



Dear Mr. Secretary – General,

I hereby confirm the Egyptian Banking Institute's (EBI) continued commitment to the ten principles of the UN Global Compact (UNGC) with respect to human rights, labour standards, environment and anti-corruption, and to make a clear statement of commitment to our members.

Being the official training arm of the Central Bank of Egypt, the Egyptian Banking Institute's mission is to apply the international best practices in developing the technical and managerial skills of financial service professionals as well as learning, consultancy and knowledge management to enhance the capabilities of the banking and financial sectors on the national and regional levels which will eventually result in raising the awareness of the entire banking sector to apply the ten principles of the UNGC.

We also confirm our pledge towards participating in the UNGC activities, specialized initiatives as well as partnership projects. We believe that we have a role in spreading the UNGC principles among our niche market to encourage their participation and engagement in the UNGC.

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EBI is totally aware of the important and vital role played by UNGC to achieve sustainable development across the global business community and is committed to promote the implementation of the ten principles among different businesses, with emphasis on the Egyptian Banking Sector.

Yours sincerely,



Dr. Mona El Baradei, PhD.

Executive Director

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CENTRAL BANK OF EGYPT
Egyptian Banking Institute



البنك المركزي المصري
المعهد المصرفي المصري

United Nations Global Compact Report

Communication on Engagement

Presented by the **Egyptian Banking Institute**

Date: October 31st, 2015

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The Egyptian Banking Institute (EBI) is submitting this report in accordance to the Academic category requirements that requires incorporating the CG principles in internal operations. Moreover, delivering education on CG principles is among EBI top priorities.

Procedures followed by EBI to ensure the implementation of the ten principles of UNGC are as follows:

Human Rights:

EBI provides equal treatment among all employees; in addition to enforcing equal policies and procedures through disseminating an Employees Handbook to all employees to follow and abide by which is acting as a code of conduct for all employees. The following are examples from the applied internal policies and procedures that ensures application of human rights:

- Providing emergency medical care to EBI staff, trainees, and visitors
- Participating in the social insurance program at the National Organization for Social Insurance (NOSI), under the social insurance number of the Central Bank of Egypt (CBE), to provide employee with applicable right in the social insurance and applicable retirement benefits.
- Offering life insurance for employees in the event of disability or death.
- Participating with a third party medical insurance company to provide employees with applicable medical benefits.
- Women are allowed 90 days maternity leave with full payment after delivery and could be extended to 6 months without pay.
- Child labour is prohibited.

Labour:

Recruitment at EBI is neutral, and open for all with no discrimination of sex, religion, and depends only on competencies and efficiency of applicants. A certain criteria is set and applied fairly and transparently to ensure fair and equal treatment and to ensure a friendly and healthy environment for all members of the institute as follows:

- Standard Operation Manuals (SOPs) for different policies and procedures covering all different functions are disclosed on EBI portal for the staff reference and compliance.
- Complaints system: Providing direction, oversight and third party objective solutions to employee grievances, problems or concerns including formal complaints, investigation of harassment or mistreatment claims and other workplace misconduct allegations.

The following are the procedures followed in this aspect:

1. The Human Resources Director identifies a “Suggestions and Complaints Box” that should be placed in a viewable and accessible place in the institute, where this place is announced via e-mail to all EBI members. Managers are encouraged to verbally inform their subordinate whom jobs does not require a computer.
2. The Box is available throughout the year and is designed to receive (anonymously or not) any complaints, grievances, claims, suggestions for improvements, or any other thoughts or feelings the employees might have that are relevant to the work environment within the institute.
3. The Human Resources Specialist regularly checks the box, to collect any papers inside (if any).
4. Collected notes (complaints or suggestions) are submitted to the Human Resources Manager for review and taking the appropriate actions accordingly.
5. Complaints might also be raised by managers or any EBI employee, personally, via e-mail or memorandums. Reasons might be relating to

violating EBI employment policies detailed in the Employee Handbook or EBI Code of Conduct and Ethics (See Phase IV – A: Introducing and Explaining Employment Rights and Responsibilities), or other performance or behavioral concerns.

6. The Human Resources Director investigates the issue in separate meetings with the complainer and the subject employee, with the objective of resolving the conflict in a way that achieves stable and productive performance and work environment.

7. If the complaint or claim is submitted by the employee's direct supervisor, the Human Resources Director should inform the manager's manager for an initial step of resolving the issue within the department. In this case, the manager's manager should inform the HR Director with the results of his/her involvement.

8. Any disciplinary action resulting from any of the above mentioned cases is applied according to the Egyptian Labor law rules and regulations and EBI guidelines.

- Several training and development activities are directed towards developing either the technical skills and capabilities or enhancing and developing EBI values and behaviors.
- Employee training is provided to ensure employees at the different staff levels are competent to perform the duties of their position. It is also essential to the growth of employees and the preparation of those identified as future leaders within the organization.
- Ensuring workplace issues are handled effectively and expediently in order to remove barriers to successful job performance and foster a positive work environment. Increase in employee satisfaction may increase business-unit outcomes, including profit, decrease employee turn-over, and enhance efficiency and over-all productivity.

- The Executive Director carries out speak up meeting with all the staff at least once a year, to inform them about EBI strategies and directions and listen to their opinions and ideas.

Environment:

EBI maintains an environmental-friendly premises in order to ensure a healthy environment through the following procedures:

- Depending mainly on electronic media, networks and portals for sharing information and automating workflows which resulted in reduced paper usage in printing and photocopying. If printing is necessary staff is asked to print double-sided.
- Full color printing is used only when necessary.
- Sending paper waste for recycling and using shredders in all departments for the sake of keeping privacy of information
- Introducing environmental friendly technologies.
- Computers are switched off or switched to sleep mode automatically whenever they are not used to save energy.
- Lights and air-conditions are turned off after working hours and whenever the rooms are not in use.
- Replaced the energy consuming traditional incandescent light bulbs with the energy saving (LED) light sources for power saving and to lessen the heat emission.

Anti-Corruption:

EBI fights corruption through certain incorporated systems and procedures. Moreover, a Whistle Blowing System to detect corruption is planned to be introduced to ensure a more ethical and honest environment.

- EBI Board composition is following the international recommended board composition which incorporates a majority of non-executive members in addition to two independent board members
- All board members are disclosed on EBI
- Internal Audit Function is in place and acts independently to ensure effective internal control
- External Audit through an independent entity in addition to the Accountability State Authority
- Audit committee reports directly to the board and headed by non-executive member.
- Several verified signatures for invoices and checks to ensure segregation of duties
- Internal control system in place.
- Presents and Giveaways – except those for marketing and with tiny values - are prohibited.

Education:

Being the official training arm of the Central Bank of Egypt, EBI has endorsed several agreements with various stakeholders to deliver training programs related to green banking, and inclusive banking aiming at promoting the GC principles among the entire banking sector; such as:

❖ **Inclusive Banking:**

An inclusive banking program was delivered to the entire banking sector in cooperation with the Global Compact local network focal point in Egypt (Egyptian Corporate Responsibility Center) to develop sustainable business models, in addition to improving the national capacity to design, apply and monitor sustainable CSR policies.

❖ **Mostadam Certification:**

This certification was delivered in cooperation with the Arab African International Bank (AAIB) and the Egyptian Corporate Responsibility Center. In this program, participants acquired the knowledge to explain the relevance and importance of sustainable finance, the positive correlation between finance and socio-environmental & governance issues. The participants also were able to describe how to raise money from the bottom of the pyramid and how raise money to finance clean energy projects. Moreover, the participants were able to describe how to fund micro and SMEs and entrepreneurs to develop business model for this purpose as well as broadening of risk concept to include social and environmental risk assessment and risk management. Finally, they acquired the knowledge to explain the concept of sustainability reporting.

❖ **CSR International Best practices in the Banking sector in Egypt:**

EBI has endorsed an agreement with CREM BV supported by the Ministry of Foreign Affairs of the Netherlands and Nuffic to provide train-the-trainer courses and conferences in the field of Corporate Social Responsibility for the banking sector in Egypt. The general aim of these trainings workshops and courses is to transfer knowledge, build capacity and make sure that 'sustainability' is embedded within the policies of participating organizations.

In this area of work, CREM supports business, government and NGOs to analyze sustainability issues, develop and implement CSR-strategies, develop assessment methodologies, development and evaluation of governmental policies, and creating new coalitions.