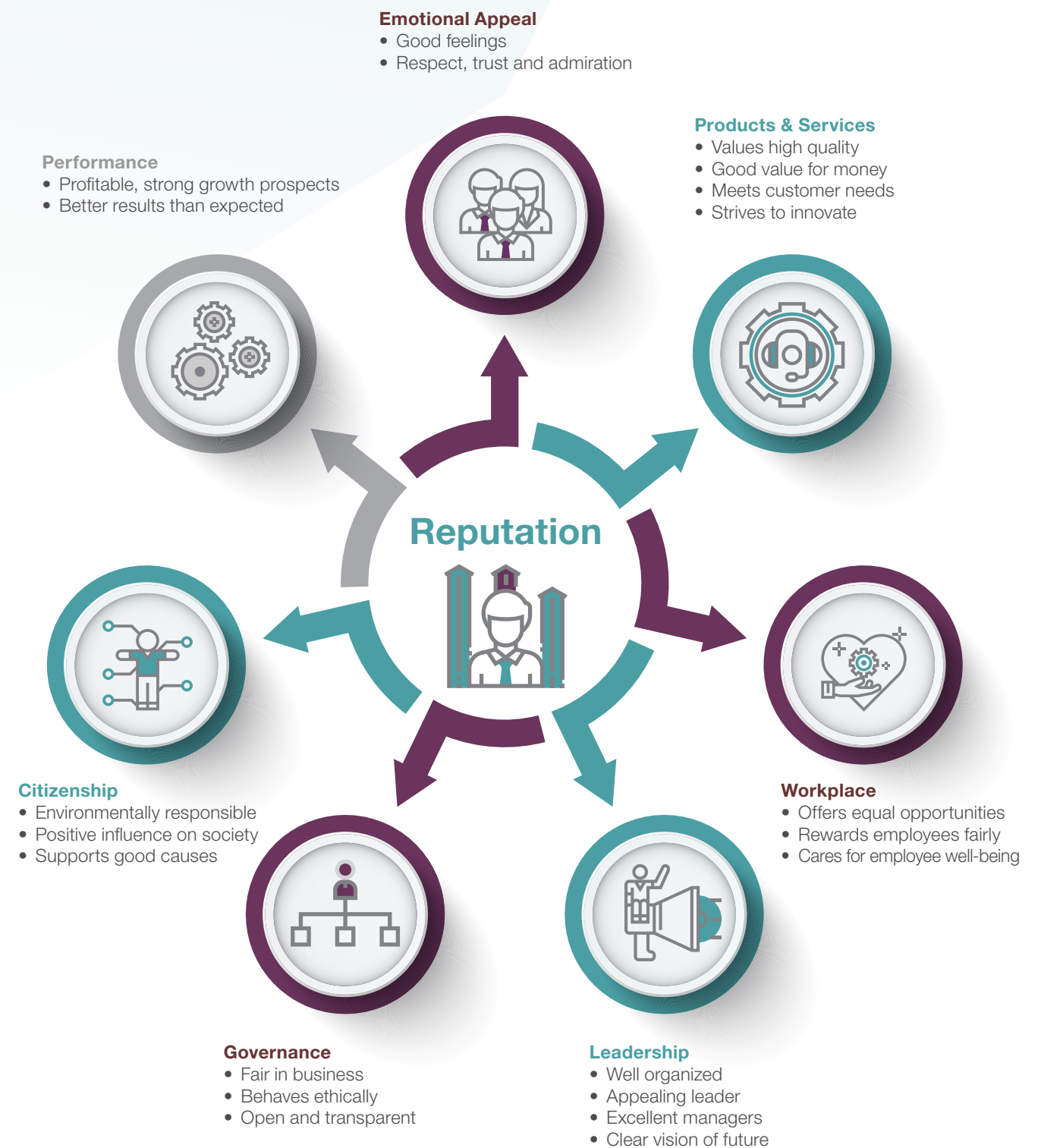
Reputation Management Formula Leads to Sustainable Growth

Reputation is a collective assessment of an organization's past actions and expectations that shapes the organization's ability to deliver valued outcomes to multiple stakeholders. There are seven dimensions of reputational risk, outlined in the figure on the next page.

CIB was the first bank in Egypt to create an independent department managing reputation risk, emphasizing the importance of reputation as a core asset that needs constant management and protection. Our objective is to enhance shareholder value, maintain a strong corporate brand, and sustain robust reputational capital coupled with a proactive framework to prevent reputational losses.

Reputational Risk was added to CIB's overall Risk Management Strategy, where the function is governed by the Non-Financial Risk and Compliance Committee.

“OUR
REPUTATION
is a core asset that needs
constant management &
protection



Responsible Financing for Shared Growth



CIB's Social and Environmental (S&E) Credit Risk department represents a strategic, forward-thinking vision that cements the bank's commitment to sustainability by integrating core functions.

The department implements comprehensive due-diligence that assesses all credit facilities for significant negative social and environmental impact prior to granting disbursement approvals. Because we identified a lack of awareness and understanding of social and environmental risk among our clients, we provide appropriate guidance and green finance products that encourage shifts to more sustainable impacts.

2017 has been a true turning point, as the UNEP-FI, IFC, and other major international organizations have recognized CIB for its leading role in this field. We were honored to present our case at high-level platforms and stimulate a country-wide policy dialogue on the sector's role in driving sustainable development between financial institutions, supervisors, regulators, and policymakers. CIB also participated in the League of Arab States and UNEP-FI's Global Roundtable.

The S&E Credit Risk Policy Guide

CIB is keen on integrating the latest international criteria and strategies into its operations through the S&E Credit Risk Policy Guide. With the encouragement and support of the bank's Senior Management, this guide was updated in 2017 to strengthen the effectiveness of the S&E risk mechanism in the bank and encompass internationally recognized standards.

The updates were carefully studied to align with Egypt's strategic vision for a sustainable economy, and consideration was given to the existing reality of the Egyptian context. This guide is a tool that will reinforce our commitment to S&E responsible banking while also expanding this notion to CIB's customers

and bridging the gap between government and private sector sustainability initiatives.

The document has been presented to internal business partners so that they may achieve responsible asset growth. To ensure a world-class policy that merges international standards with the Egyptian context, the European Bank for Reconstruction and Development (EBRD) and IFC Performance Standards are the main pillars used as reference in the policy. These standards endorse social and environmental compliance by providing financial institutions with tools that will encourage client participation in the shift to responsible and green economic growth. The IFC and EBRD were also main consultants and partners in the policy update process.

Choosing Energy Efficiency as our First Product

Energy efficiency is high on the Egyptian government's development agenda, and it is a core component of Egypt's Energy Strategy 2035. As a member of the UNEP-FI, CIB has endorsed the "Statement by Banks on Energy Efficiency," acknowledging that energy efficiency is an important first step in adopting responsible business practices across all industries. To lead by example, CIB has been committed to reducing its energy consumption. We received the UNDP's Energy Efficiency Award in February 2018 in recognition of our success in reducing energy consumption by 40%.

As part of our efforts, we have launched our first Green Finance Product targeting energy efficient solutions. Fully funded by CIB, this product aims to create a ripple effect that capitalizes on encouraging national context and our own success. The first phase of the fund will begin in 2018 with a USD 3 million pilot phase.

“A MARKET
LEADER
in sustainable finance

Looking Inward

To build a sustainable infrastructure, we developed a set of key risk indicators (KRIs) that facilitate the analysis of day-to-day operations. These KRIs incorporate S&E factors to identify the bank's percentage of exposure to high S&E risks. The CIB Board of Directors reviews these indicators quarterly to reassess thresholds and ensure effective risk control in credit operations.

We realize that we cannot achieve our objectives without a comprehensive and periodic training agenda that enriches our staff's knowledge of sustainable development and S&E risk management. In 2017, 120 of our staff members participated in S&E training sessions.

Challenges, Opportunities, and a Call to Action

Although the country's potential to upgrade operations to encompass S&E standards is high, we have a long way to go. CIB remains one of the few institutions in Egypt that integrates S&E standards across its operations, but success in this field demands collective institutional action. With this vision in mind, CIB calls for collaborative action by regulators and peer institutions to facilitate and encourage migration from traditional economic schemes to ones that embraces S&E responsibility at the heart of their operations. Concern for society and the environment is no longer a novel, supplementary function, it is now perceived as a necessary aspect of day-to-day risk operations, and we must work collaboratively to bridge this gap.

2017 IN NUMBERS



120

Staff Members
Received S&E Training



50.1%

S&E Risk in Credit
Portfolio



UNEP-FI Member



EBRD Partner



IFC Partner

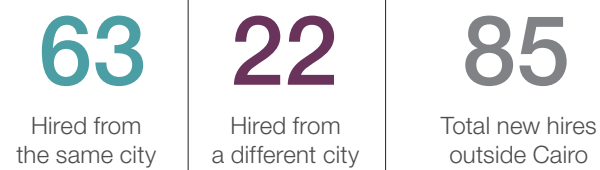
Enhancing One Another Enables Growth

CIB acknowledges that cultivating its human capital is imperative for sustainable growth. The Bank offers its employees highly competitive benefit packages that are well-above the national industry average.

An annual Employee Effectiveness Survey and individual performance appraisals are an integral component of CIB's Human Resources path. Results are consistently reviewed by the Executive Management.



Branches Outside Cairo New Hires as of end 2017



Employees hired from different cities were hired in touristic regions; Hurghada, Sharm El-Sheikh, Marsa Allam and Sinai.

Gender	No. of New Hires 2017
Female	152
Male	380
Total	532

Resignations & Turnover ratio (2017)

Resignations	432
Turnover	6.4%

E- Learning

CIB utilizes every available learning tool and is constantly introducing new learning delivery modes and tools. Aside from regular training sessions, CIB staff have access to an expanding digital learning platform. E-learning is utilized particularly in cases where all employees need to be informed on a certain topic or tool within a short period of time eliminating the need for employees to be physically present on weekends during emergencies. The L&D department monitors the completion and passing rates of all employees and makes sure that no one is left behind. The digital platform also allows employees to expand their training profile exceeding the mandatory target of 4 modules annually with some taking part in 6 or even 8 modules if they so choose.



E-Learning courses were conducted in 2017

Management Associated Development Program (MADP)

MADP is a program that selects a group of high-performing fresh graduates selected for recruitment by CIB.

“ Through this program I participated in a shadowing phase where I received hands on experience in different positions within the Bank

MADP Participant



employees participated in MADP in 2017

Empowering Women

1,892

Total number of women/ managerial level

2

Non-Executive Board Members

4

C-suite executives

275

Senior positions

I KNOW

In alignment with the Bank's digital strategy to increase employee engagement levels the I KNOW, Exclusively CIBian mobile application was introduced giving staff a secure and easy way to access the Bank's portals wherever and whenever they want.



The Learning & Development Department (which is recognized by other financial and non-financial organizations) affirms that all CIBians have a structured, function-specific and mandatory learning footprint. Each CIBian enjoys an equal chance to learn and develop.

“We take pride in having the best people in the business: a diverse, highly-educated workforce that is the driving force behind CIB’s record-breaking success.

Head of HR

“Topics are chosen based on need and strategic importance. We are careful to balance urgent and important topics and to ensure that everything is covered consistently.

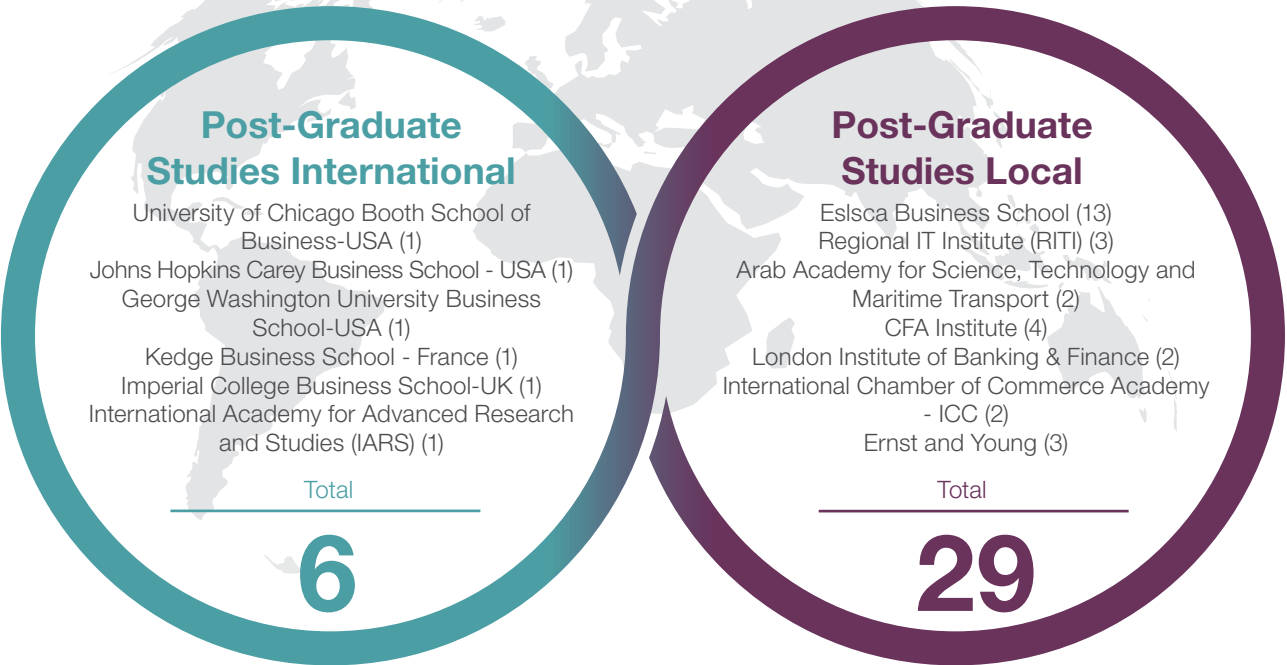
Head of Learning & Development

Training at CIB in 2017

	Female	Male	Total
Average training man hours	262,297	111,153	373,450
Total Population	4,661	1,889	6,550

Post-Graduate Studies

CIB sponsors staff members who wish to conduct post graduate studies in Egypt and abroad



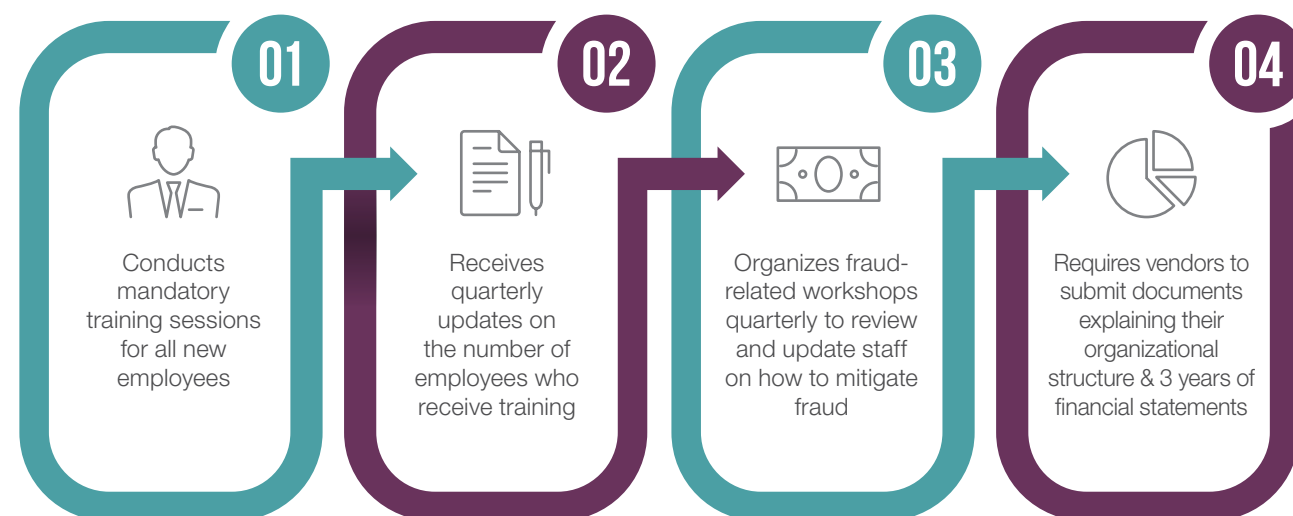
“KEEPING our staff members happy is an ongoing priority



CIB’s digital learning platform has allowed the bank to expand its training activities giving employees the luxury of completing online courses without being physically present at the Bank

Anti-Money Laundering Learning Activities

CIB's Anti-Money Laundering Department:



Equal Treatment Leads to Assured Growth

Fifteen million Egyptians with special needs are facing daily challenges due to lack of proper infrastructure to meet their needs. 2018 was therefore declared as the

year to recognize those with special needs in Egypt. This issue has been high on CIB's focus for a few years and we have successfully completed the following:

25

branches equipped with ramps, low-teller desks & toilet rails

95

talking ATMs installed

138

front-liners and customer representatives received 9 rounds of training

250

employees trained to deliver optimum customer service for our special needs customers



From our earliest days of advertising, CIB has been at the forefront of Egyptian banks, renowned for meeting the needs of both our corporate and retail clients

An Enduring Customer Management System is Essential to Growth



Apex customer satisfaction is the prime objective of CIB staff at all levels. In order to ensure maximum levels of efficiency, punctuality and 24/7 communication with customers we have a dedicated team in place to hear out customer complaints in branches, call centers and through social media channels.

Reports and service indices are generated and closely monitored, with the purpose of incorporating client feedback and/or concerns into CIB's key decision-making process. Reports are verified periodically by a third party through Customer Satisfaction and NPS Surveys that help benchmark the organization against regional and international best practices.

CIB has an internal, high-level, Customer Experience Forum whose members work on decision, action plans, performance monitoring, and service indicator results to create a customer centric culture that is devoted from top to bottom to the customer experience. Members will follow on Service Indicator Results, NPS and Satisfaction Survey findings to tackle challenging areas and agree on actionable decisions.



To ensure that CIB is well ahead of the centricity approach, we are targeting a 5% performance increase against the 2017 agreed/achieved results in addition to incorporating a wide range of new indicators to improve our monitoring system even further.

Head of Customer Care & Experience



DEDICATED
round-the-clock to serve our customers

Refining Loyalty



Branch simulator

This analytics tool simulates the customers' journey within branches, with the objective of re-engineering and optimizing branch workflow, leading to decreased branch waiting time and hence a more enjoyable customer experience.



Data-based segmentation

CIB has revamped its existing segmentation strategy from a traditional balance-based customer segmentation to a more data-driven behavioral segmentation that puts the customer at the heart of the organization. The newly proposed approach puts more emphasis on the lifestyle and consumption behavior of the customer thus enabling the bank to offer tailored products that better meet the customers' needs.



Anomaly detection

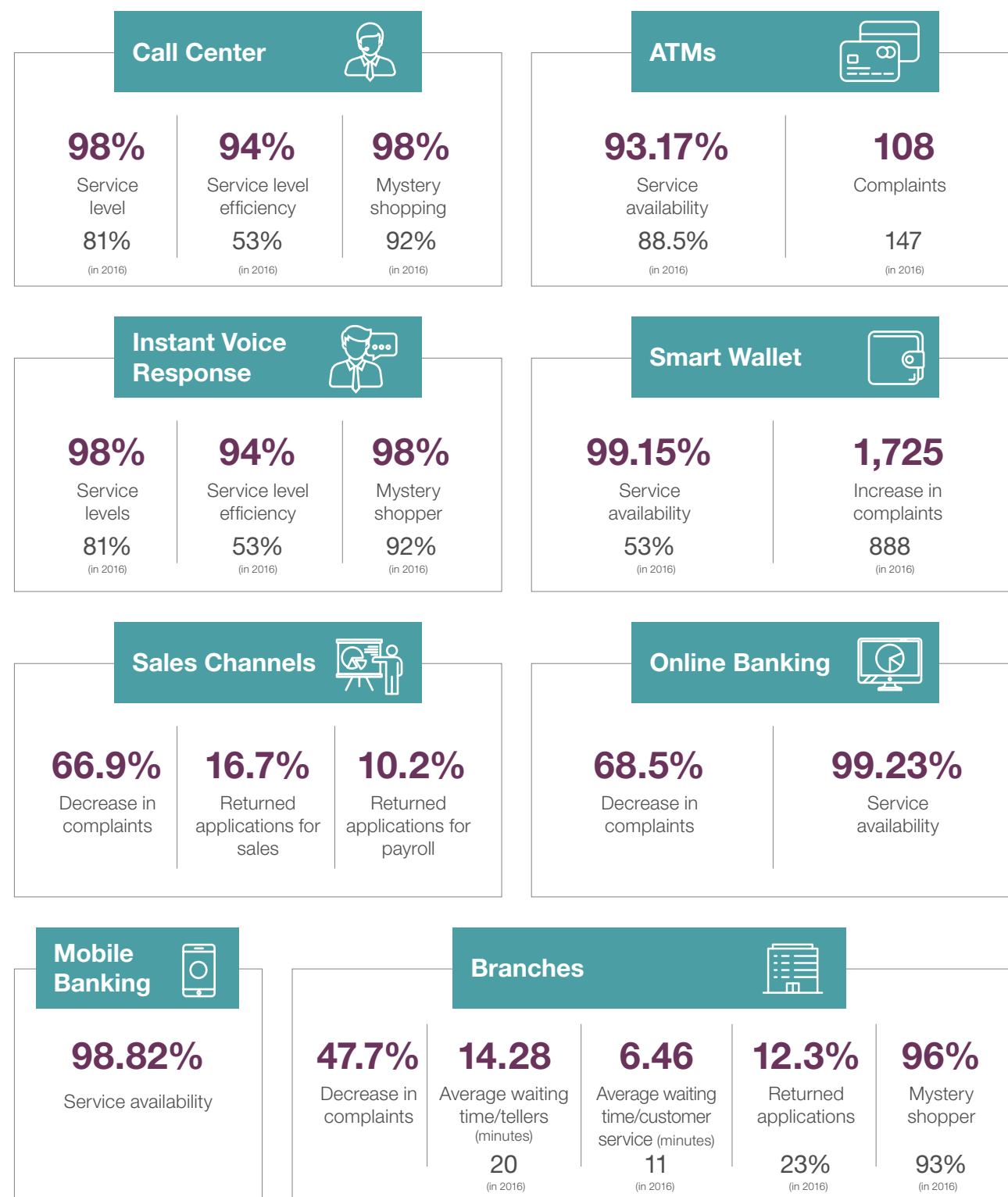
A joint effort between our analytics and compliance teams developed an anomaly detection model with an accuracy prediction rate exceeding 90% compared to a global average of 70-75%. The model aims to identify abnormal behavior of the bank's retail customers who are using their personal accounts for business purposes.



Heartbeat

A social media-monitoring tool, developed by CIB's data analytics department, that mitigates arising reputational risks, creates leads through spotted opportunities, and leverages on successful market campaigns and product launches. The monitoring tool helps our risk and marketing departments to spot threats and opportunities through a thorough analysis of customer sentiment on social media.

Customer service levels witnessed improvement on all fronts in 2017



51.7%

Overall decrease in complaints Y-O-Y



CIB

has moved to a more data-driven behavioral segmentation strategy that puts the customer at the heart of the organization

Employing Tech in Bridging Opportunities

As of 2017, CIB had revamped its online platform, introduced the mobile banking app, and upgraded the Smart Wallet. The Smart Wallet in particular is expected to become significantly popular, especially among the unbanked population in Egypt since it does not require a bank account. The app was developed under the CBE's financial inclusion initiative and has been endorsed by several banks in the market. We aim to differentiate our Smart Wallet app from the rest of the market by expanding our service potential and range of transactions, and encouraging activity through consumer campaigns and exclusive offers carried out through partnerships with various entities.

Encouraging a Cashless Society

Customers today are increasingly demanding round the clock service availability and accessibility, instant transaction processing with discounted fees, and a more comfortable banking experience overall. CIB Digital banking aims to deliver on all of these demands through innovative technologies. The term traditionally began with ATMs and phone-banking, however, it has since expanded to reference online and mobile-phone banking platforms and solutions. The field is considered critical in addressing large unbanked populations in developing markets, such as Egypt.

Thus far CIB's Smart Wallet provides cash-in or cash-out from any of CIB's vast network of ATMs across Egypt, in addition to bill payment and other services through Fawry. Our smart wallet can also be used for online purchases by providing a virtual card number (VCN), meeting a much-needed demand from unbanked individuals who wish to make online purchases without owning a credit or debit card.

“Customers want to be helped in making intelligent and better-informed financial decisions, and they want customized and integrated solutions. Advances in mobile technology (like 4G), software, and the science of data analytics are now presenting untapped opportunities for innovation

Chief Digital Officer

Integrating Artificial Intelligence in Our Growth Ideology

Digital technology, analytics and data management have emerged as new tools that provide value from big data and create a competitive advantage for corporations. Analytics and data management is now being used to enhance operational efficiency, accelerate growth, improve service, mitigate risk and reach untapped markets; all areas which help CIB maintain a strategic advantage and sustainability in the financial service industry. By applying statistical tools, algorithms and optimization simulations CIB is transforming big data into valuable insights.

Data analytics is already shaping the future of multiple industries and the impact on bottom line is starting to bear fruit. An even bigger change is looming on the horizon as deep learning reaches maturity, giving the machine

unprecedented capabilities to problem solve. In order to keep up with the global analytical trend governments and organizations need to stay ahead of the curve by implementing analytical capabilities that will assist in achieving sustainable growth targets.

As Egypt is a highly consumer-driven market with indisputable purchasing power, CIB is identifying and analysing consumer behavior to penetrate this expanding consumer base and serve their ever growing needs. CIB established national data labs that focus on solving critical national issues such as: improving productivity and growth, achieving financial inclusion and optimizing natural and human resource allocation.

CIB data labs are advancing to help create a data-driven culture, flooding the market with data scientists, providing government entities and organizations with data-driven insights

and providing valuable support to decision-makers. These engagements range from use-case specific applications to full-scale analytics transformation. Teams of consultants, data scientists, and industry professionals are working together to identify such opportunities, assess available data, define solutions, develop algorithms, ingest data, and monitor outcome while building the capabilities to sustain and expand it.

We need to create research partnerships to close the data science and analytics skills gap that exists between higher education and industry. This will require new initiatives to address how government, academic institutions, technology companies and professional employees can work together to reform the traditional decision making value chain so that we can achieve mass diffusion of knowledge to the market and breed data-driven future generations who can implement their strong analytical skills to various sectors.



Managing Security Risks is a Cornerstone of Sheltered Growth



With the ever-changing threat landscape and the increase in the sophistication of the Cyber Security attacks, CIB has invested heavily in building its Security Operations Center (SOC), the first of its kind in the Egyptian financial sector, which contributed significantly to CIB's Security capability in terms of detection and response to security-related incidents with pre-defined processes and a dedicated workforce.

CIB's visibility on Security threats / risks and the required level of alertness and response have increased dramatically, which was very evident during the second quarter of 2017, when the organization had to proactively respond to two major global cyber-attacks in the form of ransom-wares (WannaCry and Petya). A structured process of response and visibility on the threats was in place, which assisted IT and other Security teams in setting the response and preventive controls related measures.

Additionally, the visibility of the SOC on various security threats that CIB is subject to, has strengthened and reinstated CIB's "Defense in Depth" strategy and roadmap with regards to the Security Infrastructure and related technologies, where investments have been directed towards the advanced threat protection and protection against phishing, malwares and similar cyber-attacks.

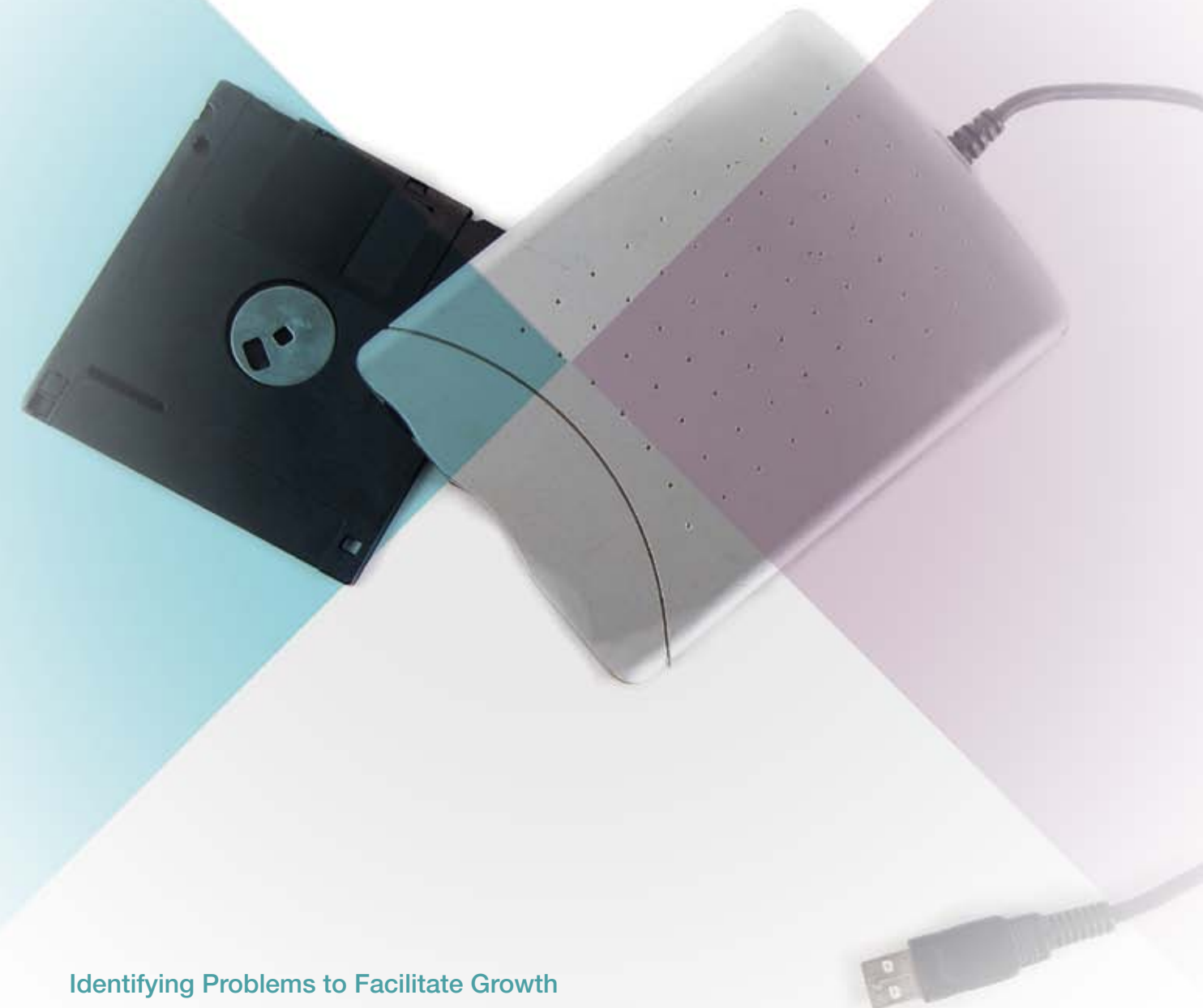
This was complemented with the formation of the Information Security Management (ISM) that introduced proper Security Governance, Risk and Compliance to ensure all aspects of Information Security are covered with clear roles and respon-

“FIRST bank in Egypt to adopt business continuity practices

sibilities, defined and supported by the required policies and procedures. In addition to managing security risks through a well-defined security risk assessment methodology that ensures proper risk assessment is conducted across the existing and newly introduced systems and platforms.

CIB was successfully awarded the Payment Card Industry – Data Security Standard (PCI-DSS) certification in August 2017. Efforts are also being exerted to comply with SWIFT Customer Security Program requirements, which were released in April 2017 and due for compliance by November 2018.

CIB was the first local bank in Egypt to adopt Business Continuity practices in 2010 and has since been a leader in this field within the Egyptian Financial Sector. We adopt international Business Continuity Management Standards and best practices, and we are planning to acquire the ISO 22301 certification to emphasize our commitment and high regard for this issue in response to rising concerns among our investors and community.



Identifying Problems to Facilitate Growth

In 2017, the scope of our Crisis Management planning was widened by introducing new crisis scenarios covering Cyber Security and Media Crises, coupled with exercising crisis response strategies and plans with the organization's key stakeholders. Internal awareness activities are being conducted to make sure everyone is aligned in the event of a crisis, live drills have also been practiced in key departments.

Additionally, the bank introduced a Business Continuity Lifecycle management software that automates various aspects of the process and ensures efficient management and tracking of deliverables. The software will also act as a critical communication tool in the event of a crisis.

Developing Outside the Comfort Zone



At CIB we believe that conserving natural resources is the responsibility of each and every member of the community and hence we continue to take the necessary steps that will

set new standards in environmental stewardship and help preserve Earth for future generations.

Energy Consumption



Completed bank-wide LED-lighting transformation resulting in record reduction in the consumption of energy c. 1,840,229 KWH between 2016 and 2017 preventing the emission of c. 1 million kg of CO₂ annually.

Electrical, PV, HVAC has been connected to a building management system to ensure effective monitoring.

Split air conditioning units with environmentally friendly refrigerant 407-A are used to prevent ozone depletion.

Green Mitigation



Eco-friendly buildings are a CIB trademark. Engineering works commit to general accessibility, healthy air quality, visual comfort, sustainable housekeeping practices and a pesticide control policy.

CO₂ emissions are kept under control through group transportation. CIB runs 85 buses to facilitate transportation and reduce emissions. Buses are used regularly by 1,600 employees (approximately 24% of our total headcount), and monthly running costs are approximately EGP 1.1 million.

CIB invested in a mobile carpooling application for staff members who wish to share rides. Over 1,169 active members carpool reducing total CO₂ emissions by an estimated 25,402,000 kg in 2017.

A carbon audit is currently in progress for CIB's 210 buildings. Results are expected to be published in 2018.

7 MN KG
of CO₂ have been
saved since 2014 by
switching to renewable
energy systems



Waste



Paper waste is being exchanged for cash through recycling outlets. As a result, EGP 200,000 was credited to a sustainability account in 2017. CIB aims to decrease waste by a further 2% by switching to digital products and software applications.

Electronic waste is also rendered to vendors certified by the Ministry of Environment to ensure ethical disposal and recycling.

Biodegradable plastic is used to distribute the bank's products and give-aways.

OVER 1,169
staff members share
rides using our mobile
carpooling App

Water Consumption



Water airtaors and infrared taps are used in lavatories resulting in a 20% reduction in water consumption.

Growing and Helping Others Grow

The CIB Foundation is unique in that it receives 1.5% of the bank's annual profit to advocate the giving spirit among staff members and external donors.

Children

The independent CIB Foundation rewarded, constructed, established, funded and financed a large number of children's projects in Egypt estimated at more than EGP 177.5 million. Among the projects that the Foundation funded are:

DONATED
more than EGP 177.5 mn
to finance a number of
projects aiding children



264 eye exam caravans providing health care services to 158,000 public primary school students



Support for the education of children with special needs and impoverished students to pursue high level education abroad



Research labs at the Magdi Yacoub Heart Center



PET CT scanners at the Children's Cancer Hospital



Pediatric intensive care units at 4 mega public hospitals



Winter sweaters for over 50K children



600 blood bags donated by CIB staff members



500 critical eye surgeries



Often treated as a proxy for the Egyptian economy, CIB shares have continued to be one of the top performers despite market volatility--the bank has grown and in the process has helped others to grow

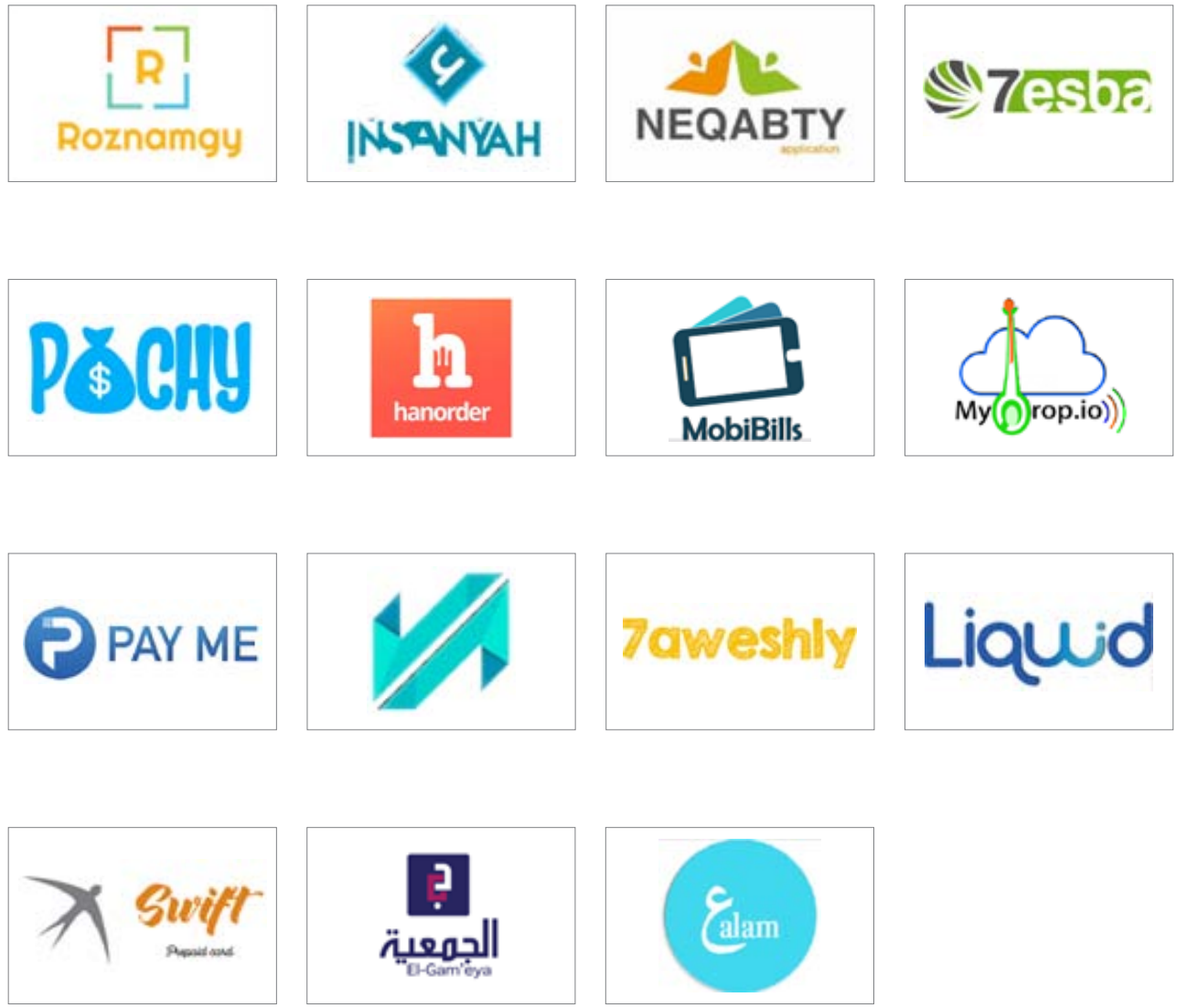
Youth & Fresh Minds

CIB partnered with the American University in Cairo (AUC) venture lab to create a FinTech Accelerator. The initiative graduated 15 start-up groups representing 35 young inspiring Egyptian entrepreneurs who received guidance and mentorship.

In partnership with an Egyptian television network, CIB provided financial support for an entrepreneurship competition with awards ranging from EGP 100,000- 500,000.

We believe that creativity is contagious and improves the social fabric of our communities. CIB encourages young artists to demonstrate their best artwork to be assessed by high profile experts who help them to sell their work.

The Bank also advocates and encourages healthy lifestyles amongst our youth. For the the sixth consecutive year, CIB has been a key supporter of the Egypt Squash Federation's national team and has provided support for talented athletes to learn the sport.



In the 40-plus years that we have been in business we have been proud advocates for youth-led economies. By doing our part to encourage young entrepreneurs and artists we hope to see young people build a better future

External Suppliers

We manage a diverse database of 320 environmentally-friendly and socially-aware vendors 80% of whom are local. Our supply chain is operating as per a due diligence process that mitigates any risks jeopardizing its interests. Evaluations and assessments have proven that 80% of the bank's suppliers are eco-friendly.



80%

of our largest suppliers are local, sustainable & environmentally-friendly



WE MANAGE
a diverse database
of 320 active vendors

Actions Not Words Signs of Strengths



3

Good Health & Well-Being

4

Quality Education

5

Gender Equality

Egypt 2030: Education & Training, Social Justice, Transparency & Competency

CIB directly applies Sustainable Development Goal (SDG) 8 by providing its 6,583 employees with fair living wages and benefits that far exceed legal requirements. We are widely regarded as an employer of choice across Egypt.

We also provide a safe working environment for women by: enforcing a strict code of conduct, offering maternity leave for up to two years and eliminated the gender pay gap. While women represent only 30% of our total workforce, we are well

above the national average for Egypt's which is estimated to be 22% (World Bank, 2017). We will continue to work to expand the number of women at all levels within our organization.

CIB supports SDG 4 (Quality Education) with a number of activities focused on increasing access to adult education, developing relevant skills for employment, and eliminating gender disparities in education. As outlined in the L&D section of this report, CIB is committed to providing the most advanced training modules for its employees and ensuring that they all have equal access to training.

7

Affordable & Clean Energy

8

Decent Work & Economic Growth

9

Industry, Innovation & Infrastructure

Egypt 2030: Knowledge & Innovation, Social Justice, Economic Development

The main focus of our analytics and digital strategy is boosting our competitive edge and facilitating financial inclusion. We are specifically focused on increasing "the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services,

including affordable credit, and their integration into value chains and markets."

CIB plays a role in helping to reduce inequalities between Egypt's developing economy and more developed ones by utilizing advancements in technology and introducing new advances to the Egyptian market. We also play a role



in reducing inequalities within our market by empowering disadvantaged groups and supporting SMEs.

We aim to help individuals, small businesses, and corporations alike to creatively mobilize the capital needed to fulfil

their growth potential and create a ripple effect of economic development and sustainable communities. This goal can only be achieved through a comprehensive, customer-centric approach that responds to the evolving needs of our diverse customer groups.

10

Reduced Inequalities

11

Sustainable Cities & Communities

12

Responsible Consumption & Production

Egypt 2030: Economic Development, Transparency & Competency

Through our comprehensive risk management framework that includes social and environmental credit risk, we strive to influence our clients, the major businesses

and producers in the Egyptian market, to adopt sustainable practices and integrate sustainability information into their reporting. We make every effort to stay true to our words and lead by example so that we may effectively influence other entities.

13

Climate Action

16

Peace, Justice & Strong Institutions

17

Partnerships for the Goals

Egypt 2030: Environment, Health, Urban Development and Social Justice

By regulating our emissions, ensuring the safe removal and management of our waste, and guaranteeing that our buildings comply with the highest possible standards for safety and environmental impacts, we demonstrate our robust commitment to mitigating our negative environmental impacts, conserving our environment, and encouraging our employees to do the same beyond their work affiliation. CIB has invested heavily in large-scale renewable energy and other much needed infrastructure projects to drive national economic development. On the opposite end of the spectrum, we also invest in SMEs,

healthcare for underprivileged children, empowering people with special needs, local arts and culture, and supporting national athletes. Our impact would not be possible without the many partnerships and collaborations we seek and maintain in order to reach our ultimate goal of creating shared and sustainable value for all our stakeholders.

We fulfill SDG 16 by enforcing and abiding by regulations and strengthening our institutional capabilities and resilience to crime and corruption. We also adopt the most advanced standards and tools to ensure business continuity and appropriate responses to crises.

GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission	EA ¹
GRI 101: Foundation				
GRI 102: General Disclosures (Core Option) 2016				
Organizational Profile	102-1 Name of the organization	Commercial International Bank		
	102-2 Activities, brands, products, and services	Annual Report		
	102-3 Location of Headquarters	Cairo, Egypt		
	102-4 Location of operations	Egypt		
	102-5 Ownership and Legal Form	Annual Report		
	102-6 Markets Served	Egypt		
	102-7 Scale of the Organization	Annual Report		
	102-8 Information on employees and other workers	Annual Report		
	102-9 Supply Chain	Page 40		
	102-10 Significant Changes to the Organization and its Supply Chain	Not applicable		
	102-11 Precautionary Principle or Approach	Pages 6 and 34		
	102-12 External Initiatives	Annual Report		
	102-13 Membership of Associations	UNEP-FI American Chamber of Commerce in Egypt		
Strategy	102- 14 Statement from senior decision-maker	Page 6		
	102-15 Key impacts, risks, and opportunities	Pages 6, 10 and 12		

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission	EA ¹
Ethics and Integrity	102-16 Values, Principles, Standards and norms of behavior	Annual Report		
Governance	102-18 Governance Structure	Annual Report		
Stakeholder Engagement	102-40 List of Stakeholder Groups	Pages 10 and 12		
	102-41 Collective Bargaining agreements.	Percentage of total employees covered by collective bargaining agreements is not calculated		
	102-42 Identifying and Selecting stakeholders	Page 10		
	102-43 Approach to stakeholder Engagement	Page 10		
	102-44 Key topics and concerns raised	Pages 10 and 12		
	102-45 Entities included in the consolidated financial statements	Annual Report		
Reporting Practice	102-46 Defining report content and topic boundaries	Pages 10 and 12		
	102-47 List of Material Topics	Pages 10 and 12		
	102-48 Restatements of Information	No		
	102-49 Changes in reporting	Pages 6 and 34		
	102-50 Reporting Period	Page 1		
	102-51 Date of the Most recent report	April 2017		
	102-52 Reporting Cycle	Page 4		
	102-53 Contact Points for questions regarding the report	Page 4		

¹ External Assurance.

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission	EA ¹
	102-54 Claims of reporting in accordance with the GRI standards	Page 4		
	102-55 GRI Content Index	Page 44		
	102-56 External Assurance	Page 48		
Material Topics				
Financial Performance				
Economic Performance-2016	201-1 Direct Economic Value	Annual Report		
Regulatory Compliance				
Anti-Corruption-2016	205-1 Operations Assessed for risks related to corruption	Pages 16 and 17		
	205-2 Communication and training about anti-corruption Policies and Procedures	Page 24		
Inclusion and Impact Investments				
Indirect Economic Impacts-2016	203-1 Infrastructure Investments and services supported	Pages 36 and 38		
Human Rights-2016	412-2 Employee Training on Human rights policies or procedures	Pages 20, 21 and 22		
Sustainable Procurement Practices				
Procurement Practices-2016	204-1 Proportion of Spending on Local Suppliers	Page 40		
Supplier Assessment-2016	308-1 New suppliers that were screened using environmental criteria	Page 40		x
Ecological Responsibility				
Energy-2016	302-4 Reduction in Energy Consumption	Pages 34 and 35		

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission	EA ¹
Emissions-2016	305-5 Reductions of GHG Emissions	Pages 34 and 35		
Effluent and Waste-2016	306-2 Waste by type and Disposal Method	Page 35		
Employee Well-being				
Employment-2016	401-1 New Employee Hires and Employee turnover	Pages 20, 21 and 22		
	401-2 Benefits provided to full-time employees	Pages 20, 21 and 22		
	401-3 Parental Leave	Pages 20, 21 and 22		
Training and Education-2016	404-1 Average Hours of Training per Year	Pages 20, 21 and 22		
	404-2 Programs for upgrading employee skills and transition assistance programs	Pages 20, 21 and 22		
	404-3 Percentage of Employees receiving regular performance and career development reviews	Pages 20, 21 and 22		
Privacy, Security, and Crisis Management				
Consumer Privacy-2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	Confidentiality Constraints	-
GRI 103: Management Approach 2016				
	103-1 Explanation of the Material Topic and its Boundary	Pages 10 and 12		
	103-2 The management approach and its components	Pages 14, 16, 26, 20, 32 and 40		
	103-3 Evaluation of the management approach	Pages 14, 16, 26, 21, 30 and 40		

² Disclosures on the management approach, especially 103-2, has been reported on all material topics. Some of which are not covered by a GRI Standard, including Customer-Centricity, Digital Banking, and Social & Environmental Credit Risk. Management approaches are reported in detail across all material topics.

Dear Chief Communications Officer,

Cairo, April 8th 2018

Dcarbon is a local sustainability and environmental consultancy firm registered under the Egyptian law no. 159 for the year 1981 and its executive regulation. Dcarbon is a certified training partner to the Global Reporting Initiative (GRI), and a GRI Gold Community member. Our main focus is to assist organizations, public and private, in understanding and addressing their economic, environmental, and social impact.

We have performed an independent assurance engagement on CIB's 2017 Sustainability reporting process in order to advance the implementation of GRI reporting principles and disclosures for fulfilling the GRI Standards Core option; particularly the materiality, stakeholder inclusiveness, and sustainability context reporting principles.

Reasonable assurance was obtained with regard to the disclosures covering stakeholder engagement exercises, materiality assessment, and activities under ecological responsibility (energy, emissions, and waste). A limited assurance level was

obtained for disclosures on social investments, procurement practices, and employee well-being. We advise stakeholders to review the annual report for assurance on financial performance and other standards of practice.

Assurance activities included:

- Reviewing of internal policy, procedures, and strategy documents.
- Auditing stakeholder interviews and other engagement activities including data collection through surveys and writing prompts.
- Real-time evaluation of the processes for determining, processing, and monitoring of data collection for disclosures.
- An external context analyses that verifies the SDG and Egypt Vision 2030 mapping section of this report.

Based on the activities performed and the evidence received, in our opinion, CIB has complied, in all material respects, with the GRI Standards sustainability reporting criteria.

Ehab Shalaby, Phd.
Chief Executive Officer



CIB's first official stamp from 1978



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