



بنك مصر
BANQUE MISR

نعمل معاً لخير بلدنا

30 October 2017
H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that Banque Misr supports the ten principles of the Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our bank, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. Banque Misr made a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our bank's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress annually, to express continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles.

Sincerely yours

Mr. Mohamed Mahmoud Eletreby

Chairman of Banque Misr



Banque Misr Annual Sustainability Report 2015/2016

HERE TO STAY HERE TO STAY HERE TO STAY HERE TO STAY
HERE TO STAY HERE TO STAY HERE TO STAY HERE TO STAY

Here To Stay



بنك مصر
BANQUE MISR

WORKING TOGETHER FOR PROSPERITY

S I N C E 1 9 2 0

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Here To Stay



Here To Stay

Banque Misr (BM) was established in 1920 by the pioneer economist Mohamed Talaat Harb Pasha, who believed that the economic independence of a nation produces true political independence. Thus, Banque Misr was established as the first bank to be wholly owned by Egyptians.

Egyptian citizens and investors, who were contributors to the national economy at the time, contributed to establishing a bank for all Egyptians. Contributors included companies such as Misr Spinning and Weaving Company, EgyptAir, Misr Insurance, Misr Oil Refining, Misr Travel, and Studio Misr.

These companies gave birth to an economic renaissance in Egypt by adopting industrial mechanisms that led to establishing all the vital institutions in modern Egypt. Thereupon, Banque Misr was brought to light, realizing Egyptians' dreams for progress and prosperity. Since then, the bank has remained steadfast in achieving its patriotic objectives, bringing Egyptians from all walks of life together.

The bank will continue to perform its great national mission, as one of the pillars of Egypt's economic prosperity.

Banque Misr is Here to Stay ...

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Banque Misr at a Glance

Established in 1920, Banque Misr was the first bank to be fully Egyptian-owned, and is currently the second largest bank in Egypt in terms of total assets.

Ownership:

State-owned bank

Customers:

More than 7 million in Egypt

Served by:

14,110 employees

Through Six Business Divisions:

Corporate Banking
Retail Banking
SME Banking
Capital Markets Group
Correspondent Network and Treasury
Islamic Banking

Across Five Countries:

Egypt
United Arab Emirates (UAE)
Lebanon
France
Germany

Branches:

Over 580 as of March 2017, the largest branch network by any bank in Egypt and the Middle East

Direct Equity Participation:

160 multi-sector companies

Mutual Funds:

8

Automated Teller Machines (ATMs):

1,715

Point of Sale Terminals (POS):

13,503

No. of Issued Cards:

4.9 million

Paid-up Capital:

EGP 15 billion

Shareholders' Equity:

EGP 26.6 billion

Total Assets:

EGP 430.2 billion

Customer Deposits:

EGP 341.3 billion

Net Interest Income:

EGP 11.3 billion

Net fee and commission Income:

EGP 2.165 billion

Income Tax Paid:

EGP 4.7 billion

Net Profit After Tax:

EGP 5.5 billion

A Bank with a Mission

Banque Misr's Inception and Headquarters Inauguration

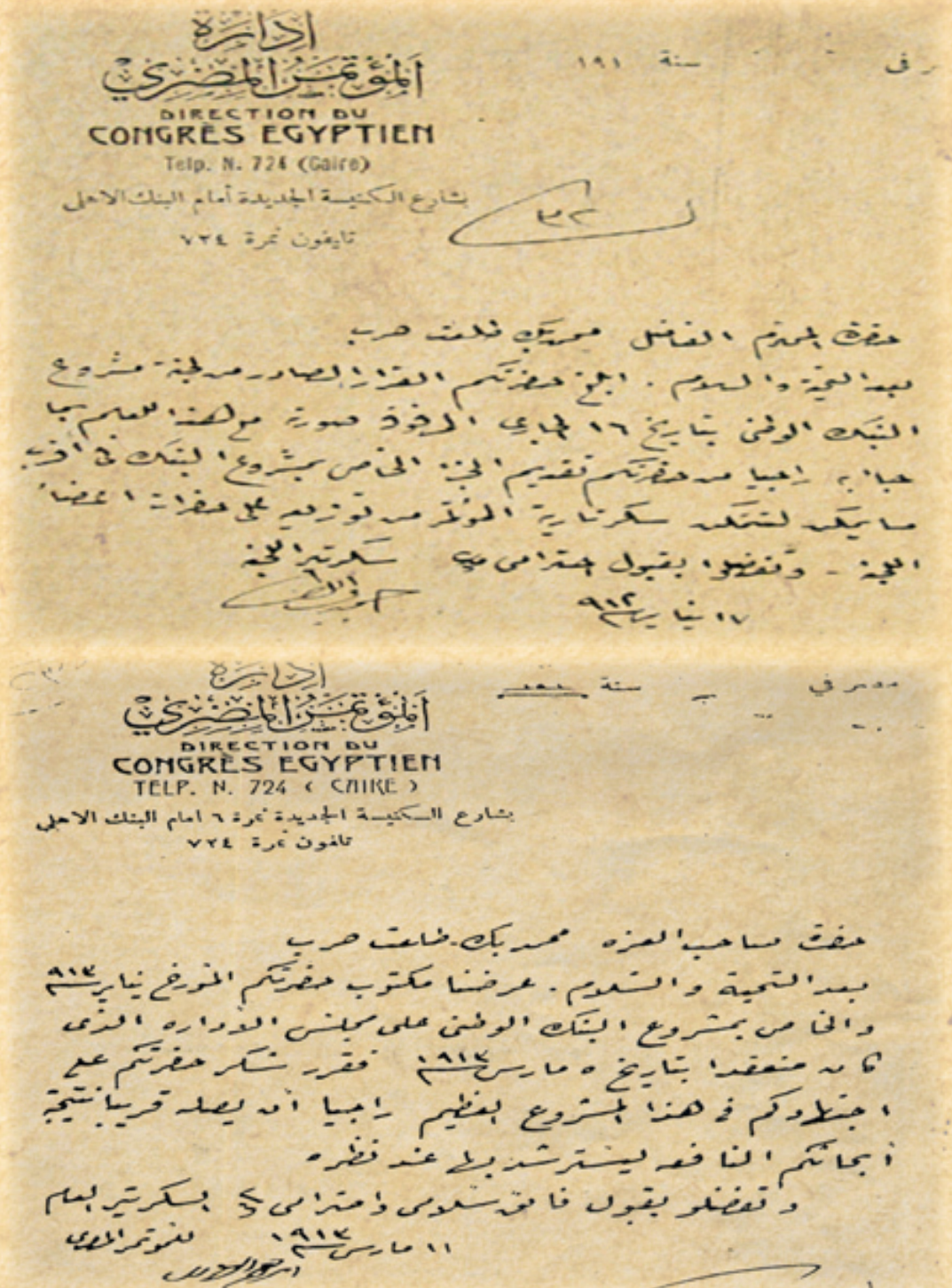
Banque Misr was established pursuant to a Royal Decree issued on April 3rd, 1920 and the preliminary contract signed by eight parties on March 8th, 1920.

The bank held its first General Assembly on May 7th, 1920 to announce the inception of Banque Misr. The bank opened its doors for the first time on November 15th, 1920.

It was Talaat Harb who strived for the establishment of a national bank that serves Egyptians' interests and preserves the country's wealth. Harb continued advocating for his call through writing in several local newspapers, delivering lectures, and conducting researches in various occasions and conferences since the early 1900s.

In this section, we will present some documents recounting the formation of Egypt's first national bank, the procedures of establishing the bank's headquarters-a uniquely artistic work of architecture-and the inauguration ceremony in 1927.

Bank with a Mission



Some letters from the Egyptian Congress to Talaat Harb Pasha concerning the bank's establishment proposal during 1912 and 1913.

Bank with a Mission

زبادتها علامة على وفي الأمة وسعادتها أم على شغلها
وقرأها وحل توفيق يديرها
خامساً - حالة البلاد الأدبية والأخلاقية - وهل
التعليم الخالي كاف لحاجيات الأمة أو هو ناقص ؟ وما هو
اللازم عمله لترقيته وما يلزم أن عمله لا ولادة لمساكنة غيرهم
في معترك هذه الحياة ؟ وما هي الآداب التي يجب أن
تنبأ فيهم وما هي العادات التي يجب المحافظة عليها ؟ وما هي
الحقبة التي يجب اتباعها لترقية شأن المرأة لأنها هي الخير
الأساسي للعائلة ؟ وهل الاقيد للبلاد أن يكون الاعتبار
الاجتماعي في تكوين الأمة على الأفراد أو على العائلات ؟
سادساً - المجاورة على السؤال الآتي الذي وجهه
استاذ صيني الى تلامذة صينيين في مدرسة صينية بالصين
وهو «هل الاخذ بأسباب المدنية الاوربية الحالية في بلد
شرقية مضر أو مفيد» وماذا اليابان لما احدثت بهذه الاسباب
ترقت وادفع شأنها ومصر لما حاولت ذلك انحطت
فمن حق بالبحث في هذا الموضوع والمجاوبة على هذا
السؤال وأولى به من غيرنا . والله الهادي لسواء السبل
«الجريدة» تشكر خضرة صديقتنا على انتقادها المفيد
والبرنامج الحكيم الذي ذكره واسلمت الى حضرة وال
الكتاب انت يفضل كل بما يريد نشره في هذه
الموضوعات كما نعد من جانبنا ان نزيد عددها على قدر
المستطاع

الحريه
ترسل «الجريدة» بياناً الى آخر هذا الاسرع
فن رغب الاشتراك فليعلم رغبته في خلال هذه الايام وهي
لا ترسل بعد ذلك الا لمن يطلبها

انتقاد واقتراح

حضرة الكاتب القاض محمد طلعت بك حرب
صديق الزير
أهشكم بظهور الجريدة كما أهشتم بأفلام كتابها
واسألته تعالى أن يوفقكم وإياها لخدمة نافعة للبلاد .
وضعت الجريدة لارشاد الأمة الى مصالحها الحقيقية
فلست أشك أنكم توافقوني على أن تكون مكتوبة
بلسانها وبأسلوب تألفه وفهمه وحل أن تطرق المواضيع
التي تزيد عملاً في رقيها حساً ومعنى .
لست أنكر فضل المقالات الشائقة التي نشرت
بالجريدة من يوم ظهورها ولكني أراها في مثل هذه
الجريدة اسوح لطرق ابواب أخرى أكثر نفعاً لنا وأفيد
للسالحن واقرب الى وصولها لقلوب الأمة وأريد هنا
بالأمة مجموع الأفراد لا طائفة مخصوصة من الكتاب
والأدباء .
فامامنا حالة البلاد الاقتصادية وحالتها العلمية والأدبية
والاخلاقية وكتلتها تحتاج لمباحث ومناظرات طويلة لعنا
تخرج منها نتيجة عملية فيها فائدة لنا ونفعة وتصل للحقيقة
سائلاً جميعاً فهي بنت البحث
وانني أفتح باب هذه المباحث والمناظرات بان
أقترح على حضرات الكتاب والقراء الكتابة في
المواضيع الآتية
أولاً - حالة مصر الاقتصادية وعلاقتها بالبلاد
الأخرى والتجارة فيها وصادراتها ووارداتها وهل بناء هذه
الحالة على ما هي عليه مضر أو مفيد وما يلزم نحو ترقية
شؤون البلاد من هذه الوجهة
ثانياً - حالة البلاد الزراعية والصناعية وهل هي
راقية او متأخرة وما يلزم أن تعمله الأمة لترقيتها
ثالثاً - حالة المظاهرات بالمصنوعات والاوراق
والقمار والاميان وهل في ذلك فائدة للبلاد والمصريين
وما وجه الفائدة ووجوه الضرر ؟ وهل ارتفاع الأثمان
والاسعار في هذه الايام حقيقي او وهمي ؟ وهل يستمر
الحال على ذلك اوله رد فعل ؟ وماذا يجب على الأمة ان
تفعل ازاء هذه الحالة ؟
رابعاً - ديون الاهالي والحكومة وتبعها وهل

An article written by Talaat Harb Pasha in Al Gareeda newspaper, suggesting certain economic and social topics to be the focus of the newspaper.

Bank with a Mission

لماذا نطلب الاستقلال التام ؟

فهم محمد طلعت حرب باشا

إذا كنا نطلب الاستقلال التام
فليس لخرق نيتهم أو اعمارهم ، وإنما
لخير نرجوه . فلئن توقف رقينا الاجتماعي
على تحسين اخلاق الافراد وتوثيق روابط
العائلات فذلك لن يكون الا بعدد أن
نأخذ أمرنا بيدنا

ومن أجل هذا نطلب الاستقلال
ولئن توقف رقينا الاقتصادي على
التربية الزراعية والصناعية والتجارية
وانما الكفاءات العملية فان يكون ذلك
تماماً الا بعد أن نأخذ أمرنا بيدنا

ومن أجل ذلك نطلب الاستقلال
ولئن كنا غريباً كغنى الحكومة بلادنا فان
الذين كانوا المهيمنين على أمورنا وشؤوننا
أظهروا بتصرفاتهم أنهم أقل كفاءة منا
بكثير لأنهم لم ينجحوا في أن يذهبوا عنا
تهمه عدم الكفاءة التي هم أول رماتها
أمامكم أمم العالم فهل رأيتم أمة من بيننا
ترك للصدقة حبها على غاربها في شؤونها
الاقتصادية لا رأى لها في الذب عن مصالحها
وتترك طعمه للاكلين ومضغة لكل ماضغ
أين الغرف التجارية التي أسوها أو ساعدوها

أين الثغابات الزراعية والصناعية التي
نظلموها ؟ أين البنوك والشركات المصرية
التي عملوا على ايجادها . أين التشريع الذي
يقضي المصريين ويحمي مصروفاتهم ومخاصيلهم ؟
تركوا المصريين عزلاً من كل سلاح بين
منافسين ومزاحمين مدججين بأحسن طراز
من الاسلحة الحديثة وبعد ذلك يعتبرونا
لانصلح لشيء . لأننا لم نعمل شيئاً . وهم هم
الذين لم يؤهلونا للعمل بل أفسدت السياسة
ما كان صالحاً لدينا لم يشجعوا شيئاً من الصناعة
الوطنية بل لعالمهم وقفوا في طريقها وقفة
المدافع عن مصنوعات الخارج . تباً للسياسة
ما تدخلت في شيء الا أفسدته . فللسياسة
أفسدوا التعليم وجعلوا غاية تخريج آلات
مطبعة صالحة لتسيير ما كينة الحكومة على
الطريقة التي رسمتها السياسة . وللسياسة
ضحوا مراقق البلاد الحيوية . فالتجارة
المصرية كما تلبون تحت رحمة الاجانب في
كل شيء . والبنوك الموجودة كلها أجنبية
تستثمر تقريباً كل ودائع المصريين وأموالهم
في بلادها الاجنبية لكل هذا نطلب الاستقلال
لنصبح أحراراً في بلادنا نحكم ثيابنا على
قدر جسامتنا ونصبغها الصبغة المناسبة لنا
وبلادنا وأخلاقنا وعاداتنا

An article written by Talaat Harb Pasha in El Lewaa newspaper, issue no.32 on 27/6/1945, explaining his call for economic and legislative reform and independence.

Bank with a Mission

مرسوم بتأسيس شركة مساهمة تدعى « بنك مصر »

نحن سلطان مصر
بعد الاطلاع على عقد الشركة الابتدائي المبرر بصفة عرقية في القاهرة بتاريخ ٨ مارس سنة ١٩٢٠
بين حضرات :

أحمد مدحت يكن باشا القيم بالقاهرة ،
ويوسف أعلان قطاوي باشا « »
ومحمد طلعت حرب بك « »
وعبد العظيم المصري بك « »
وعبد الحميد السيوفي بك « »
والدكتور فؤاد سلطان « »
واسكندر مسيحه أفندي « »

وعباس بسيوني الخطيب أفندي « بالقرشية (بمديرية الغربية) .
جميعهم من رعايا الحكومة المصرية لأجل تأسيس شركة مساهمة تدعى « بنك مصر » ،
وبعد الاطلاع على نظام الشركة المساهمة المذكورة ،
وبعد الاطلاع على المادة ٤٠ من قانون التجارة الأهلي ، والمادة ٤٦ من قانون التجارة المختلط ،
وبناء على ما عرضه علينا وزير المالية ، وموافقة رأي مجلس الوزراء ،
رسمنا بما هو آت :

مادة ١ - رُخص لحضرات . أحمد مدحت يكن باشا ويوسف أعلان قطاوي باشا ومحمد
طلعت حرب بك وعبد العظيم المصري بك وعبد الحميد السيوفي بك والدكتور فؤاد سلطان واسكندر
مسيحه أفندي وعباس بسيوني الخطيب أفندي ، بأن يؤسسوا على ذمتهم ونعت مسؤوليتهم في انقضاء
المصري شركة مساهمة تدعى « بنك مصر » بحيث لا يترتب على هذا الترخيص أدنى مسؤولية تعود
في أية حال من الأحوال على الحكومة وبشرط أن يتبع المذكورون في ذلك قوانين البلاد وعاداتها
ونصوص النظام المرفقة نسخة منه بهذا المرسوم موقعاً عليها منهم .

٢ - لا يترتب على إعطاء هذه الرخصة أدنى مسؤولية أو احتكار أو امتياز من الحكومة أو عليها .
٣ - على وزير المالية تنفيذ مرسومنا هذا .

صدر بمرأى عايدين في ١٤ رجب سنة ١٣٣٨ (٣ أبريل سنة ١٩٢٠)

فؤاد

بأمر الحضرة السلطانية
رئيس مجلس الوزراء ووزير المالية
يوسف وهبة

Sultan Fouad Decree on April 3rd, 1920 for the establishment of Banque Misr.

Bank with a Mission

الاستشارات
في مصر والسودان من سنة ١٩١٢
تأسست في ١٩١٢
والدعوى مستمرة
في كل من مصر والسودان
تحت إشراف وزارة التجارة

اللطائف المصوّرة

Al Lataif Al Musawara

Proprietor: ISKANDAR MAKARIUS
No. 297 - Vol VI CAIRO, 18th OCTOBER, 1920

اللطائف المصوّرة
مجلد جديد في بيعته
تأسست في ١٩١٢
والدعوى مستمرة
في كل من مصر والسودان
تحت إشراف وزارة التجارة

(العدد ٢٩٧) (السنة السادسة) القاهرة يوم الاثنين في ١٨ أكتوبر سنة ١٩٢٠ نحن النسخة ١٠ مليكات موقفاً

مؤسسو بنك مصر الجديد - نطلب تشجيعهم



هذه أسماء الجالس في الصورة من اليمين إلى اليسار - أصحاب السادة والدة حسن باشا حبيب - فخري بك عبد النور - ويصا بك واصف -
جبريل باشا والي - عبد الطيف بك المكاني - علي بك سامر - إبراهيم باشا سيد - لطفى بك السيد - مرسى بك حنا - فتح الله باشا بكات -
عماد بك حرمي - وقد وقف طلت بك حرب بين المكاني بك وعلي بك ماهر ووقف عن يمينه ووراءه موقوف البنك -
اجل ما قرأنا في الجرائد استهجاناً لعم ذوي الأموال وأصحاب الأرباح من
أين ما دمجهم براء أمين بك الرافعي في جريدة الأندلس وما تقدمه جريدة
لغة الاقتصادية المصرية أسبوعياً على هذا الموضوع الجليل ووجوبه في الأعيان
أين من المصريين لأصحاب اسم بنك مصر والسادة على تعطيلها بمرح فرة حتى
كن البنك من الحصول على رأس المال لادارة محكم كبر يعني بحماية
أسس ويكون أساساً للمصريين في عالم التجاري بل نواة استقلالهم الاقتصادي
أن حاجة البلاد إلى بنك وطني أصبحت ملحّة وحاجة بنك مصر (بعد ما
تأسس وصار مستعداً للعمل) إلى أموال المصريين أصبحت ملحّة بصورة أكثر كما
قال المطال عن اسمه المطروحة أمام انبياء المصريين وهم عنها معرضون فضلاً ذلك
اليوم القريب الذي يستلزم فيه وأنهم بك طريقة نشر سلسلة مقالات وافية تدع
الانقياد على القانون لسانه بعد البنك الوطني وأما لتسليمه في نفعه فالكثيرين وللذين
لاهم البنك في الصحف قائمة لاستنباط الاسم كما جرى في جميع أقاليم نطقة مصر

A photo in Al Lataif Al Musawara magazine, depicting the bank shareholders with Talaat Harb Pasha.

Bank with a Mission



Abdel Al-Azeem
El-Masry Bey



Talaat Harb Pasha



Youssef Cattaui Pasha



Ahmed Medhat Yakan
Pasha



Abbas Basiouny
El-Khateeb Afandy



Iskandar Mesiha
Afandy



Dr. Fouad Sultan



Abdel Hameed El-
Seyoufy Bey

The founders who signed the initial contract for Banque Misr inception, and formed the first Board of Directors, together with two other members.

Chapter One: Foreword

About Banque Misr

Banque Misr (BM) was established in 1920 by the pioneering Egyptian economist Mohamed Talaat Harb Pasha. Harb was the first to introduce to Egypt the economic system of investing in the public's savings, through injecting them into economic and social projects, making Banque Misr the first national bank to be wholly owned by Egyptians.

Since its foundation, Banque Misr has been committed to establishing several companies in various domains, including textiles, insurance, transportation, aviation, entertainment, and filmmaking. It has also provided continuous support to its other regular banking and investment activities. The bank currently has shares in 160 companies in the fields of finance, tourism, housing, agriculture, and food, in addition to other companies in the field of communication and information technology.

In recognition of the bank's continuous efforts to offer the best and most up-to-date services to all its esteemed clients, Global Finance, a leading financial magazine, named Banque Misr as The Best Provider of Short-Term Investments/Money Market Funds in the Middle East for the year 2016, marking the eighth consecutive year that the bank has been awarded by the institution.

Banque Misr has cemented its position as a regional pioneer, becoming the first bank in Egypt and North Africa to comply with PCI data security standards, obtaining the global Payment Card Industry Data Security Standard (PCI DSS) certification. Banque Misr is constantly



Banque Misr headquarters in 1927

moving toward expanding its customers' access to banking services through introducing the most cutting-edge technologies and efficiently making use of all its available resources. Today, the bank is proud to offer one of Egypt's largest ATM networks, covering the entire country.

Banque Misr's role in all economic fields is unmistakable in light of its geographic outreach. The bank's 14,110 employees, in addition to 929 outsourced employees, serve a client base of around 7 million, with a total paid-up capital amounting to EGP 15 billion.

The bank's headquarters is located at 151 Mohamed Farid Street, Downtown, Cairo, Egypt. The bank currently owns and operates over 580 electronically connected local and international branches, including five in the United Arab Emirates and one in France. This is in addition to its regional and global presence in Lebanon and Germany, and its worldwide access through a network of correspondents.

Banque Misr has instituted significant milestones in its ongoing endeavors to lead the industry as a credit-worthy financial institution in the local market.

Key to ensuring such success has been Banque Misr's commitment to its compliance with the United Nations' (UN) Global Compact Principles. The bank's focus on corporate social responsibility and sustainability initiatives comes in line with the 10 principles outlined by the UN Global Compact in the areas of: human rights, labor, preserving the environment, and combating corruption.

The bank has also extensively worked on supporting the communities in which it operates by implementing a number of social initiatives and activities to enhance the general welfare of the community, with a special focus on health, human rights, and the environment.

As one of the leading public banks working toward the promotion of the state's public policy, Banque Misr closely cooperates with the state's Social Fund for Development on the financing of small projects and supporting economic development. Furthermore, Banque Misr has set a separate unit for small and medium-sized enterprises (SMEs) to encourage more people and businesses to seek finances for SMEs, which significantly contribute to the state's GDP.

Banque Misr has been supporting the national economy since its establishment 96 years ago, and pledges to continue its sponsorship and support for national projects, companies, and investments to empower the national economy and investment prospects.

Ownership:

Banque Misr is a state-owned bank, with 100% of its shares owned by the Egyptian government.

Material Topics

The way we integrate sustainability into our business model, both in terms of seeking commercial opportunities and evaluating risk, is an integral part of our operations. The BM Annual Sustainability Report 2015/2016 is our second edition, guided by the framework of the internationally recognized Global Reporting Initiative (GRI). The report will articulate how we view sustainability at Banque Misr.

At Banque Misr, we identify sustainability topics that are material to the bank and its stakeholders. We define anyone who comes into contact with the bank as a stakeholder, including employees, existing customers, prospective customers, the government, partners, suppliers, and non-governmental organizations (NGOs).

This acknowledgment focuses on action areas that are considered vital to the success and continuity of sustainability in our business and are divided into four main sections:

The BM Approach discusses Banque Misr's efforts toward consolidating and disseminating the culture of financial inclusion, as highlighted in the introduction by BM's Chairman Mr. Mohamed Mahmoud El-Etreby, and in the introduction to Banque Misr's financial sector. The BM Approach also defines the principles that govern the bank's internal culture and community.

How BM Operates explains the fundamental principles that govern our business as a whole, including how we keep our employees and facilities safe, how we reduce any potential harmful impact on the environment, how we engage with our community, and our collaborations and partnerships.

BM Activities outlines our key accomplishments, with a focus on our operations in Egypt and the steps taken to support the national economy.

BM Financial Performance drafts our performance data for the year based on transparent reports on revenue and environmental and social data.

Egyptian citizens buying shares in Banque Misr

بنك مصر
شركة مساهمة مصرية
شارع أبو السباع رقم ١٠

طلب اكتتاب في أسهم بنك مصر

نمرة

اكتب أنا الموقع على هذا في عدد أسهم بنك مصر قيمتها جنيه باعتبار ثمن السهم الواحد أربعة جنيهات مصرية دفعتها اليوم حوالة بونته نمره على بنك (لاهر بنك مصر بالقاهرة).
أنا باني مصري التبعية وقابل جميع نفوس قانون بنك مصر الصادر عنه المرسوم السلطاني بتاريخ ٣ أبريل سنة ١٩٢٠ ومنشور بالجريدة الرسمية في يوم الثلاثاء ١٣ منه وقابل أيضاً نتيجة التوزيع الذي يحصل بعد نهاية إعداد الاكتتاب وخمس الطلبات بدون أدنى معارضة. وليس على البنك في حالة التوزيع النسبي سوى رد قيمة المدفوع عن الأسهم الزائدة بدون أدنى فائدة وكذلك في حالة عدم قبول طلب الاكتتاب لعدم توفر شرط التبعية المصرية وقابل أن الأسهم التي تخصص لنا يكون لها حصة في أرباح البنك اعتباراً من أول يناير سنة ١٩٢١

وتعهد بأنه إذا تغيرت التبعية المصرية بعد اعتماد اكتتابنا أو انقضى أماننا غير مصريين نكون ملزمين بغيره أول طلب من مجلس إدارة بنك مصر بالتنازل عن الأسهم التي تخص لنا إلى من يمينه المجلس المذكور بسعر الاكتتاب أو بالسعر الذي تكون مسطرة به في البورصة إذا كان. وإذا تأخرنا عن ذلك بمجرد طلبه منا يكون للبنك مطلق الحق في عدم اعتبارنا مساهمين ولا يكون لنا الحق في حضور الجمعيات العمومية بالذات أو بالانابة من الأعضاء.

الاسم
الصفة أو الوظيفة
محل الإقامة
العنوان بالبريد
بالقاهرة
تاريخ الاكتتاب

The application form for Banque Misr's shares.

Establishing Banque Misr



The celebration for laying the foundation stone for Banque Misr's headquarters in 1925. Talaat Harb Pasha with the architect Antonio Lashak, who was behind the design of the building.



The day before the inauguration of Banque Misr's headquarters. Saad Zaghloul, Medhat Yakan, Fouad Sultan, and Talaat Harb Pasha gather at the headquarters (June 1927).

Egyptian citizens buying shares in Banque Misr



Talaat Harb Pasha and Medhat Yakan in front of the entrance to Banque Misr, awaiting the guests for the inauguration of the headquarters on June 5th 1927.



British representative Bursy Louren (middle) with Talaat Harb Pasha and Sultan Fouad (right) and Medhat Yakan (left) in 1932.

Chapter Two: Our Approach

BM Approach

Since its establishment, Banque Misr has adhered to its founding goal of serving the Egyptian public and securing its welfare. We continue to adhere to this objective through capitalizing on the interests and demands of the Egyptian masses, who have always been at the center of our operations and decisions. Our role does not solely comprise of profit generation but also principally includes serving as a national financial catalyst, to be relied on to implement and support national and strategic development in various social and economic fields.

To meet such objectives, Banque Misr has exerted major efforts to meet the Egyptian community's financial needs. Striving to own the largest network of branches in Egypt and the Middle East, the bank currently owns and operates more than 580 branches, serving the entire Egyptian population of over 90 million, across the various Egyptian governorates nationwide.

This section outlines our success story, which has flourished over long years, and which was achieved through the fundamental principles of sustainability, governance, and distinction that underpin all our operations. The section also describes our current role and future goals to keep pace with the globe's speedy and continuous political, economic, and environmental changes.

Our ambition is to further embed sustainable banking, making it central to the way we do business every day.





Introduction by the Chairman

On behalf of Banque Misr's Board of Directors, I am delighted to introduce its second Sustainability Report, which has been prepared in accordance with the globally recognized Global Reporting Initiative (GRI) . As we mark our second year of joining the UN Global Compact, we have been firmly committed to supporting its 10 principles in the areas of human rights, labor, the environment, and combating corruption, and we have continued to ensure that the principles of corporate governance remain uncompromised.

We at Banque Misr (BM) are pleased to introduce the results that we have achieved so far. The bank's net profits grew to EGP 5.5 billion, marking an EGP 1.3 billion increase from the previous fiscal year, i.e. a 31.7% growth, and registering the highest profit margin ever recorded in BM's history. This reflects the bank's success in diversifying its income sources and assets, as well as developing strategic fully-integrated financial solutions to meet stakeholders' aspirations and customers' banking needs, and maintaining acceptable risk levels.

The bank's total assets registered a 30% increase, to reach EGP 430 billion on June 30th, 2016, compared to EGP 331 billion on June 30th, 2015, whereby Banque Misr was able to acquire over 15% of the total assets in the Egyptian banking sector.

Meanwhile, we have maintained focus on our strategy, which places a high emphasis on the importance of creating value for society. We at Banque Misr believe that for any financial entity to sustain long-term prosperity and create added value for its shareholders, it must first create added value for society.

The global and regional economies have faced several challenges on various levels during fiscal year 2015/2016.

The Egyptian government has addressed a number of key reforms during fiscal year 2015/2016, as part of a programme in which energy subsidies will be cut and new taxes will be introduced to reduce the country's ballooning budget deficit. It announced plans to adopt a full-fledged value added tax (VAT) and already issued a decree to raise customs tariffs on a large number of imports, in efforts to reduce the country's import bill, lessen pressure on foreign currency demand, and promote local industry.

As such, we at Banque Misr are committed to maintaining our support for the national economy by participating in local mega-projects, as well as financing small and medium-sized businesses, based on the Central Bank of Egypt's directives to apportion 20% of all Egyptian banks' total loan portfolios to SMEs within three years. Throughout fiscal year 2015/2016, the bank was able to arrange, fund, and participate in a number of financing operations totaling EGP 72.5 billion, distributed across a number of sectors, including electricity, cement, real estate investment, and oil.

EGP
430.204
billion
TOTAL ASSETS

Financing activities:

Since its foundation in 1920, under the leadership of the founder of the Egyptian national industry and pioneering economist Talaat Harb Pasha, we at Banque Misr have remained committed to effective participation to achieve development in all sectors of the national economy. Moreover, we are dedicated to facilitating financial services for everyone in the community, underlining our commitment to a sustainable success, continuous development, and the complete restructuring of the different activities and branches, which remain at the heart of Banque Misr's principles and objectives. We have moreover expanded our ATM network to serve our customers and all other financial institution through 1,715 advanced ATM machines nationwide. In addition to the basic cash withdrawal and deposit services, the bank has added several new services to its ATMs. These services included monetary transfers between individuals, bill payment, donations, and various subscription fees. BM also improved its tax and customs e-payment service through 296 branches distributed across Egypt, collecting over EGP 5.6 billion through this service.

Aiming to turn Egypt into a cashless society, Banque Misr pioneered to occupy a total market share of 48% in automating governmental workers' salaries through its ATM network. BM has maintained first place in this field for the last 11 consecutive years.

The total value of automated salaries recorded EGP 40.35 billion during fiscal year 2015/2016, dispensed to 2.8 million card users from the public

and private sectors, in addition to 51,000 accounts.

Banque Misr was also ranked first in the government payment services, CSL and customs' duties. Moreover, BM came in first place in terms of the collection of merchants' operations, with 13,503 POS terminals spread all over Egypt and a trading value of EGP 6.06 billion in fiscal year 2015/2016.

BM participated in the Central Bank of Egypt's (CBE) initiative offering long-term loans to low and middle-income housing projects. Such projects are considered very promising for the banking sector as they are highly encouraged and supported by the government.

BM has so far contributed with EGP 3 billion to the CBE's initiative.

The bank provided loans worth about EGP 601 million to 7,097 beneficiaries.

Fostering Corporate Social Responsibility:

Banque Misr continues to play a prominent role in developing and providing assistance to the Egyptian community through engaging in several activities to support the development of the community, such as developing slum areas, villages, hospitals, schools, and sports centers.

Stemming from the bank's deep faith in the importance of supporting corporate social responsibility, directly or indirectly through the Banque Misr Foundation for Community Development (BMFCD), which was established as a separate entity (non-profit organization) managed by a board of trustees to address deep-rooted social, developmental, and health challenges. The foundation has initiated, as well as executed, a number of activities in line with this objective, contributing to the enhancement of dozens of villages most in need of development. The amount spent on supporting corporate social responsibility was about EGP 122.6 million in 2015/2016, including more than EGP 25 million for the health sector, and about EGP 95 million for education and community development.

The Banque Misr Foundation undertook the comprehensive reformation



41,603
SMEs

of many villages, a process that included building schools, youth centers, and homes for the neediest families, in addition to equipping computer labs, establishing kindergarten classrooms, establishing small and micro-sized projects, and refurbishing medical units.

Our Employees:

Stemming from our profound belief in the importance of the human element in achieving the bank's strategy, Banque Misr has focused on enhancing employees' satisfaction levels, improving the work environment, and attracting skillful calibers, in addition to developing the employees' management and leadership skills to create future leaders.

In this context, the bank offered promotion opportunities for several employees at different levels in the bank. BM offered 16,608 training opportunities with a total of 403,263 training hours to boost the technical, administrative, and leadership skills of its employees to qualify them to assume leading positions in their future careers.

The bank also organized several economic seminars to keep the staff up-to-date on the recent economic changes and their impacts on the financial environment in general, and the banking business in particular.

Geographical Expansion:

As part of the bank's strategy focusing on the needs of our customers, Banque Misr has expanded its network to more than 580 electronically connected local and international branches, with a 16% increase in growth rate. As we aim to attract new segments of customers, the bank plans to open new 275 branches over the next three years, including 255 mini-branches, in line with the Central Bank of Egypt (CBE) initiative to foster greater financial inclusion. Our ultimate target is to facilitate access to the bank in all parts of the country, in order to reach all the different social segments.

Banque Misr Services:

Underlining our commitment to sustainable success, continuous development, and the complete restructuring of the different products and services remain at the heart of Banque Misr's principles and objectives.

The bank is further committed to meeting the requirements of all segments of society, which contributes to promoting development through combatting unemployment and aiding social development.

In this context, Banque Misr also participated with the Ministry of Local Development in the national initiative for community development entitled "Mashrouak" (Your Project), aiming to provide funding for micro and small-sized enterprises through the one-window investment system

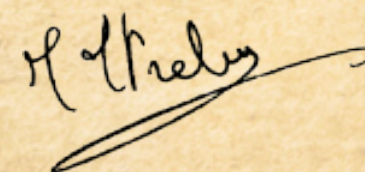
in the 290 local units nationwide. Within the framework of the initiative, Banque Misr recorded an 88% penetration rate in 254 units. The bank provided loans worth EGP 637 million to 20,162 MSMEs by June 30th, 2016.

In drawing my remarks to a conclusion, I would like to thank the Central Bank of Egypt, the Ministry of Finance, and designated authorities in Egypt for their continuous support in seeing that fiscal year 2015/2016 has been another fruitful year for Banque Misr. Our divisions are in good shape and performance has been sound, thanks to my colleagues and their support for Banque Misr's journey toward comprehensive sustainability.

I would also like to thank you, our esteemed customers, for your trust and loyalty that push us at Banque Misr to strive for more reforms to always meet your expectations.

Sincerely,

Mohamed Mahmoud El-Etreby
Chairman



Our Strategy

At the heart of Banque Misr's strategy is a mission to build on our business, and promote effective financial inclusion through close connection to the economic, environmental, and social landscape in which we operate.

Throughout its 96 years in business, Banque Misr has adopted sustainable approaches to ensure long-term businesses by maintaining a balance of social, environmental, and economic considerations in all of its decisions.

Our Vision: Our distinctive performance secures us the leadership we deserve.

Our Mission: Excellence in fulfilling all of our customers' banking needs, maximizing shareholders' value, inspiring employees' loyalties, and playing a leading role in the prosperity and development of Egypt.

Our Values: The bank maintains very high standards of integrity, customer service, excellence, teamwork, accountability, and innovation, all of which are embedded in every decision we take and in our interactions with both our customers and employees. We at Banque Misr know that we succeed only when our customers and communities succeed. We do business in an open, direct, and sustainable way.

OUR VALUES

Accountability

We think beyond the moment and strive for quality

We:

- Are accountable to our shareholders, customers, coworkers, and community
- Contribute to the economic, social, and environmental development of Egypt

Customer Services

Our customers are at the center of what we do

We:

- Sustain customer satisfaction and trust as our main objective
- Help our clients fulfil their financial goals
- Strive to surpass our customers' expectations

Integrity

We are fair, ethical, and honest in everything we say and do

We:

- Communicate openly
- Acknowledge, accept, and learn
- Take risk seriously and manage it prudently
- Hold to what we view to be right and ethical

Sense of Belonging

We are dedicated to the aspirations of our community and clients

We:

- Have a sense of ownership in the bank's activities and intensively partake in its successes and take lessons from its failures
- Have a strong sense of responsibility in terms of performance and risks in relation to both the bank and its clients
- Assume our responsibility toward the economy and society

Teamwork

We respect and value our team members

We:

- Believe the best outcome is achieved when people work together
- Believe great teams are built on mutual trust, shared ownership, and accountability
- Place the team's success ahead of individual success
- Build diverse teams, capable of generating creative ideas and taking balanced decisions
- Value every person and respect individual differences in mentality, style, culture, ethnicity, and experiences

Excellence

Sustainable performance and results are our objectives

We:

- Add value to shareholders by prioritizing long-term success over short term gains
- Ensure that discipline and perseverance govern all our actions to achieve outstanding results for our customers
- Work with our clients to reach their current goals, moreover anticipating and planning for their future objectives

Innovation

We generate innovative ideas that are also practical and achievable

We:

- Produce new ideas and improve our processes and platforms by embracing updated and improved methods
- Leverage technological innovation
- Provide our clients with suitable solutions to their problems
- Believe that the application of intelligence, reason, and science has a positive impact on people and their businesses

Ranking and Recognition:

Banque Misr has been among the leading banks in terms of providing funds to projects in various sectors.

In light of its efforts in the previous period, the bank came at the forefront of Bloomberg's syndicated loans league table in Africa for the first half of 2016. This comes in continuation of Banque Misr's dominance of this ranking since the beginning of 2015, after it had been dominated by European banks over the previous four years.

According to the Bloomberg's league tables on Global Syndicated Loans for the first half of 2016, Banque Misr succeeded in:

- Ranking first as the best Bookrunner for Syndicated Loans and Project Finance Transactions across Africa for the second quarter of 2016.
- Ranking first as the best Mandated Lead Arranger across Africa.

Banque Misr was ranked among the top 20 financial institutions for Syndicated Loans Bookrunners across the Middle East and North Africa, according to Bloomberg's ranking report of June 2016.

In a further statement from Bloomberg on the classification results, Banque Misr topped the list of the best banks within Africa with regards to performance level and marketing financing transactions, with a major margin of difference from the holder of the second position, the Bank of China. BM was the first Egyptian bank to lead such ranking in the past three years, during which the first position was dominated by European banks.

BM has also been granted two awards by EMEA Finance Magazine, as the Best Syndicated Loan House and Best Project Finance House in Africa for the year 2015.

Culminating its efforts in the field of investment and investment funds, Banque Misr was named by Global Finance magazines as the Best Provider of Short-term Investments/Money Market Funds in the Middle East for 2016, marking the eighth time that the bank was awarded by the magazine. Global Finance is considered one of the most recognized financial magazines internationally. It relies on a range of international banking standards in awarding its prizes, in addition to the counsel of a distinguished group of international analysts and bankers.

Banque Misr also won the Strongest Arab Bank award from the World Union of Arab Bankers, in recognition of its rapid growth and extensive network of branches.

Banque Misr was listed in The Banker Magazine's annual top 1,000 world banks, issued in July 2016. The bank was ranked 406th in the 1,000 list, the second among all the Egyptian banks, and 37th between 80 other Arab banks that also appeared in the top 1,000 list.

The bank's Islamic Sector was granted the IJGlobal Award for MENA Metals and Mining: Ain Sokhna Steel Plant Deal of the Year 2015 on March 21st, 2016.

BM has been granted the Best Arab Banking Institution Active in the Field of Social Responsibility Award for 2016 by the Arab Organization for Social Responsibility, in recognition of its accomplishments in the field of social responsibility.

Domestic and International Presence



The bank's Board of Directors adopts a market-driven expansion strategy. All branches are electronically connected to facilitate clients' financial interactions in any branch across Egypt or through the bank's nationwide ATM network.

The bank has also upgraded its operating procedures, branches' layout, and ATM machines. In addition, all its branches are supplied with the most up-to-date technologies and modern equipment to provide clients with an efficient timesaving experience. The bank also provides easy access to all its products and services.

Banque Misr is widely acknowledged as one of the most widespread banks in the Middle East and Africa.

BM has ensured geographic privilege, as it owns and operates the largest banking network in Egypt, with more than 580 branches and 1,715 ATM machines, in addition to its international presence through five branches in the United Arab Emirates (UAE), one in Paris, a subsidiary in Germany, and 18 branches of our subsidiary in Lebanon. In 2017, BM plans to launch representative offices in Russia and China.

As part of the bank's development strategy, aiming to continue providing the latest financial services to its diverse client base, Banque Misr's senior management team has exerted all possible efforts to develop and enhance the performance of the bank's international branches.

BM's Presence in the UAE

Banque Misr has a network of five branches in: Abu Dhabi, Dubai, Al Ain, Sharjah, and Ras Al Khaimah. The bank has tailored a number of banking services to best fit and satisfy the UAE community, especially the Egyptian expatriates living in this country. It offers them a wide range of corporate, retail, and treasury banking products, in addition to several state-initiated funds and certificates, such as the Bayt Al Watan (Home of the Nation) and Long Live Egypt Funds. The UAE branches also allow them to purchase the following high-yield certificates:

- Belady Certificates in euros and US dollars
- The Maestro Certificate in local currency in exchange for foreign currencies

The bank has doubled the paid-in capital of its UAE branches, and granted them a subordinated loan to support their capital base. In addition, the bank also restructured these branches, improving the efficiency of the network and developing the IT infrastructure and communication systems. Furthermore, 26 new and upgraded ATMs have been introduced in various locations in the UAE.

The restructuring process enabled the bank to offer comprehensive packages of its various products and services, enabling it to become a regional center for activities in the GCC states.

During fiscal year 2015/2016, Banque Misr inaugurated both its Dubai and Al Ain branches and the Regional Office of Banque Misr in new distinguished locations, in a step toward maximizing the bank's regional presence in the UAE and enhancing its geographic expansion. In addition, the bank is planning to transfer its Sharjah branch to a new location and renovate the Abu Dhabi and Ras Al Khaimah premises, in efforts to cater to the needs of its growing client base in the UAE.

BM's Presence in Lebanon

In support of Banque Misr's regional and global expansion policy, Banque Misr Liban S.A.L. (BML) was established in Lebanon in 1929. The bank, which is located in the heart of Beirut's commercial center, offers a variety of distinctive corporate and retail banking services.

BML's network grew rapidly due to its strategic locations in different Lebanese cities, featuring an extensive ATM network and online banking services. Its customer base continues to expand and diversify to encompass a wide range of the retail banking and SMEs fields.

Over the past five years, BML's total assets grew by 70.13%, while deposits increased by 78.31%, and the loans and advances to customers surged by 74.95%.

This success came as a result of several internal reform measures that included

restructuring the senior executive management in 2007 and implementing a comprehensive and integrated plan to expand and develop the bank's services and operations to match the latest offered in the global banking industry. These major developments were also made possible by increasing BML's paid-in capital, which recorded 120 billion Lebanese liras.

BML has also been committed to enhancing its loans portfolio, as well as supporting its provisions and reserves. The bank's network has reached 18 branches in 2015. In addition, the bank remains committed to applying the latest technologies to increase productivity and improve the quality of its services.

Furthermore, the bank is dedicated to developing a comprehensive set of banking products and services to meet the needs of the banking market in the fields of retail and corporate banking, treasury, investments and private banking, alongside other financial services. In this regard, BML established Misr Liban Insurance Brokers S.A.L. in December 2010.

The bank's significant increase in deposits in 2013 enabled it to move from the Gamma group to the Beta group (i.e. moving from small banks to medium-sized banks). World Finance awarded Banque Misr Liban the prize for the best commercial bank in 2012, in recognition of its outstanding performance. The bank also won The Best Visual award in the same year for its distinctive and unique website.

The growth of BML's business comes in light of the application of the highest standards of corporate governance, careful adherence to all regulatory requirements and standards, strict risk management guidelines, and a strong financial position.

Under the leadership of its board of directors, and building on the strength of its qualified senior management team, as well as the support of the parent bank, BML looks forward to a promising period of steady growth and continued development for all its activities and services, to uphold its objective of serving its customers in the best possible ways.

BM'S Presence in Germany

Banque Misr's top management decided to replicate its successful experience in international markets by opening a subsidiary in Germany that was established in 1992 in Frankfurt under the name of Misr Bank - Europe GmbH. The parent bank Banque Misr currently owns 69.75% of the bank.

Misr Bank - Europe GmbH is considered the first Egyptian bank in Germany and has a paid-in capital of €30 million. It also has a full banking license and is a member of the Association of German Banks. All customers' deposits are covered by the association's deposit insurance.

The bank earned prominent memberships in a number of local, Arab, and

international banking organizations, including the Germany-based Association of Foreign Banks, the Arab-German Chamber of Commerce and Industry, the Private Banking Industry's Employers Association, and the German Near and Middle East Association (NUMOV), along with the Union of Arab Banks in Beirut and the German-Arab Chamber of Industry and Commerce in Cairo.

The bank also achieved significant progress since 2007, including a new organizational restructuring and an update of the bank's computer and risk management systems. Misr Bank-Europe GmbH applies a risk bearing capacity concept and a profit-oriented management.

A comprehensive and forward-looking management of risk is also an important factor in Misr Bank - Europe GmbH's success. The bank's limited allocation of risk capital in the framework of the yearly update to the risk strategy played an important role in ensuring the presence of a strong risk management system.

Misr Bank - Europe GmbH further offers insurance-covered financing of export receivables to Egyptian exporters, as well as correspondent banking services to banks in Egypt and the Middle East, along with financing and handling a range of exports from Egypt.

The bank's continuous marketing activities have positively contributed to the increase in the letter of credit activities between Egypt and Germany, in addition to the adoption of several initiatives targeting Germany-based SMEs, which work in coordination with companies operating in Egypt.

The bank's ongoing efforts have strongly contributed to high growth rates in the secondary market and the establishment of a financial asset portfolio. In turn, this generates revenue that guarantees the continuation of a steady flow of income and an increase in business volume, reflecting positively on the bank's overall financial performance.

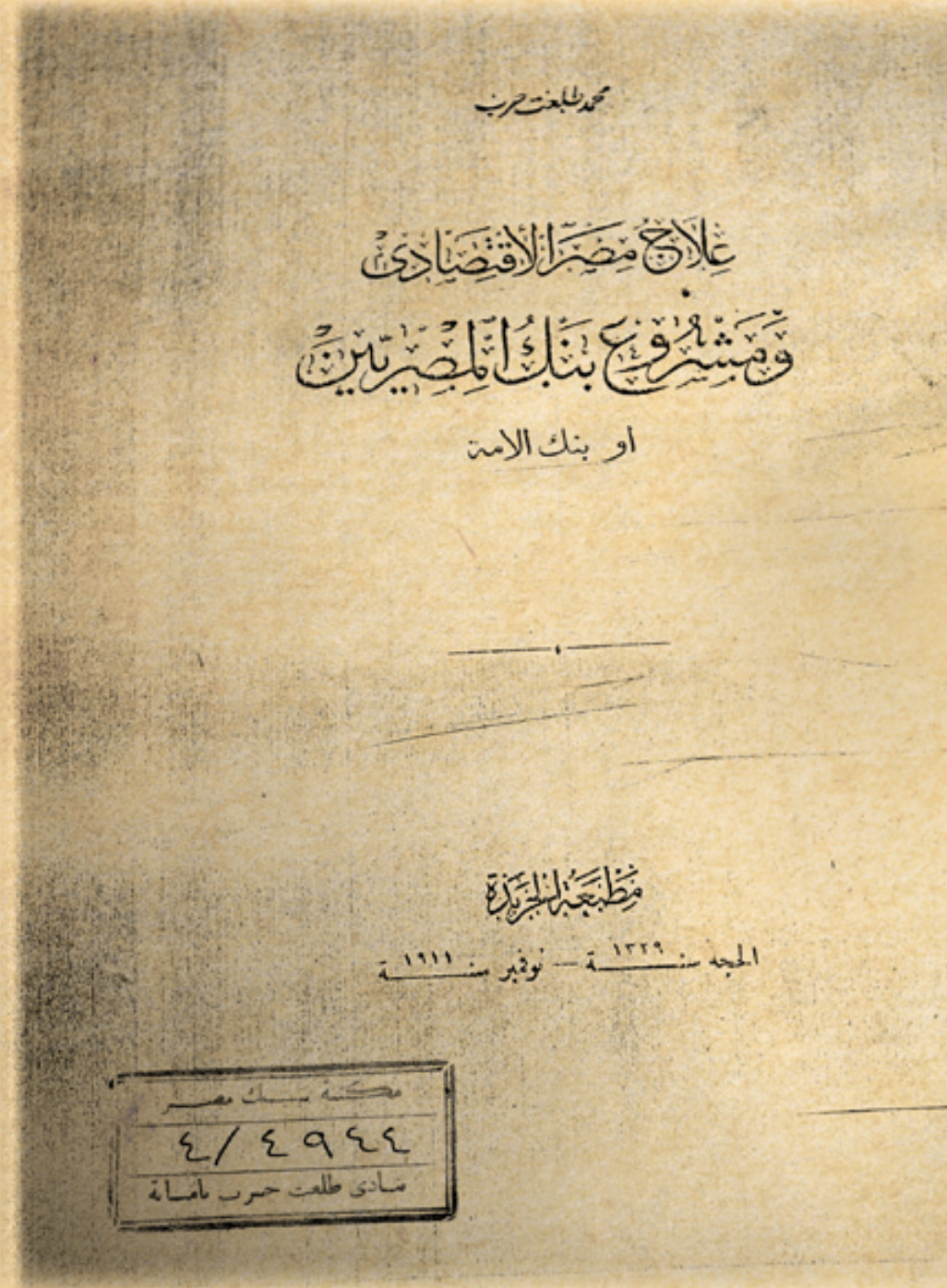
BM'S Presence in France

Banque Misr's Paris branch was inaugurated in 1922 in Rue Danielle Casanova, formerly known as Rue Des Petits Champs, and it was re-inaugurated in 1984 in Rue Auber in Paris. The branch includes Egyptian and French financial experts, selected according to the finest standards, to represent Banque Misr and fulfill its goal of developing its international trading and investments between Egypt and France.

The branch provides importing/exporting clients with the highest quality of services and solutions, relying on its extensive experience, reactivity, and personalized services.

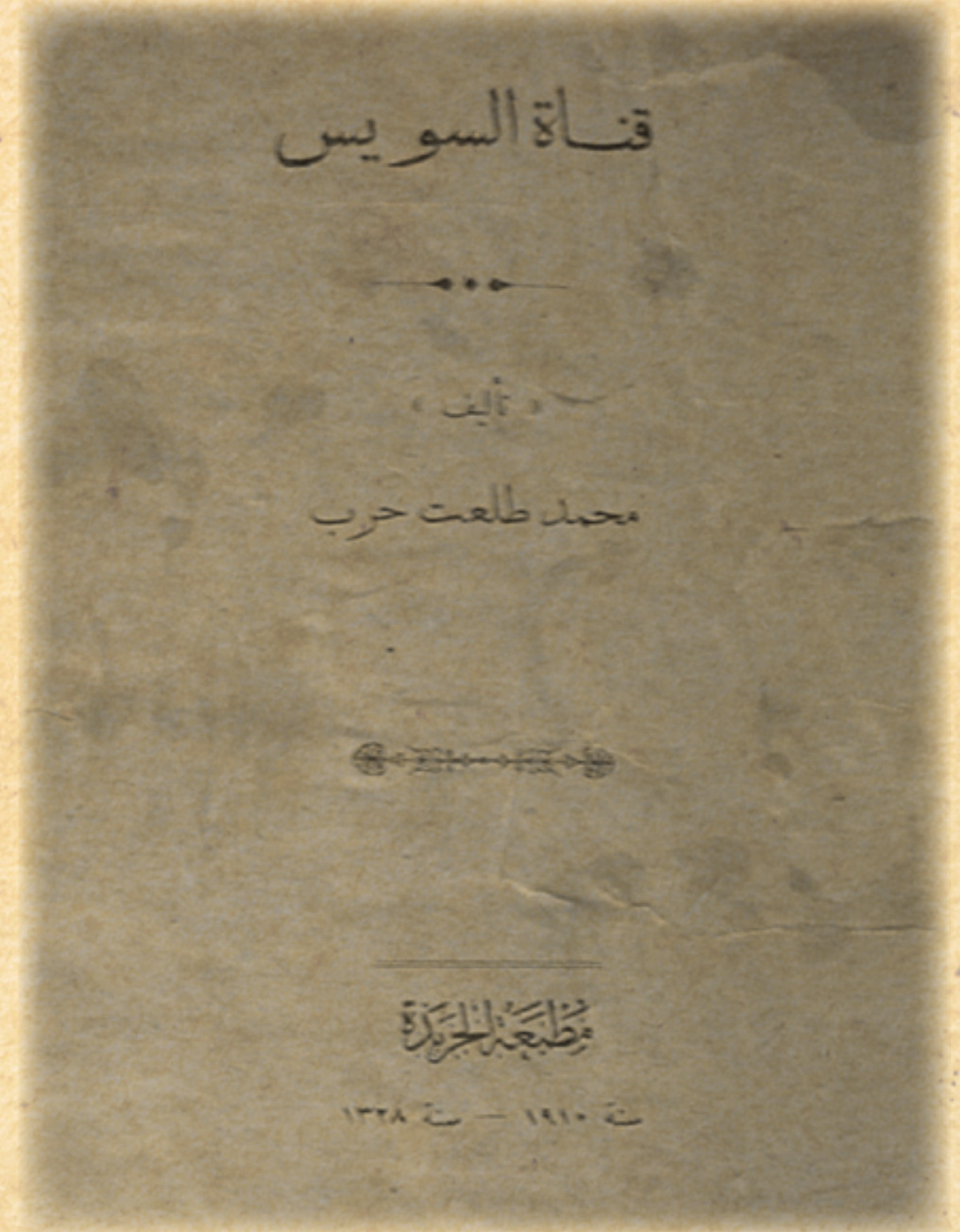
The Paris branch recorded an increase in net profit of 90% in the period from July 1st, 2015 to June 30th, 2016, against the comparable period ending on June 30th, 2015.

Talaat Harb, Founder of Banque Misr



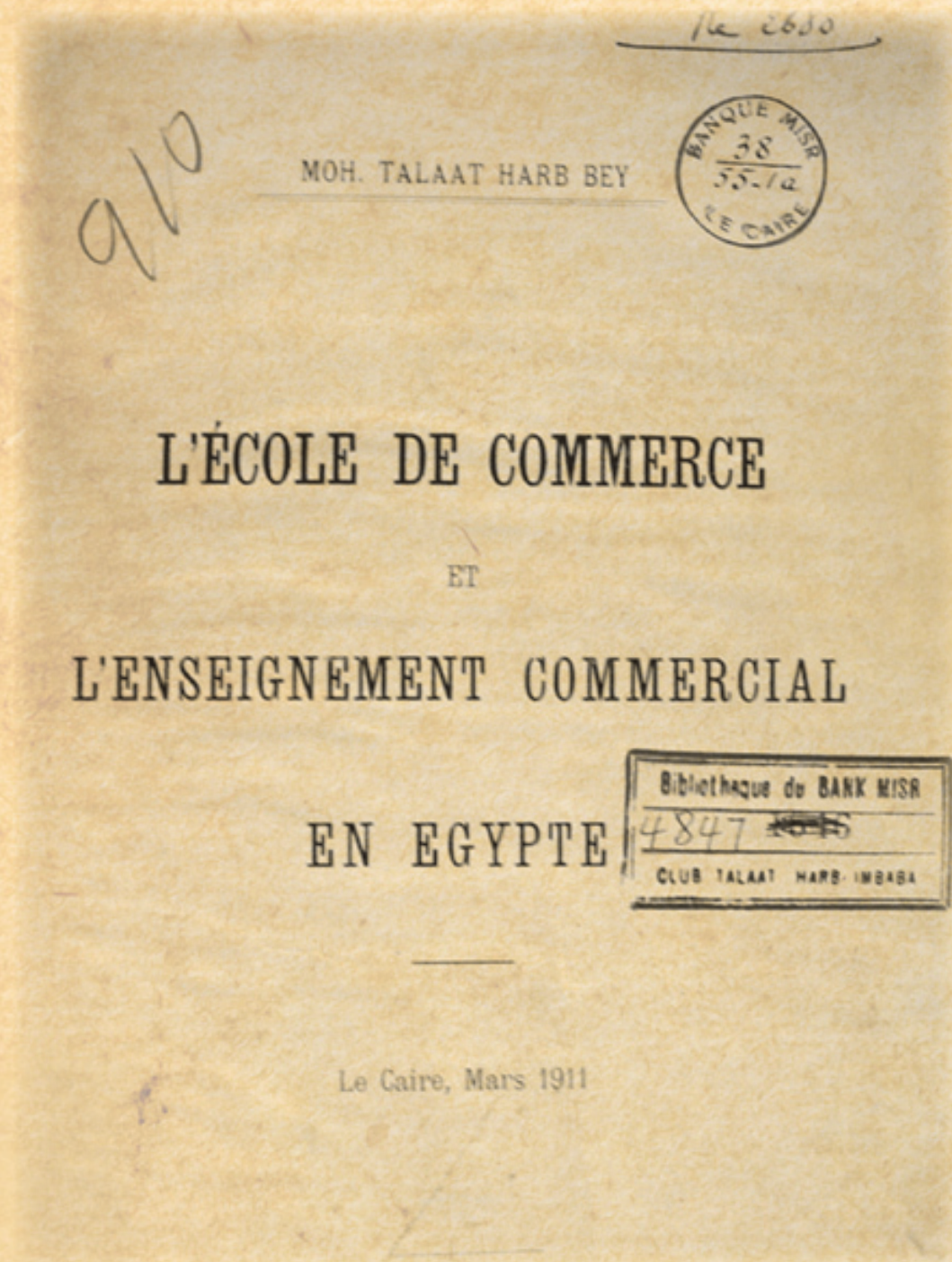
One of the books written by Talaat Harb Pasha reflecting his interests in economic, literary, historical, and political issues.

Talaat Harb, Founder of Banque Misr



One of the books written by Talaat Harb Pasha reflecting his interests in economic, literary, historical, and political issues.

Talaat Harb, Founder of Banque Misr



One of the books written by Talaat Harb Pasha reflecting his interests in economic, literary, historical, and political issues.

Chapter Three: How BM Operates

Board of Directors



Board of Directors «As of February 2017»

Mohamed El-Etreby

Chairman



Mr. Mohamed El-Etreby is a prominent banker with more than 35 years of experience in the banking field. Prior to joining Banque Misr, he was the CEO and Managing Director of Egyptian Gulf Bank from January 2013 to December 2014.

Mr. Mohamed El-Etreby began his banking career in 1977 with the Arab African International Bank (AAIB), followed by Crédit International D’Egypte bank. In 1983, he joined Misr International Bank (MIBank, currently Qatar National Bank), where he spent more than 22 years, and during which he held several senior banking positions and acquired a wide range of experience in different key areas of banking business.

In September 2005, he joined the Egyptian Arab Land Bank as Vice Chairman and Board Member. In 2009, he was appointed as the Managing Director of the Arab Investment Bank. In 2011, Mr. El-Etreby returned to the Egyptian Arab Land Bank as Chairman. In recognition of his great achievements, Mr. El-Etreby was appointed as the Chairman of Banque Misr in January 2015. He also serves as the Chairman of Banque Misr Liban (BML), in addition to being a board member in Cairo Amman Bank and the Chairman of the Board of Trustees of the Banque Misr Foundation for Community Development.

He graduated with a bachelor’s degree in Commerce from Ain Shams University in 1976.

Other Current Positions:

- Board Member, Federation of Egyptian Banks (FEB)
- Board Member, Egyptian General Company for Tourism & Hotels (EGOTH)
- Board Member, Misr Insurance Holding Company
- Board Member, General Authority for Investment and Free Zones (GAFI)
- Board Member, Egyptian Banking Institute (EBI), Central Bank of Egypt
- Board Member, Ain Shams University (ASU)
- Board Member, Faculty of Economics and Political Science, Cairo University
- Board Member, National Council for Childhood & Motherhood
- Board Member, Tahya Masr Holding Company for Investment and Development

Committees:

(E, ALCO, CRC)

Ahmed Abu El Ezz

Vice Chairman



Mr. Ahmed Abu El Ezz has over 30 years of diverse experience in Banque Misr, during which he held several senior positions, including the prestigious position of the General Manager of Banque Misr’s main branch. He has held his current position as Executive Vice Chairman since January 2014.

Mr. Abu El Ezz has represented Banque Misr as a Board Member in three boards: Banque Misr Exterior, the Egyptian Global Fund for Investment, and Belton. He also acted on behalf of the bank in a number of important banking conferences and financial gatherings in Kuwait, Bahrain, the UAE, and Egypt. He is also a board member at Banque Misr Liban, Misr Capital Investments, and the Banque Misr Foundation for Community Development. He further participated in a number of banking programs, such as the Arab Trade Financing Program in Abu Dhabi, and represented the bank in various high-profile conferences, notably the Basel II Forum in Dubai, the Euromoney Conference in Cairo, and the International Banking Conference in Sharm El-Sheikh.

Mr. Abu El Ezz has completed a number of intensive training programs, including the Senior Executive Program for the Middle East offered by Harvard Business School. Mr. Abu El Ezz is a certified Board Member at the Egyptian Financial Supervisory Authority (EFSA) and the National Association of Corporate Directors (NACD) - USA. He also holds the Future Leaders Certificate from the Egyptian Banking Institute (EBI).

Other Current Positions:

- Board Member, Kafr El Zayat Pesticides and Chemicals Co. (S.A.E)
- Board Member, Misr Alexandria Fund For Financial Investments

Committees:

(I, E, ALCO, CRC, a2, b2, b7, FLEXCUBE, b5, a5)

Akef El Maghraby

Vice Chairman



Mr. Akef El Maghraby joined Banque Misr in August 2016 as its Vice Chairman. Prior to that, he spent 16 years with Citibank.

Mr. El Maghraby has held a variety of different positions throughout his banking career, including Credit Analysis, Corporate Finance, Ratings Advisory, and Corporate and Investment Banking. He has worked in and covered several jurisdictions, including Egypt, Bahrain, Saudi Arabia, the United Kingdom and the Netherlands, where he led and executed many landmark M&A, Debt and Equity Capital Markets, Loan Markets, and Derivatives transactions. He is also a Board Member at Misr Bank - Europe GmbH, Frankfurt.

Mr. El Maghraby holds a bachelor's degree in Accounting and an MBA, both from the American University in Cairo.

Other Current Positions:

- Board Member, Misr Capital Investments
- Board Member, BM Leasing

Committees:

(E, C, V, ALCO, CRC)

Ahmed El- Nahas

Board Member



Mr. Ahmed El-Nahas attended Victoria College in Cairo and furthered his studies in Lausanne, graduating from Ecole Hôtelière De La SSH in 1961. Prior to returning to his native Egypt, he was trained in several Swiss hotels, rounding out the theory learned at school until 1963. Back in Cairo, he joined the Nile Hilton as Captain and was promoted to positions of increased responsibility in the Food and Beverage Department until 1966, when he became Banquet Manager of the hotel. A year later, he was sent to the Cavalieri Hilton Hotel in Rome to undergo a training program, which prepared him for his next assignment as Food and Beverage Manager of the new Kuwait Hilton Hotel.

By 1969, his long experience, familiarity with Hilton International methods, and his fluency in Arabic, English, French, and Italian, enabled him to become the first Manager of the newly opened Al Ain Hilton in the Emirate of Abu Dhabi. The great success of this hotel led to the construction of the Abu Dhabi Hilton. In June 1972, Mr. El-Nahas was named General Manager of both operations.

Mr. El-Nahas had been given additional responsibilities as Director in the United Arab Emirates. In this position, he had overseen the operation of the Fujairah Hilton, Dubai Hilton, Abu Dhabi Hilton, Al Ain Hilton, Kuwait Hilton, and Bahrain Hilton.

In July 1979, he returned to Egypt as General Manager of Nile Hilton Hotel. He then prepared for the opening of Ramses Hilton Hotel, which he headed as General Manager. In July 1980, he was given additional responsibilities, whereby he became Director for all Hilton International Hotels in Egypt, namely, Nile Hilton, Isis and Osiris Floating Hotels, Fayrouz Village in Sharm El-Sheikh, Luxor Hilton Hotel, as well as Ramses Hilton Hotel.

In March 1990, he was promoted to Vice President, Egypt, Gulf, and Sudan. In 1994 he was promoted to Senior Vice President Middle East and Africa, and in October 1997 he became the Area President overlooking 32 Hilton Hotels, 21 of which he himself signed the management agreement for. In 1998, he was once again promoted to become President, Middle East and Africa, and Board Member of Hilton International. After 36 years of service with Hilton, Mr. El-Nahas decided to retire, and so as not to break the ties with Hilton, he has agreed to become a Consultant for five years, helping in different aspects of the business, and in particular with development opportunities in the Middle East and Africa.

In 1999, he was given the title of President of the Egyptian Hotel Association and in 2002 he was elected as Vice President of the Egyptian Tourism Federation (ETF). Then in 2005, he was elected as the Chairman of the Egyptian Tourism Federation (ETF). Mr. El-Nahas was also elected again as Chairman of the ETF for its 14th term in 2008 – 2011.

Other Current Positions:

- Chairman, Arab International Company for Hotels and Tourism

Committees:

(G, B)

Mohamed Sherif Sharaf

Board Member



Mr. Sharaf enjoys a banking career of over 40 years, through which he has occupied several top executive positions, including: Chief Executive Officer and Managing Director of ABC Bank-Egypt from 2008 to 2010, Board Member and Chairman of the Audit Committee at Suez Canal Bank from 2006 to 2008, Senior Financial Advisor at Egypt Kuwait Holding Company from 2006 to 2008, and the Executive Chairman of Export Development Bank from 2003 to 2006.

Mr. Sharaf graduated with a bachelor's degree from the Faculty of Commerce at Cairo University in 1968. He completed several post-graduate studies in Economics and Computer Science at Stockholm University in 1971. He also studied Business Administration at the American University in Cairo in 1979.

Other Current Positions:

- Managing Director, Misr Capital Investments

Committees:

(R, G, B, A, I)

Mohamed El-Hamamsy

Board Member



In a career spanning over 35 years, Mr. El-Hamamsy gained a breadth of experience in corporate and project management, strategic planning, marketing, finance, human resources, training, and information systems.

He is a board member in the Banque Misr Foundation for Community Development.

During the course of his impressive career, Mr. El-Hamamsy held various managerial positions at IBM Egypt from 1977 to 1997, when he became the company's Managing Director. He later moved to MegaCom SAE, where he held the position of Senior Consulting Partner for two years before he moved to become the CEO of Vodafone Egypt.

Mr. El-Hamamsy received a bachelor's degree in Telecommunication Engineering from Cairo University, and two master's degrees in Management and Arabic Studies from the American University in Cairo.

Other Current Positions:

- Board Member, El Mostakbal for Urban Development Company
- Member, Board of Trustees, Vodafone Egypt Foundation
- Member, Board of Trustees, Magdi Yacoub Heart Foundation
- Board Member, Misr Capital Investments
- Board Member, Qalaa Holdings Scholarship Foundation

Committees:

(A, V, R, G, I, B)

Dr. Ali El-Saiedi

Board Member



Dr. El-Saiedi has over 50 years of experience in the energy, electricity, and industry fields. He is the Vice President of the Board of Trustees of the Banque Misr Foundation for Community Development.

Dr. El Saiedi previously served as the Egyptian Minister of Industry and Technological Development (2001- 2004) and the Minister of Electricity and Energy (1999 – 2001). Later, he became a member of the Standing Advisory Group on Nuclear Energy (SAGNE) and the International Atomic Energy Agency (IAEA) (2005-2012). Additionally, he was a board member at Banque Du Caire (2005-2008). He joined the Banque Misr Board of Directors in 2005. From 2008 to 2011, he was a board member at the Higher Council of Science

and Technology, as well as the Egyptian Water and Wastewater Regulatory Agency.

Dr. El Saiedi held several prominent positions prior to his ministerial career. He was the Director of Technical Cooperation at the IAEA in Vienna from 1993 to 1999. During the same time, he was also the Chairman of the Board for the Power Generation Engineering and Services Company - Egypt (PGESCO).

Dr. El Saiedi's career in the field of energy began in 1957, when he was appointed at the Egyptian Atomic Energy Authority. In 1968, he became an Assistant Professor at the Nuclear Engineering Department of Kansas State University, USA, where he taught until 1970. In addition, he assumed several leading positions within the energy sector, from 1982-1993, including: Secretary of the Supreme Council for Peaceful Uses of Nuclear Energy, Board Member of the Atomic Energy Authority, Board Member of Nuclear Materials Authority, Board Member of the Electrical Power Systems Engineering Company, and Head of the Nuclear Energy Branch of the Electricity and Energy Council at the Egyptian Academy of Scientific Research and Technology. In addition, he was the Executive Chairman of the Nuclear Power Plants Authority (1985-1993).

Among some of the responsibilities he held within Egypt, he chaired the National Committee for Localisation of Components of Electric Power Stations and Equipment for Transmission and Distribution of Electricity

(1988-1993). Within that capacity, he oversaw the establishment of PGESCO, the first company of its kind in Egypt and the Middle East, specialized in the design and execution of major electric power projects.

Dr. El Saiedi was also part of the Egyptian team in charge of making Middle East a Nuclear Weapons Free Zone. He was also a member at numerous international expert groups, including the IAEA, which set systems and guides to help developing countries to use nuclear energy safely, including for electricity generation, financing nuclear power projects, and overseas transportation of nuclear wastes.

Dr. El Saiedi earned a bachelor's degree in Mechanical Engineering from the Faculty of Engineering at Cairo University in 1957. He also obtained a master's degree in Reactor Physics Technology from the University of Birmingham in 1961, followed by a PhD in Nuclear Engineering from University of Illinois in 1968. He became a Fellow of the National Defense College at Nasser Higher Military Academy (NHMA) in 1979.

Other Current Positions:

- Board Member, Arab Organization for Industrialization
- Board Member, Capital investment Co
- Executive Advisor to the Board, Power Generation Engineering and Services Co. (PGESCO)
- Chairman of the Board, Islamic Charity Foundation
- Board Member, Egyptian Council for Foreign Affairs

Committees:

(A, G, R, I)

Maha Heba EnayetAlla
Board Member



Mrs. Maha EnayetAlla has 34 years of diversified experience in the banking sector. She was appointed as Board Member in January 2014 and was re-elected in September 2014. After graduating from the American University in Cairo in 1982, she joined Chase National Bank (Currently CIB), where she spent almost 26 years. She worked in several departments, mainly Corporate Banking, Branch Management, and SME Banking. She joined Banque Misr in September 2010, and is currently an Executive Board Member, overlooking the following departments:

- Strategy and Change Management
- Business Development
- Compliance & Corporate Governance
- Performance Quality Assurance
- Project Management & Business Continuity

Mrs. Maha is also a Board Member at Banque Misr Liban BML. Her professional experience was complemented by intensive training programs and study tours with renowned international institutions.

Other Current Positions:

- Board Member, Misr Capital Investments
- Board Member, Holding Company for Tourism and Hotels

Committees:

(E, I, V, CRC, ALCO, b7, FLEXCUBE, b5)

Senior Executives



SENIOR EXECUTIVES «As of February 2017»

AbdElRaouf Hussein Head of Central Operations



Mr. AbdElRaouf Hussein was appointed as General Manager of Retail Banking Operations in June 2009. He was recently appointed as General Manager of Central Operations.

Mr. Hussein has extensive experience spanning over 32 years in the banking and payments businesses, operations, and technology. Prior to joining Banque Misr, he held key positions in a number of leading regional and international banks and institutions, such as the National Commercial Bank (NCB), Citibank Egypt, and MasterCard International.

Other Current Positions:

- Board Member, Egyptian Life Takaful – GIG

Committees:

(FLEXCUBE, a1, c4, b7)

Adel Mohamed Fawzy Head of Regions and Branches Sector



Mr. Adel Mohamed Fawzy has extensive experience in the banking industry in Egypt and the Gulf, spanning more than 37 years in total. He currently serves as Head of the Regions and Branches Sector and CEO of Banque Misr Employees' Insurance and Pension Fund.

Other Current Positions:

- Board Member, Egyptian Takaful Insurance Company

Committees:

(ALCO, FATCA, E, b1, b6, a4, c4, c5, b5, b8)

Ahmed Ibrahim Head of Remedial, and Private Investment Sector



Mr. Ahmed Ibrahim was appointed General Manager of the Remedial and Private Investment Sector. Prior to joining Banque Misr, Mr. Ibrahim was Head of the Recovery Division - Risk Group at NSGB Egypt.

He has extensive experience, spanning more than 31 years in the banking industry, covering different areas, including Retail Banking, Branches and Marketing, Corporate Credit, Credit Risk Assessment, and Remedial Loans.

He obtained his bachelor's degree from the Faculty of Commerce at Cairo University in 1984.

Other Current Positions:

- Board Member, International Co. for Leasing (Incolease)

Committees:

(E, a9, c6)

Amer Mohamed AlAbbady Chief Audit Executive



Mr. AlAbbady joined Banque Misr in 2009 as Chief Audit Executive (CAE).

His prior banking experience included 20 years overseas (1989-2009) with Banque Saudi Fransi (BSF) headquartered in Riyadh heading the bank's Remedial Loans Department, and subsequently heading its Credit Risk Control Department.

In 1988 he headed the Credit Department in the Alexandria branch of Societe Arabe Internationale de Banque (SAIB).

Mr. AlAbbady commenced his banking career in 1979 with Bank Of America NT&SA in Alexandria until early 1988, when he left the bank at the position of Senior Lending Officer.

During the period from 1998 to 2001, he gained significant academic experience through being exposed to diverse training programs in Business

Administration at the Management Centre Europe (MCE) in Brussels.

Committees:

(ICAAP)

Effat Ishak

Head of Treasury and Correspondent Banking Sector



Mr. Effat Ishak was appointed Head of Treasury and Correspondent Banking Sector in 2004.

Mr. Ishak has been working for Banque Misr for more than 35 years.

He is also Board Member of Misr Bank - Europe GmbH and Banque Misr Liban S.A.L. (BML).

Other Current Positions:

- Board Member, the Export Development Bank of Egypt
- Board Member, the National Navigation Company

Committees:

(a1, a8, E, CRC, ALCO, b5)

Farid Zaalouk

Chief Information Officer



Mr. Farid Zaalouk was appointed Chief Information Officer in January 2016.

Prior to this appointment, Mr. Zaalouk was IT and Communications Consultant, responsible for the bank's technology modernization program.

He successfully led Banque Misr's unified information system transfer scheme in 2003, introduced IP Telephone technology to the bank's nationwide branches and units, applied the core banking technology application, FLEXCUBE, all over the bank branches, and oversaw the upgrading of the bank's two computer centers.

In 2010, Mr. Zaalouk was certified as a Professional Board Member by the Egyptian Institute of Directors (EIoD). He received the Best Innovated Project Award in 2000 for building Banque Misr's digital infrastructure, the best participant in the management fundamentals training course from the Central Bank of Egypt in 1999, and the Innovation Awards for the years 1989 and 1993 for contributing

to the development of the bank's business plans.

Mr. Zaalouk has a bachelor's degree in Engineering from Ain Shams University, class of 1981. He has also received a Certificate in Consulting Engineering in the field of Information Systems in 2003.

Other Current Positions:

- Board Member, El Mostakbal for Urban Development

Committees:

(I, ALCO, a1)

Fatma El-Gouly

Chief Corporate Communication Officer



Dr. Fatma El-Gouly was appointed Chief Corporate Communication Officer at Banque Misr in 2006.

Dr. El-Gouly has over 20 years of experience in marketing, public relations, corporate communication, and management.

Prior to joining Banque Misr, Dr. El-Gouly held several managerial positions in different industries, such as pharmaceutical, banking, and communications. She was the former Director of Marketing and Corporate Communication for National Societe Generale and Misr International Bank (MIBank), and Head of Marketing Communication at Novartis Swiss Company.

She has experience in leading firms such as Bristol, Myers Squibb, and Raya.

She has been exposed to diverse training and personal development programs, in addition to earning an MBA in Business and Marketing Management in 2005, a Master of Philosophy in Corporate Communication in 2009, and a Doctorate of Business Administration in Business Management from Maastricht School of Management, Netherlands in 2013.

Other Current Positions:

- Board Member, the Egyptian Media Production City (EMPC)
- Board Member, Banque Misr Foundation for Community Development

Committees:

(b5, a3, c4)

Mohamed Hamed

Chief Risk Officer



Mr. Mohamed Hamed was appointed as Chief Risk Officer in January 2015.

Prior to this, Mr. Hamed held positions as the General Manager of Group Head of Islamic Bank, Head of Central Corporate Department, and Head of Central Corporate Department during the period from 2007 and 2015.

Before joining Banque Misr, he spent 21 years, from 1986 until 2007, in Misr International Bank (MIBank) NSGB in a variety of roles, including Senior Manager of the Central Remedial and Asset Management Department, Senior Manager of the Corporate Credit Department, Manager of the Multinational Credit and Investment Department, in addition to various Banking Operational Departments (e.g. Letter of Guarantee, Letter of Credit, Cambio, etc). Moreover, he was a Board Member in El Nasr Casting Company and Air Cairo Company.

Mr. Hamed is also Board Member of Misr Bank– Europe GmbH. He has an MBA in financial Management from City University, Seattle, Washington, USA.

Other Current Positions:

- Board Member, El Mostakbal for Urban Development
- Board Member, Suez Company for Fertilizer Production

Committees:

(E, A, C, R, V, G, I, ALCO, ICAAP, FATCA, FLEXCUBE, a8, b2, b5, c1, c6)

Mohamed Yehia

Head of Human Resources and Training



Mr. Mohamed Yehia was appointed Head of Human Resources and Training, with a wide experience in talent acquisition, succession, performance management, employee relations, employee learning and development, as well as compensation and benefits. Mr. Yehia is responsible for the successful restructuring of Banque Misr's Human Resources Department goals and objectives to align with the bank's business goals and objectives.

His extensive experience in managing Human Resources extends over more than 38 years, including 20 years in leadership roles. His distinction in leading Human Resources enabled him to become a strategic business partner.

Committees:

(CRC, a2, b3, b4, b5, c5)

Mohamed Younis

Head of Corporate Banking and Syndicated Loans



Mr. Mohamed Younis enjoys over 23 years of extensive in-depth experience in the banking sector. He was one of the main founders of Misr International Bank (MIBank) credit restructure before its merger with National Societe General Bank.

He has wide-ranging experience and a proven track record in corporate banking, with successful execution and management of landmark transactions (including project finance and structured finance transactions) in most of the Egyptian market sectors, including Oil and Gas, Fertilizers, Building Materials, Petrochemicals, Aviation, and Telecommunications.

Younis has headed the Corporate Banking and Syndicated Loans since 2010.

Throughout this period, he has built a strong portfolio in almost every industry which had a great impact on the bank's performance, as he is in charge of managing Banque Misr's large corporate performance portfolio, which has almost tripled since December 2010.

This distinguished performance has been recognized by Bloomberg League Tables

as BM was classified the best Bookrunner & Mandated Lead Arranger for Syndicated Loans and Project Finance Transactions across Africa as of June 2016.

During that period, some international institutions announced three of the bank's transactions as Deal of the Year for 2010, 2012, and 2015.

BM has also been granted two awards by EMEA Finance Magazine, as the Best Syndicated Loan House and Best Project Finance House in Africa for the year 2015.

Mr. Younis is currently Board Member of Banque Misr Liban S.A.L. (BML) and Head of Risk Committee.

Other Current Positions:

- Board Member, El Ezz Flat Steel Company

Committees:

(E, C, ALCO, c6)

Mona Mohamed Khafagi

Head of Strategy and Change Management



Mrs. Mona Mohamed Khafagi was appointed as Head of Strategy and Change Management in April 2012. Prior to this appointment, she held the position of General Manager and Head of Branch Network from November 2008 to March 2012. Previously, Khafagi was General Manager of the Credit Control and Administration Department, as well as Risk Management, from 2007 until October 2008. She also served as Deputy General Manager, in charge of the East Cairo Branches Region, from April 2005 until August 2007.

She was also Manager of Banque Mir's Tawfikia Branch from 2004 until 2005 and Sherif Branch from 2001 until 2004, and Assistant Manager of the Gezira Branch from 1999 until 2001. Mrs. Khafagi first joined Banque Misr in 1993 as Officer of the

Gezira Branch.

Mrs. Khafagi obtained a bachelor's degree in Accounting from the Faculty of Commerce at Helwan University in 1974.

Other Current Positions:

- Member, Banque Misr Foundation for Community Development

- Board Member, Talaat Harb Club

- Board Member, National Company for Maize Products

Committees:

(ALCO, a2, I, G, a5, b7, c3)

Sherif Samy Aguib

Chief Financial Officer



Mr. Sherif Samy Aguib was appointed as Chief Financial Officer in 2009. Prior to joining Banque Misr in 2009, Mr. Aguib held senior positions in the fields of Finance, Administration, Inspection, Information Technology, Human Resources, and Central Operations. He has more than 39 years of extensive experience in the banking industry.

In 1977, he commenced his career at the Egyptian American Bank (now Credit Agricole Egypt), where he worked for 18 years in a variety of roles, including his role as Deputy General Manager. Mr. Aguib spent more than eight years in Qatar as Assistant General Manager at Qatar National Bank (QNB).

Later, Mr. Aguib served as General Manager and Head of the Financial Sector at Misr International Bank (MIBank) (now Qatar National Bank - QNB) for more than two years. He spent three years as an Advisor to the Minister of Finance in the Treasury Single Account. He has been exposed to diverse training programs in Europe, the USA, the Gulf, and Egypt.

Mr. Aguib has a bachelor's degree in Commercial and Administrative Sciences.

Other Current Positions:

- Board Member, Egyptian Financial & Industrial Co
- Board Member, Suez Company for Fertilizer Production
- Board Member, El Mostakbal for Urban Development

Committees:

(E, I, ALCO, V, b2, FLEXCUBE, b5, a5, a8, b4, ICAAP)

Suzan F. Hamdy

Head of Capital Markets Group



Dr. Suzan Hamdy is currently Head of the Capital Markets Group.

Dr. Hamdy has a career spanning more than 30 years in the banking industry. She commenced her career at the Credit and Syndications department at the Arab African International Bank, where she worked in a variety of banking divisions, including Project Finance, Remedial Management, Investment Banking, Retail Banking, Marketing, and Business Development.

She was formerly the Chairman of the Nile Fund Company for Development and Investment in the Nile Basin countries. She was also Board Member at the Export Development Bank.

In 2015, Dr. Hamdy was chosen among the top 10 Bankers in Egypt, and as one of the 50 most influential women in the Egyptian economy in 2016. She was also selected as a member of the International Who's Who of Professionals for the year 2009.

Moreover, Dr. Hamdy is a member of different business associations, as she represented Egyptian banks in VISA International Risk Advisors for the CEMEA region.

She holds bachelor's and master's degrees in Economics from the American University in Cairo. Graduating at the age of 17, Hamdy obtained her PhD degree in Monetary Policy from the University of Hungarian Sciences at the age of 22, to become the youngest university graduate and PhD holder in Egypt and the Middle East.

Other Current Positions:

- Board Member, International Company for Touristic Development
- Board Member, Misr Capital

Committees:

(E, ALCO, a5, a8, b2, V)

Tarek Ali

Head of Administrative and Engineering Affairs Sector



Mr. Tarek Ali was appointed as Head of Administrative and Engineering Affairs Sector. He joined Banque Misr in 2009.

He has about 33 years of proven experience in various fields. Before joining Banque Misr, Mr. Ali was Head of Supply Chains at Americana Group. He was formerly Head of the Operations Sector at QuickTel Communications.

Prior to that, he was Head of the Purchases and Materials Department at Magrabi Hospitals. Mr. Ali has spent 15 years in senior roles at Xerox Egypt, including his final role as Head of the Material and Export Department.

He has a bachelor's degree in Power from the Faculty of Engineering at Ain Shams University.

Other Current Positions:

- Board Member, Misr Investment Company

Committees:

(a4, b1)

Yehia El Agami

Head of Retail Banking



Mr. Yehia El Agami was appointed as General Manager and Head of Retail Banking 10 years ago. In 2011, Mr. El Agami was chosen as an honorary member of the International Retail Banking Academy. He was also the first Certified Retail Banker in North Africa and the Middle East in 2011.

Mr. El Agami has extensive experience spanning more than 35 years in the banking industry. He recently held the role of General Manager of Retail Banking.

Prior to joining Banque Misr, he served as President of the Small Enterprise Development Organization (SEDO) under the umbrella of the Social Fund for Development (SFD). During his presidency at SEDO, Mr. El Agami was delegated to become Chairman of the Board of Trustees of the B.E.S.T Foundation, a joint program between SFD and the United Nations Development Program. He also served as Vice Chairman of the Egyptian Franchise Association, and Board Member of both the Egyptian Association of Incubators and the Egyptian Credit Bureau.

He also held several senior managerial positions in a number of leading banks, including Head of Retail Banking at the Egyptian American Bank, and Head of Investment Marketing and Retail Banking at Al Watani Bank of Egypt. Prior to this, Mr. El Agami was Manager of the Deposits and Investment Products Department in the Saudi Cairo Bank in Jeddah, Saudi Arabia.

Mr. El Agami holds a bachelor's degree in Statistics, from the Faculty of Economics and Political Science at Cairo University.

Other Current Positions:

- Board Member, Alexandria Mineral Oils Co (AMOC)

Committees:

(ALCO, FLEXCUBE, a3)

BOARD AND EXECUTIVE COMMITTEES

BM BOARD

The Board of Directors is the principal decision making authority at the bank, setting the strategic direction and ensuring that the bank manages risks effectively. The board is accountable to stakeholders for financial and operational performance.

Audit Committee (A)

Responsible for overseeing the financial reporting process, including the risks and controls in that process. The committee should supplement figures received from the executive management with further information and assurance from both the internal and external auditors.

Corporate Governance Committee (G)

Ensures strict adherence to the principles of corporate governance, oversees the strict compliance to all relevant laws and regulations imposed by the Central Bank of Egypt and all other regulatory bodies.

Supreme Investment Committee (V)

Evaluates and allocates the investment budget on the bank's macro level.

Compensations and Benefits Committee (B)

Oversees all relevant staff compensation and benefit policies, as well as training and career development requirements, and ensures the availability of effective staff recruitment and retention schemes within approved budgets.

Executive Committee (E)

Controls all funding operations, contributions made in the corporate capital, and the bank's credit facilities.

Committee of Informatics (I)

Monitors the offered services, ensuring their needs are being catered to, up to the highest standards, to maximize the bank's return on investments in the field of informatics.

Senior Credit Committee (C)

Considers the present credit cases, according to the credit endorsement policy.

Higher Risk Committee (R)

Risk taking is an integral part of banking business. The BM strategy should incorporate policies and actions regarding the risks it is willing to take and the means by which it will manage and mitigate those risks. The Higher Risk Committee ensures all relevant business risks are identified, that their impact has been properly assessed, and that there are enough policies and regulations in place to manage all risks effectively.

1-Audit Committee:

The committee handles a number of responsibilities that include:

A- Financial statements

- Studying annual financial statements before presenting them to the Board of Directors for approval
- Ensuring that the bank's Executive Committee periodically reviews the value of collateral put up against loans and credit facilities
- Studying the Central Bank of Egypt's observations on the bank and its financial statements following inspections and reporting them to the Board of Directors with recommendations

B- Internal audit system

- Reviewing the reports compiled by the Inspection Department, including reports on the sufficiency of the internal audit system at the bank
- Coordinating between the tasks of internal and external auditing and ensuring that there are no obstacles preventing communication between the head of the Inspection Department and auditors
- Reviewing the procedures adopted by the bank's management to ensure compliance with the Central Bank of Egypt's auditing standards and regulations

C- Compliance, money laundering and risk management

- Reviewing reports compiled by the head of compliance at the bank

D- Auditors

- Providing recommendations to hire auditors, setting their tasks, and reviewing issues related to their resignation or dismissal, in accordance with legal provisions and the Central Auditing Organization law
- Providing counsel on permission to assign auditors to provide services to the bank, rather than reviewing financial statements

E- Inspection Department

- Reviewing and adopting the annual inspection plan

2-Executive Committee:

The Executive Committee reviews the overall bank strategy, prior to submission to the Board of Directors for approval.

The committee reviews and approves:

A-Newly delivered retail asset and liability products and/or financial schemes

B-Credit facilities within the authority granted to the committee and in accordance with the bank's credit policy

C-The investment strategies and decisions in accordance with the committee's set authorities

D-Settlements and/or the rescheduling of remedial loans in accordance with the bank's set policies

E-Allocated provisions and reserves in accordance with the Central Bank of Egypt's (CBE) regulations and internal policies

The committee ensures the adherence to and enforcement of all CBE regulations and legislations. It follows up on the financial results and performance indicators of the bank on a monthly basis and addresses areas of concern.

The committee approves capital expenditures related to the purchase of new branches, IT systems, and procurement, after being studied and approved by the relevant committees.

The committee approves modifications of HR policies, incentive schemes, and appraisal systems.

It evaluates the bank's performance, competitiveness and brand positioning with regards to the local market and in all countries where Banque Misr has branches and/or subsidiaries.

The committee has administrative and financial authorities in accordance with the bank's regulations, approved by the Board of Directors. It also has lending authorities in accordance with the approved credit policy.

The Board of Directors may delegate additional authorities to the Executive Committee when deemed necessary, to facilitate the bank's operations.

3-Corporate Governance Committee:

The committee handles a number of responsibilities that include:

A- Defining clear boundaries of responsibility and accountability in the bank and ensuring the clarity of the rules relating to the existence of:

- A policy to deal with related parties

- Effective internal control and risk management systems, and compliance with laws and regulations
- A workable policy to replace the different functions
- A clear social responsibility policy toward both the employees and the customers

B- Ensuring the availability of applicable policies, systems and the means to verify the following:

- The senior management and board of directors' commitment to the principles of governance
- The application of good practices in the bank, in accordance with the Basel II accord
- Staff commitment to the implementation of the industry code of conduct
- The bank's assessment of the efficiency of governance to its potential customers as part of the process to approve the granting of credit to such customers
- The relevant departments indicating the bank's adherence to the application of corporate governance rules, founded by or added to the bank
- The application of corporate governance rules in emergency situations and crisis management

4-Committee of Informatics:

Providing domain expertise, leadership, and guidance to the bank to help it achieve its objectives through the following actions:

- A- Constant reviewing of the bank's strategies and activities. The committee also monitors the offered services, ensuring their needs are being catered to, up to the highest standards, to maximize the return on the bank's investments in the field of informatics
- B- Following up on the development of the bank's services, the flow of its operations, and the archiving of data, by bridging between the bank's reporting requirements and data architecture to ensure that all data models are aligned with the bank's main strategy
- C- Managing the development and distribution of data and reports provided to the bank's internal and external customers, along with eliminating risky operations and protecting data from potential threats

5- Supreme Investment Committee:

Assisting the Board of Directors in overseeing the investment activities from a strategic perspective.

The committee focuses on the following areas:

- A- Macro-economic and market conditions as they pertain to the bank
- B- The bank's investment strategy, taking into account the implications of accounting standards, taxation laws, regulatory requirements, and bank policies
- C- Overseeing investment exposures across multi-asset classes
- D- Reviewing investment risk levels for each asset class and overall
- E- Setting criteria for regular investment reporting
- F- Ensuring that investment guidelines are adhered to and that procedures are in place to ensure that portfolios are managed in compliance with investment policies for each asset class
- G- Monitoring performance in line with the bank's strategy and objectives

6-Senior Credit Committee:

Reviews and approves credit cases in accordance with the bank's credit policy.

The Senior Credit Committee approves new credit cases extended to corporate borrowers, and joins in syndicated loans.

In addition, the committee conducts periodical reviews, in addition to restructuring and boosting existing credit facilities.

The committee takes decisions with regards to upgrading or downgrading borrowers based on their obligor risk rating, and channels critical cases to the remedial banking group.

The committee ensures that the bank is safe-guarded, risks are properly mitigated, and collaterals are legally binding, valid, and enforceable. Pricing and fees applied are also given major attention by the committee to ensure a risk-based return.

7-Higher Risk Committee:

Monitoring the Board of Directors and the executive management to make sure they are complementarily responsible for the management of risk in the bank. The committee also follows up on the functions of risk management through:

- A- Compiling reports and following up on the compliance to capital strategies,

liquidity management, credit and market risks, operational risk, and any other risks the bank may become exposed to

B- Controlling and supervising the development and evaluation of the general risk management framework in the bank in terms of: credit, investment, market, and liquidity risk, as well as operational risk, with all required policies, procedures, systems, and tools used by the executive management in the risk control and identification of acceptable risk (risk appetite) for each of the major risks in light of the surrounding environment, as well as current and prospective economic and financial conditions

C- Ensuring the application of and following up on the related concepts and policies in line with the regulatory instructions and governance principles

D- Auditing reports that contain the key risks faced by the bank, which covers all credit, investment, market, liquidity, and operational risk and boundaries used for follow-up allocations (risk exposures), in addition to the standards of the risk management system in terms of acceptable risk percentages and rates

E- Reviewing the procedures and policies followed for setting the maximum limits on risk and risk concentrations (risk/concentration limits) as well as ensuring that reports illustrate the trends in terms of investments and concentrations, versus unauthorized limits

F- Reviewing the size of the bank's liquidity and making recommendations to the board on the comprehensive framework for liquidity risk, including the results of the different assumptions of stress tests (liquidity stress)

G- Emphasizing the independence of the General Manager of Risk Management through his/her jurisdiction in directly reporting to the Board of Directors or the Higher Risk Committee without any obstacles. Additionally, he/she may not perform any financial or administrative responsibilities that contradict with his/her job as General Manager of the risk management system

H- Ensuring all risk management reports are rated according to:

- The probability of occurrence of those particular risks
- The completion of the internal control systems of the bank to manage those risks

8- Compensations and Benefits Committee:

Managing the employees' compensations and all benefits offered to the bank's staff under their supervision.

The committee is also in charge of:

A- Reviewing the structure and competitiveness of the income and benefits' programs offered to the bank's employees to make sure they comply with the bank's strategy to attract and maintain outstanding human resources and to

motivate employees to achieve the bank's goals and maintain growth

B- Monitoring and evaluating the overall structure of the employees' income and benefits through:

- Studying and proposing fundamental aspects or changes related to the philosophy and strategy of the bank's income and benefits
- Making sure the incentive policies granted to managers do not lead to the acceptance of excessive risk
- Periodically reviewing the public policy programs of income and benefits and presenting them to the Board of Directors for approval
- Reviewing the long-term policy programs, such as the benefits related to the end of service or health care after retirement, ahead of submitting them to the Board of Directors for approval

Senior Committees:

Governance bodies:

The committees, as governance bodies, are responsible for the strategic guidance of the organization and ensuring competence and diligence, the effective monitoring of operations, and a sound accountability of management to the broader organization and its stakeholders.

Assets and Liabilities Committee (ALCO):

Responsible for the formulation of the management strategy for assets and liabilities, as well as specifying the key performance and risk indicators, while taking all the necessary executive decisions to achieve the goals set by these indicators.

Technology Committee (a1):

Evaluates all technological issues within the bank's computer and informatics system.

Higher Human Resources Committee (a2):

Evaluating the bank's human resources strategies and policies, including wages, incentives, appointments, promotions, holidays, training, performance appraisal reports, and employee by-laws and systems.

FATCA Committee (FATCA):

Ensures the bank's compliance with FATCA regulations and the provision of required systems and mechanisms, as well as examining any obstacles to applying those regulations. The committee does not have any financial authorities, and all recommendations from the committee must be presented to the Executive Committee.

Product Development Committee (a3):

Evaluates and develops ideas for new or existing products in various sectors.

Branches and Outlets Committee (a4):

Specifies the requirements of new or alternate branches nationwide, as well as reviewing requests from regions and branches managements to expand branches. The committee also coordinates with the remedial department buildings that have been repossessed by the bank, and studies the best ways to utilize them.

Internal Capital Adequacy Assessment Process Committee (ICAAP):

Responsible for the bank's Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP was formed as a result of Pillar 2 of the Basel II accords, which targets a better quality of regulatory capital, along with better risk management and supervision.

The committee is responsible for coordinating and implementing a comprehensive vision for all the bank's departments, to implement the Internal Capital Adequacy Assessment Process.

Real Estate Divestment Committee (a5):

Facilitates a systematic and suitable disposal of unserviceable properties that have been acquired by the bank in stages, to be sold in steps.

Committee for Receiving Assets Owned by Holding Companies' Affiliates (a6):

Based on the Framework Debt Swap Agreement signed on September 14th, 2009 between Banque Misr, the National Bank of Egypt, and holding companies, regarding the assets owned by subsidiaries of the holding companies, the committee is responsible for coordinating a collective settlement through exchanging the debts of lagging public companies for land plots.

Committee for Setting Returns on Islamic Transactions (a7):

Studies all matters pertaining to the services provided by Banque Misr's Islamic branches, and sets the applicable return rates.

Foreign Branches Follow-up Committee (a8):

Follows up the performance of Banque Misr's branches, subsidiaries, and representative offices abroad, as part of the bank's development strategy, to enhance the performance of its international offices.

Committee for Restructuring (CRC):

Responsible for development and restructuring, and mergers processes.

Settlement Committee (a9):

Reviews suggestions for the settlement of client debts or liquidating facilities.

Administrative Affairs Committee (b1):

Reviews the requirements of the bank's various departments, whether furniture, equipment, office supplies, publications, and other requirements, as well as anything related to the bank facilities.

Emergency Committee (b2):

Responsible for emergency assistance following natural disasters.

Medical Services Committee (b3):

Assesses all offers from medical specialists, hospitals, and laboratories, to select the most suitable and low-cost services to provide comprehensive medical packages for employees and their families. The committee issues decisions regarding chronic illnesses, and the entailed actions regarding the type of work. It also follows up on the monthly financial status of the bank's medical service system, and decides on how to ensure a balance between the system's expenses and resources.

Medical Care Committee (b4):

Responsible for providing financial assistance for the treatment of exceptional medical conditions.

Crisis Management Committee (b5):

In light of the exceptional circumstances and instability in the country over the past years, which have affected its political and economic climate, the committee was formed to address the potential attendant crises. The committee creates and maintains an efficient and integrated structure for preventing and managing incidents. It aims to ensure preparations for crisis situations and develop action plans.

FLEXCUBE Committee (FLEXCUBE):

Facilitates processes to upgrade the core banking technology application, FLEXCUBE, in order to support all the bank's technology and business objectives.

Grievances Committee (b6):

Handles and processes the grievance redressal mechanism of the bank, and is responsible for the resolution of employees' complaints/grievances.

Committee for Interviewing Candidates for Senior-Level Positions (b7):

Conducts interviews with candidates seeking senior-level positions at Banque Misr i.e. General Manager and Senior Deputy General Manager positions.

Committee for Interviewing Candidates for Specialized Positions (b8):

Conducts interviews with candidates seeking positions at specialized departments at Banque Misr.

Central and Non-Central Small Enterprises Financing Committees (b9):

Responsible for small-sized business financing schemes and products, both in the conventional and Islamic branches.

Main Credit Committee (c1):

Discusses the authorities granted in the credit policy pertinent to the bank's corporate credit clients.

SME Credit Committees (c2): (Three committees)

Responsible for all the credit lines granted to small and medium-sized enterprises.

Committees for the Settlement of Purchased Debts (c3): (Two committees)

Studies the means for settling the debts of clients with transferred court cases, who have assets amounting to no more than EGP 5 million. The first committee is responsible for studying cases relating to Banque Misr's debts and the second committee is responsible for debts transferred from Banque Du Caire.

Appointments Committee (c4):

Conducts interviews with potential new recruits to the bank.

Re-interview Committee (c5):

Conducts second interviews with applicants who scored less than 70% in their first interviews, and who are compliant with the bank's terms of service, in light of the deficit in various entities. The second interview is conducted six months from announcing the results of the first assessment.

Credit Control Committee (c6):

Refers defaulting clients to the department of legal affairs to undertake legal action, and authorizes the declaration of non-performing debt status.

Annual Performance Appraisal Committee (c7):

Responsible for discussing and endorsing the defects in the annual performance appraisal reports.

OUR COMMITMENT

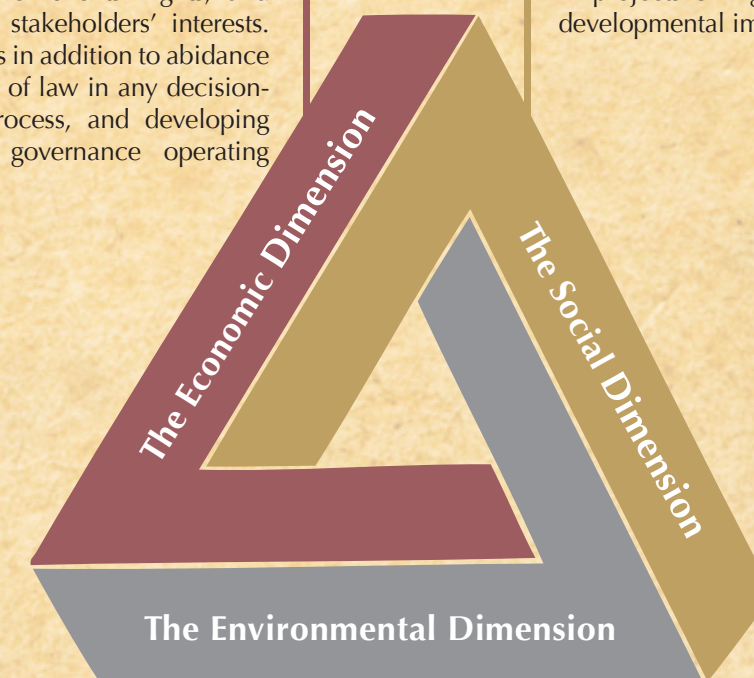
Our credibility as a leading financial institution rests on our operational integrity and the transparency of the information we provide to our stakeholders. Upholding strong corporate governance, adhering to the highest ethical standards, and effectively managing risk are all vital factors to our continuation as an accountable, transparent, and well-managed financial institution.

Banque Misr's adopted policies reflect a strong commitment to achieving its objectives and guaranteeing its compliance with the fundamentals of sustainability. At BM, we strive to maintain the high standards of service by seeking new opportunities to develop our social and working environments. The bank continues to seek social and sustainable development opportunities that have a positive impact on the economy and society.

OUR VISION OF SUSTAINABILITY INCORPORATES THREE MAIN ASPECTS:

Highly emphasizes the ethical conduct of our employees inside the bank and includes: corporate governance, fighting corruption, protection of clients' rights, and respecting stakeholders' interests. This comes in addition to abidance to the rule of law in any decision-making process, and developing a robust governance operating model.

Requires the bank's full respect for the cultural norms, social values, and differences between employees, in addition to engaging in projects of high social and/or developmental impacts.



Closely monitoring for any potential harmful impacts on the environment as a direct or indirect result of any of the bank's operations, products, services, or resources.

Sustainability aspects are reflected in the bank's overall operations through a number of policies:

1-Governance and Standards

2-Code of Conduct

3-Whistleblowing

4-Data Protection

5-Anti-Money Laundering and Counter-Terrorism Financing

6-Remuneration System

7-Risk Management

Governance and Standards:

Banque Misr's Board of Directors is committed to establishing and maintaining the highest standards of corporate governance in all its operations. Good corporate governance is crucial to BM's long-term success and sustainability. We believe that a robust and transparent corporate governance framework is vital to the sustainable success of Banque Misr.

BM is run by a dedicated management team that operates within a clear governance framework, aiming to optimize stakeholder value and preserve maximum book value as businesses and assets are divested. With the objective of continuously improving compliance measures as a key element in the bank's control system framework, several channels for staff issues or codes of conduct and petitions have been introduced and announced to the employees.

Effective corporate governance, in accordance with the highest international standards, is at the core of our identity and operations. We work to ensure the responsibility, value-driven management, and control of Banque Misr through our system of corporate governance, which includes three key elements: good relationships with stakeholders, performance-based compensations for managers and employees, and transparent reporting of problems.

The bank's board is also committed to the highest standards of integrity and ethics. Matters relating to the internal control and risk management governance, as well as policies and practices concerned with compliance with legal and regulatory requirements, are treated as a high priority in the Board of Directors' meetings.

BM's Five Pillars of Good Governance:

The bank works to ensure the implementation of the relevant governance policies through:

-Clients: Ensuring mutual benefits and returns for the bank and its clients, excellent customer service, commitment to information, the confidentiality of accounts, and transparency.

-Employees: Guaranteeing fair treatment, suitable and safe working conditions, commitment to the highest level of professionalism and work ethics, and encouraging employees to participate in the bank's different social and charity activities.

-Goals: Encouraging funding projects that contribute to the sustainable development and/or environmentally friendly projects that serve a wider societal segment, including micro projects with high rates of employment, encouraging suppliers to abide by ethical standards and support the rationalization of water/energy/paper consumption, recycling, and the protection of the environment.

-Community: Adopting influential tools to assist the community's sustainability and avoid unacceptable social practices.

-Reports and follow-ups: The bank's governance chief submits periodical reports every six months to the bank's Corporate Governance Committee for follow-up to ensure the implementation of the bank's sustainability programs and goals, in line with the international governance principles. These reports are also included in the Board of Directors' annual statement.

Banque Misr Code of Conduct:

BM's reputation for integrity is one of its most valuable assets and is guided by the conduct of its directors and employees. BM's Code of Conduct obliges directors and employees to avoid conflict areas involving a material risk of damage to existing or potential clients' interests. They are bound by professional discretion and prohibited from engaging in outside employment.

Employees can only share confidential information if essential for performing a job function. There were no conflicts of interest from board members during fiscal year 2015/2016.

Whistleblowing:

Our staff acts as our army, placed on the front lines to ensure honest and ethical operations are conducted at all times. They take full

responsibility in maintaining our corporate reputation. Banque Misr provides regular employee trainings on banking regulations and codes of practice regarding illegal activities, such as bribery, corruption, money laundering and insider trading, equal opportunities, and privacy of data. Banque Misr operates an inclusive compliance disclosure line, through mail, email, and physical interviews, which is available to allow employees to make disclosures when the normal channels for airing grievances or concerns are unavailable or inappropriate. The compliance disclosure line is available as an outlet for employees' concerns on a number of matters, including breaches of law or regulations, allegations of bribery and/or corruption, failure to comply with policies, suspicions of money laundering, breaches of internal controls and/or fraud, or deliberate error in the financial records.

The Regulatory Compliance department is responsible for the operation of the compliance disclosure line and the handling of all disclosure cases on the regional and international levels. All compliance cases are reviewed and referred for appropriate investigations. Whistleblowing cases may also be raised directly with senior executives, line managers, and with the human resources, security, and fraud departments. The bank does not tolerate any risk to its long-standing esteemed reputation and is prepared to pursue a range of actions and alter outcomes of its business plans to preserve its name, status, identity, and integrity.

Data Protection:

We apply comprehensive systems to ensure the appropriate use and protection of all data, particularly that related to customers' information. We also implement special procedures to minimize any potential exposure to individuals or organizations engaged in illegal activities, such as money laundering, terrorism, irresponsible environmental practices, and/or in operations that may involve forced or child labor or violate indigenous or global human rights. We apply comprehensive data protection policies, rules, standards, and processes to our day-to-day operations to ensure compliance with all relevant statutory regulations, which may vary considerably from one country to another. Preventative measures and thorough control help prevent loss of data and/or violation of data protection regulations. We always investigate complaints thoroughly. We also provide regular training to raise awareness on data protection among our staff members, to ensure their compliance with regulations. Our data protection (Group Data Protection) office coordinates, assesses, and monitors practices in this field. It works closely with a network of data protection experts in the bank.

Anti-Money Laundering and Counter-Terrorism Financing:

Our anti-money laundering and counter-terrorism financing program provides strong support for the international efforts to combat money laundering, the financing of terrorism, and other criminal acts. We scrutinize clients and current transactions using meticulous procedures and an automated monitoring system.

Banque Misr's anti-money laundering procedures are applied worldwide to all our business units, irrespective of their location. All our employees and senior managers are required to comply with them to prevent the misuse of our name or our products and/or services for money laundering purposes. To ensure the application of the best possible compliance practices, BM periodically reviews its strategies and policies on anti-money laundering.

Within the scope of Banque Misr's compliance program, all our employees are committed to fully complying with the local and international anti-corruption and anti-bribery laws. All our senior managers and employees are strictly banned from receiving, accepting, offering, paying, or authorizing any bribe, or engaging in any other form of corruption.

Banque Misr highly values the importance of transparency and integrity in all of its business dealings, to avoid any improper action or even the emergence of questionable conduct, either from our employees or from any other third party with whom we conduct business. Banque Misr has moreover completed all the procedures for the purchasing of the technological applications needed to implement the Foreign Account Tax Compliance Act (FATCA) regulations for its branches in Egypt, the UAE, and France. The process was executed through concentrated efforts involving the bank's most experienced staff and top management.

Developing a Transparent Remuneration System:

The average monthly income of the bank's top 20 employees in Egypt is EGP 83,838. The executive directors' salaries are benchmarked against comparable roles in peer banks. All staff salaries are set according to their professional experiences and are up to the market's standards.

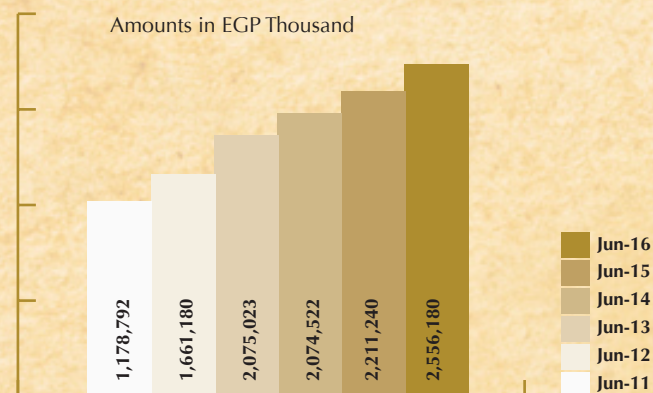
The bank's average monthly net income for entry-level employees stands at EGP 3,901. The average annual cost of employees in terms of wages and benefits rose to EGP 188,569 in 2016, up 86.9% from EGP 100,889 in 2011.

BM remains committed to abiding by the CBE's regulations on payrolls, which stipulate that all bank employees and any third party contractor or service provider must get paid and on time.

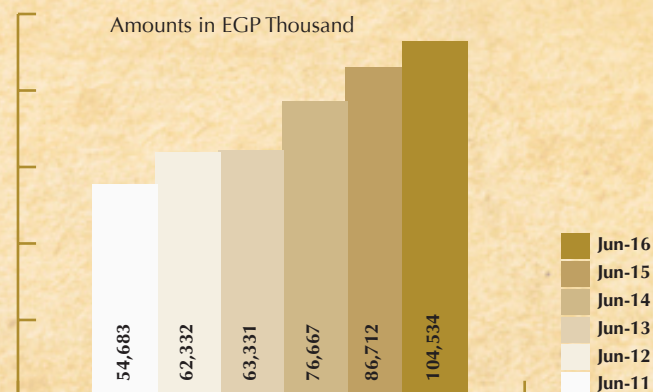
Amounts in EGP Thousand

	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16
Total salaries and benefits for local branches	1,178,792	1,661,180	2,075,023	2,074,522	2,211,240	2,556,180
Total salaries and benefits for foreign branches	54,683	62,332	63,331	76,667	86,712	104,534
Total salaries and benefits for all branches	1,233,475	1,723,512	2,138,354	2,151,189	2,297,952	2,660,714

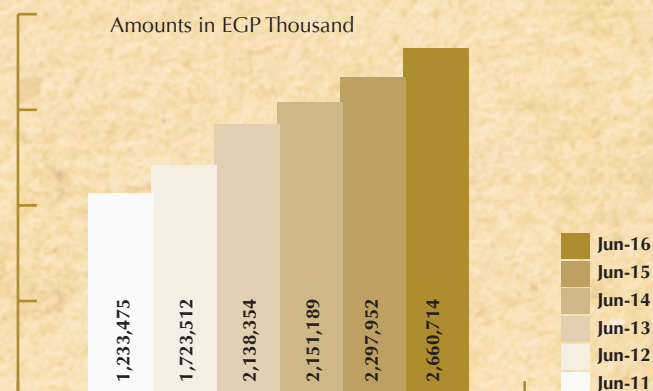
Total salaries and benefits for Local branches



Total salaries and benefits for foreign branches



Total salaries and benefits for all branches



Risk Management:

In recent years, the global and local markets have been exposed to high levels of financial risk. Thus, Banque Misr has been working to support all enterprises, irrespective of size or type of business, providing them with the most credible information and recommendations to enable the enterprises to establish a strong framework, in accordance with compliance requirements, in order to manage their financial risk, and improve their performance and decision-making process.

BM's audit committee provides an independent assessment of the adequacy and effectiveness of the overall risk management framework and risk governance structures in the bank. The committee reports directly to BM's Board of Directors.

The existence of a successful risk management system is essential to enhancing the bank's operations and maximizing the value delivered to our stakeholders. As such, we have ensured that risk management is at the core of our business strategies.

The bank regularly monitors its operations to ensure that all risks affecting these operations are properly managed and mitigated. Banque Misr aims to achieve an appropriate balance between risk and return, while avoiding, or at least minimizing, any potential adverse effects on the environment, society, and the bank's financial performance.

Banque Misr's risk management policies are committed to employing highly credible information while identifying, measuring, monitoring, and reporting the risks faced by the bank, as well as for setting the adequate boundaries for acceptable risk levels, and designing processes to mitigate and monitor those risks.

The risk management department reviews and updates the risk management policies, procedures, and systems, to ensure that they comply with the markets' changes and address the risks associated with new products, in cooperation with other relevant departments in the bank.

BM SERVICE PROVIDERS AND SUPPLIERS

Building strong relations with a network of suppliers is essential to our services and operations. We select our suppliers according to the highest standards. We seek in them the qualities we stand for; long-term commitments, loyalty, ethics, and transparency.

Consequently, Banque Misr reserves the right to verify the suppliers' compliance with the Supplier Professional and Ethical Code of Conduct. Both the suppliers and their subcontractors are urged to maintain all records necessary to demonstrate compliance with the laws and principles specified in the code of conduct. Suppliers are also asked to ensure that their employees and all their direct or indirect subcontractors and agents acknowledge and adhere to the principles of the code of conduct.

If any violation to the Supplier Professional and Ethical Code of Conduct occurs, the bank has the right to take any action it deems appropriate to address the situation.

BM also requires that all its suppliers and their subcontractors and employees involved in the supplying of goods or services to the bank comply with the laws of the country and the market.

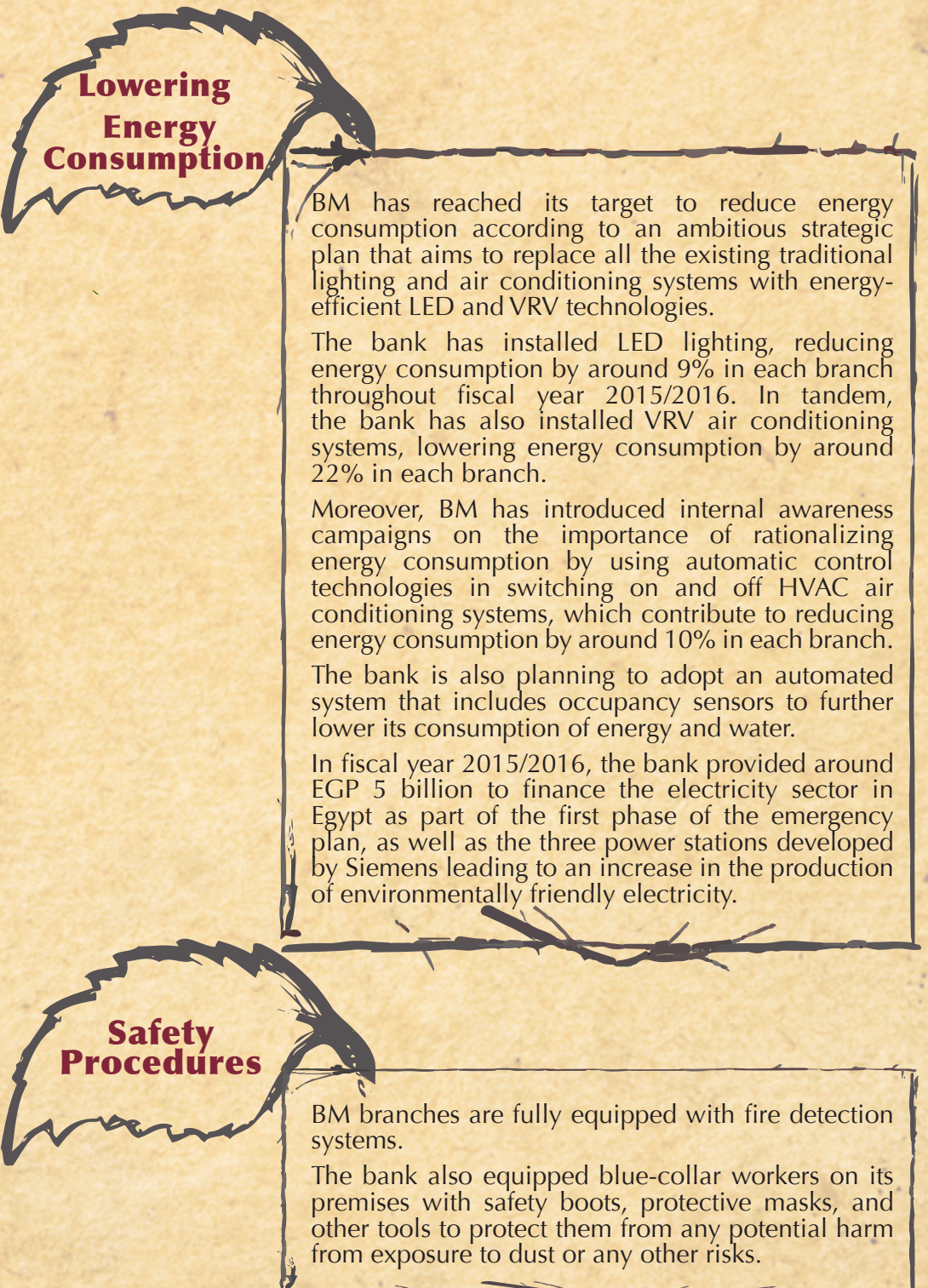
Privacy and confidentiality are crucial in all our dealings. Suppliers are not allowed to disclose any private or confidential information without previous authorization from the bank. They are also required to report on actual or suspected cases of disclosure or loss of any private or confidential information related to Banque Misr, its clients, operations, or other suppliers the bank deals with.

Banque Misr further works to ensure that all its operations, employees, and suppliers adhere to the laws and agreements pertaining to environmental and social risks, including the following:

- No child labor: The bank's administration and its suppliers are not allowed—under any circumstances—to employ children.
- Humane treatment: Suppliers should ensure a workplace free of harsh and/or inhumane treatment.
- No discrimination on the basis of race and religion: Suppliers should ensure a workplace free of harassment and/or inhumane treatment based on race or religion.
- The reduction of resource consumption and emissions: Suppliers are encouraged to use raw materials and natural resources in a responsible manner. The bank exerts all efforts to reduce the consumption of energy and fuel to lower their associated harmful emissions and encourage the use of environmentally-friendly operations.
- Hazardous substances: The bank stresses on the safe handling and disposal of any hazardous substances.
- Using safe technologies: The bank favors the usage of new, progressive, and environmentally-friendly technologies.

ENVIRONMENTAL SUSTAINABILITY

Banque Misr remains committed to achieving strong and sustainable financial returns, putting into consideration respect for the environment and the community within which the bank operates. To meet such targets, BM established a plan to reduce the carbon footprint within its premises through adopting various initiatives, including:



Recycling

BM collaborates with various recycling facilities and institutes to secure proper disposal of wastes in an environmentally-friendly manner.

The bank recycled around 192 tons of paper during fiscal year 2015/2016.

The bank also collects all unused papers for paper shredding, recycling, and re-use.

Banque Misr has produced this year's prints of more than 57 tons out of 100% locally made recycled materials, as a step toward supporting local industry and promoting environmental sustainability.

Reducing Paper-Use

BM also adopted a long-term plan to convert from a paper-based to a paperless internal business environment, encouraging its staff to conduct most of their in-office operations online.

The bank is further working to promote doublesided printing of internal memos, documents, and reports.

BM is launching internet banking service soon. This new service aims to decrease paper used in offline transactions, and reduce the couriered statements, amounting to 80,000 per month, to cardholders by around 30% within the next three years.

Emissions

BM also used 32,000 packing bags for its printing materials, made from recycled rice straw, aiming to combat the side effects of burning leftover rice straw, which produces smoke emissions that harm the ozone layer and cause severe pollution and potential complications for respiratory and heart disease patients.

The bank has established an action guide to develop its branches to provide them with a healthy and environmentally-friendly workplace, where smoking is prohibited inside closed buildings.

Banque Misr has signed a cooperation protocol to finance leather tanneries recently relocated to Al-Robeky Tannery City at very low interest rates, aiming to train Egyptian tannery workers on the latest tanning technologies that are more environmentally friendly.

The project aims to relocate the nation's leather tanneries that have been nestled in the heart of Old Cairo for centuries, in close proximity to the Nile River, which produce a significant amount of pollution in the city of Cairo.

Within the same framework, BM has also funded the establishment of New Damietta Furniture City, the largest industrial zone for the furniture industry in the Middle East. The bank has financed the relocation of the workshops to the new city, from old small workshops that are usually clustered in village areas with indoor CO2 concentrations, which lead to localized emissions of harmful solvent-based substances.

BM also secured more than EGP 450 million to finance the installation of alternative fuel units for more than four cement companies.

Banque Misr runs periodical check-ups on all projects to make sure they comply with the Ministry of Environment's regulations and the Equator Principles.

OUR PEOPLE

At Banque Misr, we view human resources as our most valuable asset. Our work is a people-centered business and we heavily rely upon our employees' commitment and efforts to uphold our prosperity and success. We believe that high employee engagement leads to positive commercial outcomes, as it improves the business environment, leading to higher productivity, better talent retention, reduction of absenteeism, an overall enhancement in our services, and higher customer satisfaction.

The bank regards its human resources as a vital tool for achieving sustainability through:

Values:

We seek excellence in fulfilling all of our customers' banking needs, as such requiring high standards of conduct from all our employees. We expect our staff to act with full integrity in the execution of their daily duties.

Our staff's values and behaviors are the foundation for our respected image, which is projected in all our businesses. BM applies strict regulations on the staff's code of performance to ensure their full abidance to the bank's code of ethics and internal policies.

The bank also highly appreciates special talents and works to provide them with care and attention. Talented individuals are granted special opportunities to learn and increase their competencies, to be able to fill future key positions in the bank.

Banque Misr also believes in the importance of integrating more youth in the bank. In 2016, the average age of employees in BM went down to 36.22, from 44 in 2005.

Diversity:

Banque Misr is also committed to respect for the different values and opinions of its employees as part of its commitment to serve a diverse and inclusive society. All of BM's employees are encouraged to freely discuss their opinions and concerns. Biases and/or discriminations of any kind, including those based on gender, age, ethnicity, religion, and disabilities, are met with a zero tolerance policy at Banque Misr.

Throughout its history, Banque Misr has always believed in equal opportunities. Diversity is a fundamental value, a strategic business advantage, and a driving force for BM's corporate culture.

Recruitment and Selection:

The recruitment department in Banque Misr successfully hired 1,987 selected candidates for all the bank's vacant positions during the last fiscal year. The hiring process included four channels.

The first channel was participating in nine employment fairs within fiscal year 2015/2016. The second channel was announcing 12 internal adverts to fill 95 different vacant positions. The third channel was announcing 39 external adverts during the same fiscal year. Finally, the fourth channel was launching two credit courses, the "Corporate Credit Course (CC4)" and "SMEs, Midcap, and Islamic Finance Credit Course".

Investing in Our People:

Banque Misr designs and implements a number of training programs directed at enhancing the skills and knowledge of its staff, which has led to a direct positive impact on the bank's performance.

In this context, BM had developed a program called "Ma'an" (Together), aimed at maintaining a positive team spirit and developing an efficient work environment among its staff members.

The program also offers seminars on the importance of teamwork and provides entertainment programs in which the bank's employees from different branches and departments interact and get to spend quality time together, promoting positive energy among them.

BM signed a contract with Lobue Associates, Inc. to train a number of employees to assess and improve the production and quality of the business environment.

The PSI training program aims to ameliorate the business environment, improving its efficiency, and raising the quality of the services offered by the employees, fully equipping them to understand and use PSI skills and techniques, including: Process Flows, Capacity Analysis, Production MIS, Manpower Tracking, and Implementation Planning.

Banque Misr also continues to increase the number of its vocational training sessions. The bank offered 16,608 training opportunities with a total of 403,263 training hours during fiscal year 2015/2016, up from 315,769 training hours in the previous fiscal year.

Additionally, BM provides extensive training opportunities and a supportive environment that fosters career self-management in the Islamic Banking Sector.

The bank has developed a program called "The Economic Awareness Program", aimed at enriching the economic knowledge of BM staff.

The Capital Markets Group moreover follows the bank's main principle of

focusing on the development of human resources. It provides regular training courses for its employees to keep them up-to-date on the recent administrative and technical skills offered in the local, regional, and global financial markets.

Succession Planing:

Future Leaders

BM also participated in the Future Leaders Program organized by the Egyptian Banking Institute (EBI). The program offered a range of knowledge through seminars, class discussions, training, study tours, case studies, and demo branch simulations. The program builds on the participants' uniqueness, experience, aspirations, and their comprehension of how to apply their knowledge in their bank.

Talent Program

In 2016, BM completed the first phase of Talent Management Project aimed at preparing the future leaders in the bank by developing the skills of a group of staff members with the potential and motivation to generate ideas for improving processes, quality, and service. The bank provided them with specialized training courses and adopted a rotation plan in many different departments in BM.

Additionally, the bank also completed the development plan for the first GM successors, as part of the Succession Plan Project, by giving them extra courses in personal, interpersonal, managerial, and organizational skills.

Employee Turnover:

Banque Misr is distinguished by a low employee turnover rate compared to other banks, which registered at 3.24% in fiscal year 2015/2016, and was mainly comprised of employees who had reached retirement age, reflecting a high rate of employee satisfaction.

Human Rights and Working Welfare:

The bank and its suppliers are committed to complying with all applicable regulations, as well as with any existing industrial standards, agreements, and/or guidelines on human rights and the welfare and safety of employees and clients by abiding with the following requirements:

- **No child labor:** The bank's administration and its suppliers are not allowed—under any circumstances—to employ children.
- **Humane treatment:** A workplace that is free of harsh and/or inhumane treatment is guaranteed.
- **No discrimination:** harassments of all forms and/or deliberate discrimination

on the basis of race, religion, political convictions, or on any other basis are prohibited by the power of law.

- **Health and safety:** A safe working environment is guaranteed at all times.
- **Wages and employment benefits:** Salaries and employment benefits that satisfy all applicable employment laws are paid on time.

Empowering Women:

We at Banque Misr view the high number of female employees as one of the top indicators for our success in implementing our values and commitments toward society.

In 2016, women constituted 29.1% of the total number of the bank's employees. We also succeeded in raising the number of women in the managerial level by 10.65% in 2016.

BM also continues to work to accommodate female staff members' conditions and needs, offering maternity leave to 293 female employees in 2016, along with child care vacations for 208 others.

Our options for flexible working hours also support our commitment to the work-family balance that we strive to provide to our employees in Banque Misr.

Employees with Special Needs:

Banque Misr's sustainability strategy highly emphasizes the importance of integrating all members of society in our bank. We are a by-the-people for-the-people institution and hence we work very hard to integrate all kinds of people, including those with special needs, within our system.

The recruitment process takes into consideration the type of disability and the candidate's skills and abilities to meet the job's requirements.

Easing Employees' Financial Burdens:

Because Banque Misr understands the importance of human resources and views them as one of the bank's most important assets, the bank launched a new loans package for its employees that includes mortgage loans, personal loans, and car loans with facilitated conditions, as a gesture of gratitude to boost their performance.

Competitive Benefits for Employees:

In order to ensure our employees' continuous satisfaction and to reflect our deep appreciation for them, BM is pleased to provide all its staff members

with the most competitive benefits in terms of wages and salaries, medical care that also covers the employees' families, transportation facilities, and leisure travel, along with a number of other social and sports benefits.

At BM, we provide competitive pay, benefits, and compensations based on performance. The bank has recently built a new wages' structure that is updated annually to keep pace with the changes in wage levels in the banking sector. The year 2016 recorded an increase in the average employee cost to EGP 188,569, up from EGP 100,889 in 2011.

Employees Recognition:

As a way of showing gratitude to our important asset of human resources, Banque Misr continues to hold regular award celebrations for its distinguished staff members. Last year, the bank honored employees who held the first positions in competitions organized by the Egyptian Banking Institute in 2014.

Banque Misr also adopted an initiative to reward its best employees for their hard work and efforts. In 2015, the bank rewarded 95 employees based on peer nominations.

Medical Care for Our Employees and Their Families:

BM ensures the wellbeing of all its employees through offering comprehensive medical packages for them and their families. To fulfil such a goal, the bank contracted with a number of medical specialists, doctors, hospitals, laboratories and pharmacies to cover the vast number of employees working in the bank's different branches and offices.

The bank operates through an automatically updated medical service system to save time and facilitate the process. The cost of the employees' medical services, which included offering special treatments to 351 patients suffering from Hepatitis-C, netted EGP 161 million for fiscal year 2015/2016.

Post-Retirement Benefits:

The total cost of the employees' post-retirement benefits has significantly risen over the past six years, going up from EGP 34 million in 2010 to EGP 38 million in 2011. Further, in accordance with the Egyptian Accounting Standards, Central Bank of Egypt regulations, and a study conducted based on actuarial expertise, benefits surged to EGP 320 million in 2012, EGP 620 million in 2013, EGP 499 million in 2014, EGP 513 million in 2015, finally reaching EGP 615 million in 2016.

Transportation Facilities:

BM is committed to providing an easy and subsidized means of transportation to its employees to increase their productivity and ensure their general wellbeing.

Leisure Travel:

BM also offered a 70% discount on a number of leisure trips designed for its employees during the summer and the winter seasons, which positively reflected on their productivity, improving the rate of compliance and boosting the general disposition of the employees during office hours. The total cost of the leisure trips was recorded at EGP 12.2 million in fiscal year 2015/2016.

Social and Sports Activities:

Stemming from the bank's strong belief in providing employees and their families with the opportunity to perform sports, social, and entertainment activities, the bank invested in the renovations for its Talaat Harb Club. The bank is currently working on building the New Cairo Club with total investments of EGP 100 million.

BM frequently organizes football tournaments during the Islamic holy month of Ramadan, as well as the Christmas and the Easter holidays, encouraging its employees to take part in them. Other similar tournaments are also organized for volleyball, table tennis, chess, basketball, swimming, squash, and futsal games.

The total cost of the sports activities amounted to EGP 4.1 million in fiscal year 2015/2016.

Freedom of Association and Collective Bargaining:

We at BM respect our employees' right to join, form, or refrain from joining a labor union without fear of reprisal, intimidation, or harassment. We are committed to establishing constructive dialogue with their freely chosen representatives. For employees who are represented by a legally recognized union, the bank remains committed to bargaining in good faith with all such representatives.

Child Labor:

Banque Misr adheres to the minimum age provision of the applicable laws and regulations. The bank strictly prohibits the hiring of individuals less than 18 years of age. The bank's prohibition of child labor is consistent with the regulations of the International Labor Organization.

COMMUNITY DEVELOPMENT

Corporate social responsibility lies at the core of Banque Misr's strategy and at the heart of its employees' business approach. It is an integral part of how we operate, and through which we measure our success in maintaining sustainability. Through responsible businesses, we aim to create value for the society and strive for better economic achievement. We contribute positively and constructively through specific projects that are either carried out directly by the bank, through the Banque Misr Foundation for Community Development, or through partnering with NGOs and development-oriented civil society institutions.

Supporting National Economy

Banque Misr contributed EGP 50 million to the Long Live Egypt Fund, which was established by President Abdel Fattah al-Sisi to financially support the country's development.

Mashrouak Program

Banque Misr also participated in the national project for community development, entitled "Mashrouak" (Your Project), by providing loans for micro enterprises that ranged from EGP 1,000 to EGP 100,000, and for small enterprises in the range of EGP 100,000 to EGP 2 million. A total of 20,162 entrepreneurs in different parts in Egypt benefited from the loans, which recorded a funding portfolio of EGP 637 million.

Al Asmarat Slum-dweller Project

Stemming from Banque Misr's CSR role, and aiming to catalyze efforts to remove and reduce slums through converting them into better housing options, the bank has contributed EGP 25 million to provide furnishings and furniture for housing units in the Al Asmarat district, in cooperation with the Ministry of Local Development and the Long Live Egypt Fund.



Banque Misr Foundation activities to improve the living standards in Hawara Village, Fayoum Governorate, in cooperation with FAODA

Mortgages for Low-income Citizens

As part of the bank's leading role in pushing Egypt's economy forward, Banque Misr announced its participation in the Central Bank of Egypt's (CBE) mortgage finance initiative, with the aim of boosting the real estate and construction sectors for low, middle, and upper-middle income citizens. Thereby, Banque Misr offered long-term mortgage financing, through simple procedures, with 7,097 loans and a loan portfolio of EGP 601 million.

Supporting Damietta Schools

The bank has pledged EGP 500,000 to finance the completion of building and furnishing a number of schools in Damietta.

Funding Industrial Parks for MSMEs

Banque Misr signed a cooperation protocol with the Egyptian Industrial Development Authority (IDA) to establish industrial complexes for micro, small, and medium enterprises. The protocol was signed by Mr. Mohamed Mahmoud Ahmed El-Etreby, Chairman of Banque Misr, and Mr. Ahmed Moustafa Abdel Razek, Chairman of the IDA.

According to the protocol, Banque Misr will offer financing for allocated projects and review them. The bank will share the results of its studies with the IDA in a period not exceeding 15 working days from the date of receiving the eligible request, and specify the interest rate on financing. This comes within the framework of the two initiatives launched by the Central Bank of Egypt to finance micro, small, and medium enterprises (MSMEs) and finance the investors to pay for the allocated industry units. Financing is provided at 75% of the total value of each unit, over a period of up to 10 years, with an appropriate grace period of at least one year, starting from the date of unit delivery.

The protocol aims to support the country's plan for economic development and its policies targeting the encouragement of investment in the industrial sectors, boosting the quality of local products, backing MSMEs, creating new job opportunities for young people, providing

the land for establishing industrial projects, facilitating licensing and allocation procedures, and removing all obstacles facing investors.

The IDA will set up industrial parks for constructing industrial MSMEs throughout areas in the industrial zones specified by the IDA, which will in turn provide, allocate, and equip these areas for industrial activities.

Banque Misr's financing of this project aligns with its firm belief in providing social and economic support that will in turn boost the national economy, increase national production, create job opportunities for young people, raise living standards, and push development forward.

Supporting the Grand Egyptian Museum Projects

Banque Misr allocated EGP 12 million to establish a special school, one of the major projects of the new Grand Egyptian Museum (GEM) – Phase III. The sum has been paid in instalments over three years, and the bank has already made the third payment. The new school will offer education for 1 million students annually from different age groups, in the fields of arts, crafts, sewing, and jewelry design. The new school, which is expected to be named after the bank, aims to help encourage more youth to work in creative industries.

Participating in the International Financial Week Activities

Banque Misr organized tours and seminars during International Financial Week, aimed at spreading the culture of finance among children and young people.

Supporting Youth Sports Activities

Banque Misr continues to provide the best care for the youth, stemming from its belief in their importance for the development and success of any society. The bank was pleased to continue to sponsor the Egyptian Youth Futsal Championship, which includes 176 teams all over Egypt, for the fifth consecutive year.

Employee Engagement

Supporting Orphans

Banque Misr and the Banque Misr Foundation for Community Development also continued to play a significant role in social solidarity activities, such as joining the community in the celebration of Orphans' Day, which takes place on the first Friday of the month of April. BM holds yearly celebrations for orphans on this day in the governorates of Cairo, Alexandria, Minya, Beni Seuf, Luxor, and Qena. The bank's employees are encouraged to join the celebrations as volunteers to organize and support the events of the celebration.

Supporting Talaat Harb Retired Employees Association

The bank also donated to the Talaat Harb Retired Employees Association, as part of its commitment to continue an active and ongoing relationship with retired employees by organizing a number of tours for them.

Banque Misr Foundation for Community Development

Stemming from Banque Misr's deep faith in the importance of supporting corporate social responsibility, the bank actively participated in several activities to support the development of the community, including establishing a nonprofit organization in 2007 specialized in this field, named the Banque Misr Foundation for Community Development. The foundation is officially registered under the Ministry of Social Solidarity.

The Banque Misr Foundation aims to contribute to the overall development of the various sectors of society, including education, culture, employment, economy, public health, and environment. It also supports other social solidarity projects through working to strengthen civil society's contribution to the foundation's projects to widen their scope.



BM supports Orphans' Day

The foundation further works to offer support to various scientific research centers, schools, universities, and public hospitals. It has also financed a number of social projects either directly or indirectly through non-governmental organizations (NGOs).

The foundation accepts donations from inside and outside of Egypt and from all individuals who wish to engage in charity and development opportunities. Contributions to the foundation are delivered to special accounts offered by Banque Misr in all its branches across the country. They can also be mailed directly to the bank's headquarters at 153 Mohamed Farid Street, Banque Misr Tower, Floor 22, Downtown, Cairo, Egypt.

Stemming from Banque Misr's firm belief in the vital role of the foundation, the bank has set aside an annual amount of its net profit to fund the activities of the foundation.

During the period from 2008 to 2016, the Banque Misr Foundation actively partook in several developmental activities in coordination with a number of NGOs and universities, to implement different programs in the fields of social development, health, education, and the development of the economy.

Developing Egyptian Villages

Banque Misr Foundation for Community Development joined a group of NGOs and Egyptian universities from 2010 to 2016 in projects to upgrade 60 villages and hamlets and informal settlements in different parts of Egypt. The foundation's partners included the Masr El Mahrousa Balady Association (MMBA), the Association of Upper Egypt for Education and Development (AUEED), the Association for the Development and Enhancement of Women (ADEW), the Omar Bin Abd El Aziz Association, the Fayoum Agro Organic Development Association (FAODA), and Benha University.

The developed villages included

- Al Hammas, Al Horayzat Al Gharbia villages, Al Zouk and Juhyna city in southern Sohag

- Tafnees, Asfoun, and Al-Gharyera villages in the touristic city of Luxor
- Mit Kenana, Tersa, Karkashanda, Moshtohor, Namoul, and Manzala in Toukh City in Qalyubia, on the outskirts of Cairo
- Four villages in Menouf City in the Nile Delta governorate of Menoufia
- Al-Adwa Village, Aswan governorate
- Hawara Village, Fayoum governorate

The foundation also worked on improving the quality of life for the residents of the previously mentioned villages through developing educational and health services there. The Banque Misr Foundation implemented 2,470 new economic projects for young people and female-headed households in different villages. The projects covered various sectors, such as breeding cattle and sheep, rabbit farming, sewing, technical and craftsman training for carpentry, plastering, plumbing, mobile phone maintenance and electricity, all of which were aimed at enhancing the standard of living for many families.

It also sponsored medical convoys to serve approximately 6,000 residents in a number of Egyptian villages, and organized a number of seminars to raise the public's awareness on health, as well as social and economic issues.

Developing Slums

The Banque Misr Foundation has taken part in improving the living conditions in informal settlements in several areas; Kom Ghorab in Old Cairo, El Basateen, Arab al-Maadi, and El-Deweika in Manshiyat Naser. It has contributed to launching remedial classes for students, literacy classes for women, and vocational training courses, carrying out small projects for youth and female breadwinners, as well as sponsoring medical convoys and human resources programs.

Education

Renovating Schools

The Banque Misr Foundation for Community Development made sizable contributions to the development and renovation of a number of school classrooms in a number of Egyptian cities.

The foundation worked on the enhancement of the infrastructure of 45 schools in Luxor, Sohag, Aswan, and Menoufia.

Opening New Classrooms

The Banque Misr Foundation contributed to improving the educational level of 2,000 students through sponsoring reading classes in Luxor, Sohag and Aswan. The foundation also helped to establish 80 new kindergarten classrooms in Luxor, Sohag, Aswan, and Menoufia.

Renovating Sports' Centers

The foundation renovated and furnished four sports centers for youth in the towns of Esna in Luxor and Horayzat in Sohag. It had also provided these centres with educational equipment.

Training 500 Young People

The foundation provided numerous training workshops for youth in the fields of sales, accounting, customer services, working with people with special needs, secretarial work, graphics, maintenance of appliances, running small projects, and other fields. It also helped some trainees to find suitable job opportunities. The foundation also provided technical training for approximately 500 young people in Luxor, Sohag, Menoufia, and Fayoum, in addition to offering them with job opportunities and supporting for their small projects.

Providing Scholarship Opportunities

Acting upon its belief in the importance of science and supporting the new generation of scientists, the Banque Misr Foundation signed a cooperation agreement with Egypt's Nile University for Science and

Technology to finance educational scholarships for 30 undergraduate students in different specializations, along with five graduate students, at a total cost of EGP 7.5 million.

Furnishing Seven Computer Labs in Damietta

Banque Misr Foundation has provided the needed furnishings for the computer labs in seven schools in the Damietta governorate.

Sponsoring Cairo University Technology Transfer Competition

The competition is considered a comprehensive theoretical and scientific educational program for Cairo University students. It aims to encourage teaching students the missing step in the educational system, which is how to transfer, employ, market, and practically apply the knowledge they have gained at university. This is achieved through changing the educational culture toward entrepreneurship and business management, and bridging the gap between the university and the industry.

The competition also includes creating an incubator for the university's work, which would have its own program that aims to sponsor selected projects in order to allow them to reach the execution and marketing stage. It is not simply limited to handing out prizes to the three winning teams at a celebration at the university.

The foundation sponsored the second and third phases of the competition, to allow the three winning teams' project to materialize into existing businesses.

Supporting Healthcare Projects:

Developing Hospitals and Medical Units

The foundation provides financial support to a number of hospitals, along with other medical centers. The support was directed toward the purchase of new equipment and enhancing their medical services.

The foundation also contributed to the development of 35 medical units through the provision of appliances and medical needs for the universities and public hospitals.

Supporting Universities and Public Health Facilities with Health Devices and Equipment:

The Banque Misr Foundation for Community Development provided financial support totalling about EGP 28 million to equip several university and governmental medical units in various governorates during fiscal year 2015/2016.

During fiscal year 2015/2016, the foundation worked to complete the furnishing of several other medical units. It provided EGP 9 million for the completion of the Surgery Department at Amreya Hospital.

The foundation also contributed EGP 5 million to complete the fourth floor in the New Children's Hospital at Ain Sham University. It also arranged EGP 3 million for the intensive care unit at the Minya University Cardiothoracic Hospital.

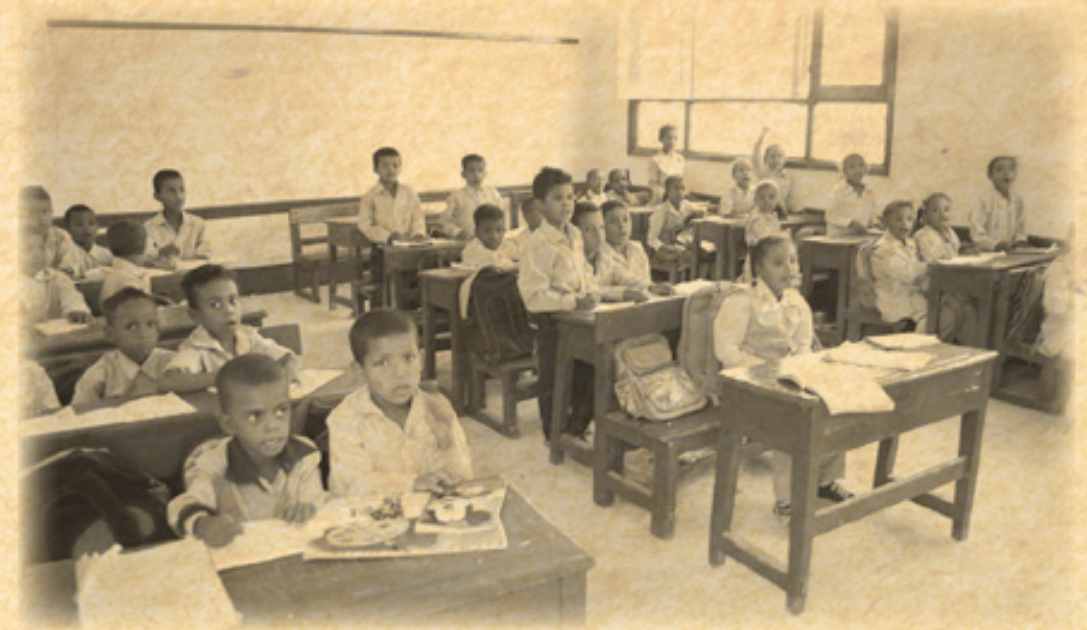
In addition, the foundation allocated EGP 2.5 million for the Neurosurgery Unit at Zagazig University Hospitals and EGP 1.5 million for the operation rooms and intensive care unit at El Hawamdeya Hospital.

The Banque Misr Foundation secured EGP 1.5 million to equip the Interventional Pain Management Unit at Assiut University's South Egypt Cancer Institute.

It supported the Bone Marrow Transplant Unit, which falls under the Clinical Diseases and Tumours Unit at Ain Shams University's Internal Medicine Hospital, with EGP 1.5 million. It also provided Nasr Al-Nouba General Hospital with kidney dialysis machines worth EGP 250,000.

The foundation also provided Naga Hamadi General Hospital with kidney dialysis machines worth EGP 250,000. In addition, it helped equip the main operation rooms in Qalawun Conjunctivitis Hospital for EGP 200,000.

Moreover, the foundation also provides appropriate nursing staff to enable those medical units to offer high quality patient care.



Banque Misr Foundation activities in the Entelaka project for developing Adwa Village, Aswan governorate, in cooperation with MMBA



Banque Misr activities to revive traditional craftsmanship in Giza and Qena in cooperation with Banat El Ghad Development Foundation

Social Solidarity

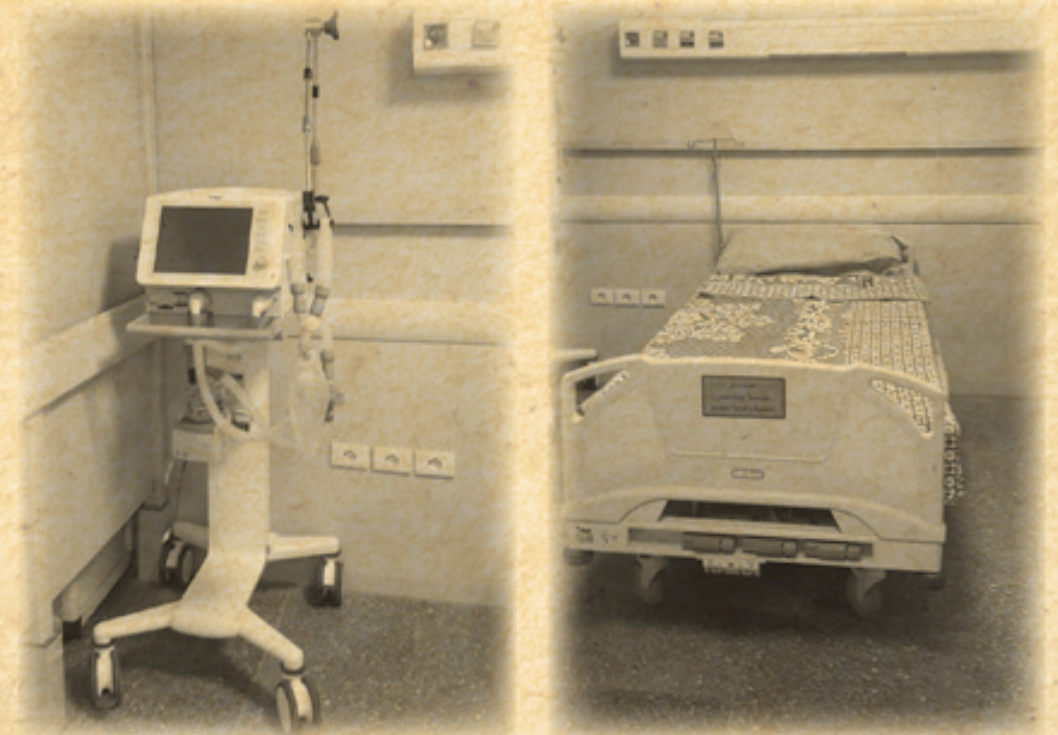
Orphans are considered among the neediest segments of society, requiring both educational, psychological, and social care to help them integrate into society and overcome the conditions of orphanhood and the loss of their families.

The activities undertaken in the realm of social solidarity, carried out through the bank's zakat account, vary, including:

- Orphan's Day celebrations
- Providing orphans' requirements for holidays and the academic year
- Supporting orphaned children and breadwinning women
- Warmth in Winter Campaign, which is carried out in the Upper Egyptian governorates



Banque Misr provides financial support to Qalawun Conjunctivitis Hospital



Banque Misr provides financial support to Zagazig University Hospitals

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha with Prince Mohamed Ali at Misr Press.



Talaat Harb Pasha with VIPs at Misr Spinning and Weaving Company.

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha with the Belgian Prime Minister at Misr Cotton Ginning Company.



Talaat Harb Pasha with Medhat Yakan and Fouad Sultan visiting El Nile Ship before it made its first trip to Europe.

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha during his visit to El Nile Ship.



Iraqi Prime Minister Yasin El Hashemy and some other VIPs receive Talaat Harb Pasha upon his arrival at Baghdad Airport.

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha with Sheikh Mohamed Amin El Husseny, the Grand Mufti of Jerusalem (on his right), and others.



In Damascus - on October 31st, 1930, Talaat Harb Pasha attending the celebration of opening a new branch of Banque Misr Syria-Lebanon.

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha in front of his tent at Arafat in the Kingdom of Saudi Arabia.



Talaat Harb Pasha with Hoda Sharawy and the first Egyptian pilot Latifa El Nady during the awarding of aviation prizes.

Talaat Harb Pasha and the Story of Establishing the National Companies



Talaat Harb Pasha with Mostafa Al Nahaas Pasha and Safeya Zaghloul on board Kawthar Ship.



Talaat Harb Pasha with Egyptian singer Umm Kulthum at Studio Misr inauguration celebration.

Talaat Harb Pasha and the Story of Establishing the National Companies

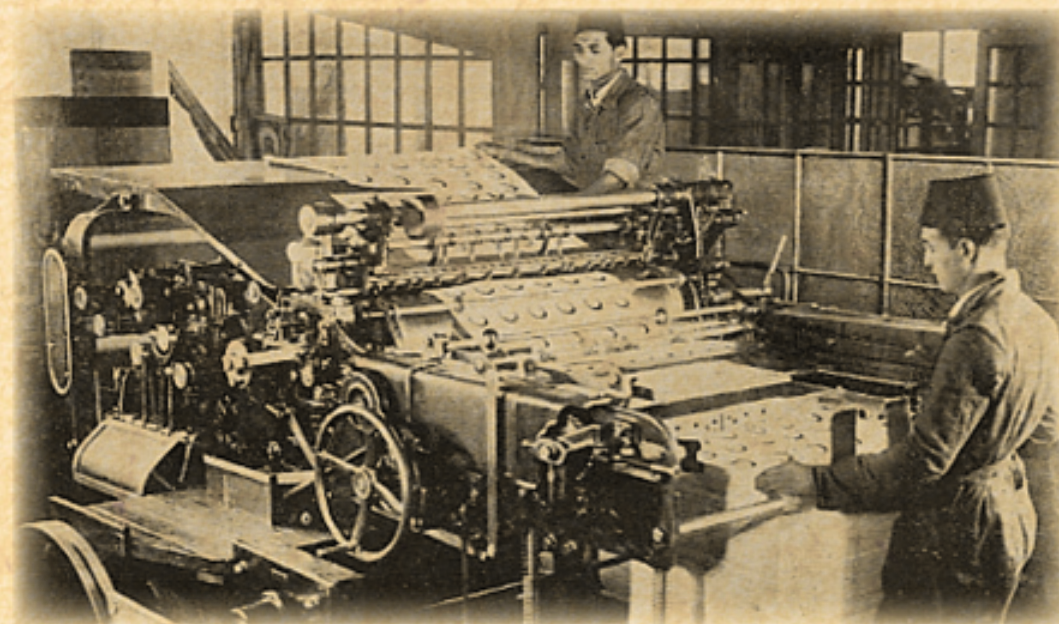


Talaat Harb Pasha with musician Mohamed Abdel Wahab in Studio Misr.



Princess Fawzeya in a visit to the Banque Misr Companies exhibition at the headquarters.

Talaat Harb Pasha and the Story of Establishing the National Companies

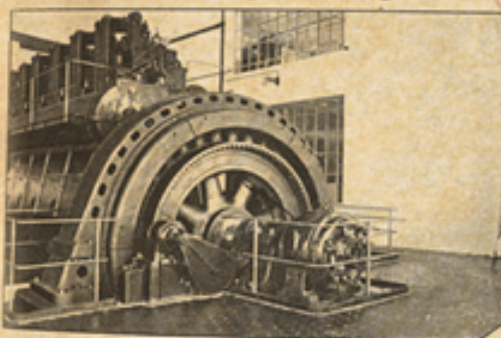


Misr Press Company - color printing press.



Outside view of Misr Cotton Ginning Company.

امسحت غنبل مؤسسه بك مصر العظمى بالحقه الكبرى لفرز العظمى والملكاني ونيها
عاشر غوميا فقد عشا لزاما متابعه لفرز في اياها جدين من غوميا، ولكن جود
وخلات مصر جملت هذه المؤسسة لخدمة الامه فقامت حالها في ارض ساميتها ١٠٠
فدان. ويسر الحارثي ان يطمح الى الصفيين الايام لاهل حارثا وسر اولو دايه في اعظم
زواره حاله الحق غنبل لتصبح الامه وصلت الى هذه الامه القابله



باب من ماكلت البرزخ والولفات الكهربية يصاح الحجة التي تدبر تلك الآلات التي تصنع
للتصريح بآثار الكرامة القوية التي أضاف من الآلة الأجنبية



ليست هذه الأسطوانات الا اوعية تحمل القطران بعد كرده بواسطة آلات وظيفه البكون هذه

مصانع المحلة فخر بنك مصر



مير القاسم الهكناجي يصانع شركة معمر لزلزال البطن وسجده باحة السكرى وترى الأموال في
سفين مظالمين ونولها السكرات ومن اسفلها القطع النسوجة تلف لها أياطى مكرات خاصة كما
رى في الخاتين ماسورين يحملان مليوناً و ١٦٠٠ لقرهواه في الساعة ليقنق السيل هواء صبا



ما كانت نسخ السكان يعان الخطة ونرى أحد الشمال يلايه الرتبة يدور على الأكمة وبلاطها
 التبع . وحسب ان تذكر أن هذه الأكمة تخرج لبن وأجل أنواع المشقة البذل العربية



ليس من غير ما كانت الفكرة انهم غلبوا التسليح ويقول هذا العدل لطلال وبنيون من الحقبة
التي جرى وما طورها من القوي . وحسب القاري . ان يترك ان الفقه مصريه من الحقبة المصري
ومن صنع الايدي المصريه التي تنشر مصرها

موسم
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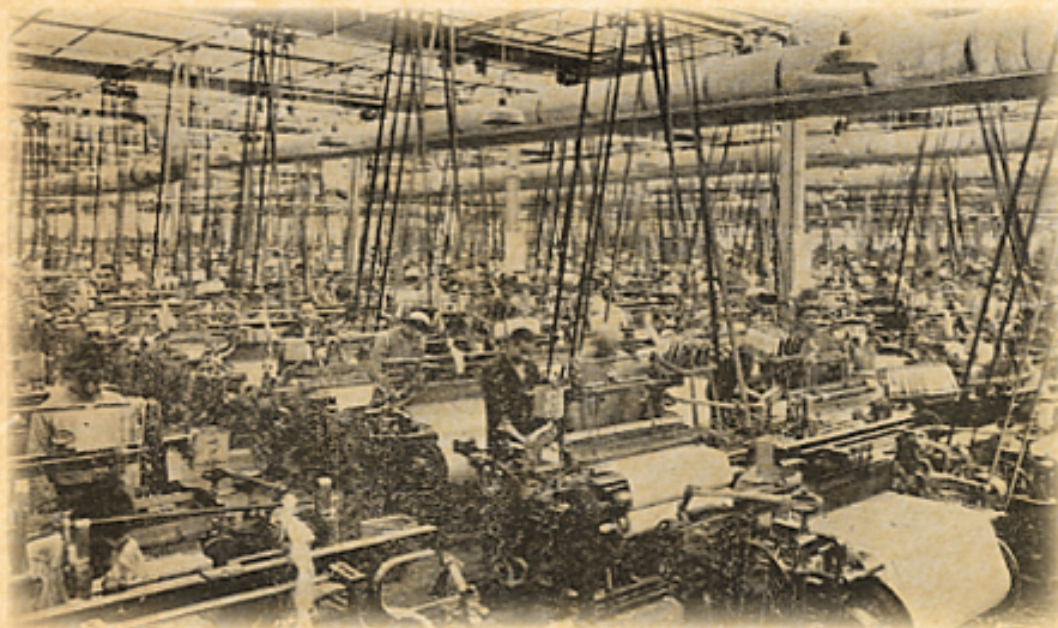
سدر لبر (ی) (لقبہ) فی عترۃ محرم ۱۳۵۱ (۶ مابو ۱۳۵۱)

قوله
يا محمد بن عبد الله
ابن علي بن الحسين
عليه السلام

وزیر (مالیہ)
(اسحاق علی حسرتی)

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Talaat Harb Pasha and the Story of Establishing the National Companies



Cotton weaving department - Misr Company for Spinning and Weaving.



Final linen cleaning - Misr Company For Linen.

Talaat Harb Pasha and the Story of Establishing the National Companies



Egypt Air plane flying over the Saladin Citadel in Cairo.

Talaat Harb Pasha and the Story of Establishing the National Companies



Egypt Air plane flies over the Great Pyramids plateau in Giza.



The cabin of an Egypt Air airplane.

Chapter Four: Our Activities

TECHNOLOGY

Banque Misr continues to invest in advanced technologies that are leading toward excellence and leadership while maximizing the value of service provided to customers. To serve this vision, the bank's information technology sector provides technological solutions and services that focus on improving customer experience while maintaining an optimum return on investment. A range of technological solutions and services was recently added to the bank's branches.

Information Technology Infrastructure:

BM has continuously developed and upgraded its information technology infrastructure to meet the growing needs of its banking operations. The bank recorded a significant achievement through signing a major agreement (ULA) with Oracle Company to maintain a cost reduction policy from licensing and support perspectives.

In preparation for the creation of BM's private cloud and server virtualization, new technologies were introduced at the main data center and disaster recovery sites. This technology consolidates multiple virtual servers on a single physical machine, leading to a considerable reduction in a number of servers and bringing with it the benefits of reduced floor space and power consumption costs, improved server availability, business continuity, and load balancing capabilities that reflect a better customer experience.

Middleware software was also introduced, providing a link between separate banking applications, enabling applications to access functionality and data from each other's systems. Connecting systems in such a manner significantly contributed to improving operational efficiency, reducing costs, and capturing new business opportunities. The initial utilization of the middleware platform enabled seamless integration between the bank's core banking system and the internet banking services.

Information Systems

Banque Misr also continued the development and upgrading of information systems that contribute to providing various banking services to a wide range of customer segments.

BM is about to introduce internet banking services, saving our valued customers' time and money by handling their banking transactions online at their convenience, 24 hours a day, seven days a week. With internet banking, customers can pay their bills, transfer money, and check their account balance. At the same time, the service fulfills a high degree of security.

BM's core banking system (FLEXCUBE) is being upgraded in three phases. Phases one and two have been successfully completed. The newly-upgraded core banking system provides a unified processing environment for corporate, retail, and investment banking operations. It offers easy adaptability to market needs and enables the bank to improve overall operational efficiency. The core banking system also offers effective control and risk management, thus delivering improved performance and reliable customer service.

BM has been working on an ambitious Electronic Content Management project to automate the workflow of a number of business processes by automatically routing documents through defined approval pipelines. The first phase of the project is being finalized, covering business processes such as clearing incoming checks, requests for external transfers, and non-cash investment funds. Implementation of the project will lead to reduced business processing times, increased productivity, and an efficient process for distributing and sharing information. Finally, workflow automation will deliver measurable improvements in customer service and operational efficiency.

Business Continuity

To ensure better business continuity of all banking services, all disaster recovery site services were finalized and a disaster recovery plan was introduced. Full interruption tests with the least restore times were introduced to ensure such continuity.

CORPORATE BANKING

Our firm belief in the corporate social responsibility (CSR) concept of supporting manpower to achieve sustainability has inspired us at Banque Misr to ensure that our financing schemes integrate both social and environmental sustainability standards into the assessment phases.

In lending large-scale projects, Banque Misr focuses more attention on projects of high economic and/or social impact, along with environmentally-friendly ones.

Financing National Projects:

Banque Misr plays a leading role in funding large-scale national projects that significantly contribute to Egypt's economic development, particularly in the petroleum, energy, electricity, gas, telecommunication, aviation, tourism, and construction sectors. Its public and private corporate loans have also surged to EGP 67 billion, while the total loans portfolio rose to EGP 132.7 billion.

Through a highly-skilled team, BM's corporate banking arm is dedicated to providing creative financial packages, aiming to exceed our clients' expectations.

Banque Misr has the honor of continuously holding a high position among banks in Egypt and the Middle East, sustained by its longstanding expertise in leading landmark financing transactions among different sectors within very tight time frames. It has also proven capable of guaranteeing and covering such transactions. BM also led, arranged, and underwrote the majority of the largest transactions carried out in the market over the past 10 years.

Banque Misr has succeeded in achieving a remarkable surge during fiscal year 2015/2016, with a growth in the loans portfolio exceeding 90%, considered a significant growth compared to the prevailing market rates, due to the diversification strategy pursued by the bank.

In addition, the total recognized commissions in the department's scope of work during fiscal year 2015/2016 surged to EGP 1 billion, recording a 19% growth.

Moreover, the Corporate Banking and Syndicated Loans Department succeeded in maintaining an adequate portfolio credit rating, despite the prevailing political and economic conditions in the region. Concentration levels of the granted facilities within the portfolio's sectors by June 30th, 2016 complied with the concentration percentages, according to the approved credit policies from the bank's Board of Directors. This was in addition to other efforts to expand facilities across promising sectors to further reduce concentration percentages within the portfolio.

In light of Banque Misr's vast experience and key performance in successfully leading landmark transactions in diversified sectors within very tight deadlines, 22 new syndicated loans were concluded throughout the year 2016, with a total finance volume of EGP 72.5 billion, marking the largest transaction in the market in the period from July 1st, 2015 to June 30th, 2016, out of which BM

had underwritten a total amount of EGP 18.4 billion, retaining EGP 16.8 billion.

Financing Environmentally-Friendly Projects:

Banque Misr believes that supporting environmentally-friendly infrastructure projects is fundamental to maintaining its key strategic sustainability objectives. In fiscal year 2015/2016, the bank earmarked EGP 5 billion for financing the electricity sector in Egypt, considered the pillar of the economy. The financing was provided under the first phase of the emergency plan to meet the high demand for the summer of 2015. This deal was announced the Best Energy Infrastructure Deal in Africa for year 2015 by EMEA Finance Magazine. BM has also financed three power plants with combined cycle configuration constructed by Siemens, El-Sewedy Electric, and Orascom Construction.

Banque Misr also runs intensive check-ups on all projects to ensure they comply with the Ministry of Environment's regulations.

Delivering Excellence in Corporate Banking:

Our excellent services recently landed us multiple awards from major global financial institutions. According to the Bloomberg's league tables on Global Syndicated Loans for the first half of 2016, Banque Misr succeeded in:

- Ranking first as the best Bookrunner for Syndicated Loans and Project Finance Transactions across Africa for the second quarter of 2016.
- Ranking first as the best Mandated Lead Arranger across Africa.

According to Bloomberg's Ranking Report for June 2016, Banque Misr ranked amongst the top 20 financial institutions for Syndicated Loans Bookrunners across the Middle East and North Africa.

In a further statement from Bloomberg on the classification results, Banque Misr topped the list of the best banks within Africa in terms of performance level and marketing financing transactions, with a major margin of difference from the holder of the second position, the Bank of China. BM was the first Egyptian bank to lead this ranking in the past three years, during which the first position was dominated by European banks.

BM has also been granted two awards by EMEA Finance Magazine, as the Best Syndicated Loan House and Best Project Finance House in Africa for the year 2015.

As we view human resources as our most valuable asset, three training courses were held with remarkable success during the years 2009, 2011, and 2014. More than 107 analysts successfully graduated from the courses (first batch: 43, second batch: 31, third batch: 33), which were held in cooperation with the largest accounting and credit institutions, giving them the opportunity to join the corporate credit, risk, and investment departments.

Stemming from our belief in the importance of integrating more highly-qualified youth in the bank, we organized the fourth credit course during fiscal year 2015/2016, in which 32 candidates have passed all the required prerequisites and final tests, out of the total of 1,600 candidate who passed the preliminary tests.

RETAIL BANKING

In its ongoing efforts to meet and exceed clients' aspirations, BM continues to provide the highest safety and quality measures through a wide range of creative products and services.

Continuous Geographical Expansion:

As we aim to help our customers access their accounts in the most convenient ways, the bank plans to open 275 branches over the next three years, including 255 mini branches. The expansion plan comes in line with the Central Bank of Egypt (CBE) initiative to foster greater financial inclusion and to increase the number of banks' customers. Accordingly, our ultimate target is to provide accessibility in all parts of the country, to reach all the different social segments.

Banque Misr also added several new services to its ATMs, in addition to its traditional cash withdrawal and deposit services. These services include money transfers between parties without payment cards, bill payments, donations, I-score inquiry, and various subscription fees. These new services were launched in collaboration with Fawry, an e-payment solutions company. The value of bill payments through the lifetime of the service totalled EGP 124 million.

Enhancing Service Level:

Banque Misr recently launched a new line of personal loans, named the "Fast Cash" loans, which provide loans to both Egyptian and foreign clients who have savings in the bank in the form of certificates, deposits, or saving accounts.

Through the Fast Cash service, loans are provided using the clients' savings as collateral. The value of loans recorded EGP 1.392 billion as of June 2016, and were provided through the quickest and most facilitated administrative procedures, accompanied with the lowest fees and highest lending margin, at up to 90% of the saving fund's redemption value. Banque Misr also offers a diverse range of specialized loans catering to all our clients' different needs, with many competitive advantages. These include personal loans, car loans, real estate financing, loans for durable goods, and memberships in sports clubs.

BM also improved its tax and customs e-payment service through 296 branches distributed across Egypt, collecting over EGP 5.6 billion through this service during fiscal year 2015/2016. This is in addition to applying the CPS corporate services, which enabled customers to pay taxes, tariffs, and other government dues from their offices without visiting the bank. Banque Misr was ranked first in government payment services, CSL, and customs' duties.

Moreover, BM came in first place in terms of the collection of merchants' operations, with 13,503 POS terminals spread all over Egypt with a trading value of EGP 6.06 billion during fiscal year 2015/2016.

The bank was also ranked second in terms of the volume of issued outstanding e-payment cards, which reached 4.9 million. As part of the bank's strategy in promoting e-commerce and tourism, we introduced the DCC system, which allows purchases from Banque Misr's merchants. The system is a financial service in which credit card-holders, when making a payment in a foreign country, get the cost of transactions converted to their home currency at the point of sale.

Financial Inclusion:

Aiming to turn Egypt to a cashless society, Banque Misr pioneered to acquire a total market share of 48% in the automation of governmental workers' salaries through its ATM network. BM has maintained first place for the last 11 consecutive years in this field.

The total value of automated salaries amounted to EGP 40.35 billion during fiscal year 2015/2016, dispensed to 2.8 million card users from the public and private sectors, in addition to 51,000 accounts.

Further, based on Banque Misr's firm belief in the importance of financial planning for the prosperity of the people and the development of the economy, the bank works to ingrain the concept of saving and investing.

The bank participated in the Central Bank of Egypt's initiative entitled "Ashan Bokra" (For Tomorrow), which aims to spread financial awareness among the youth through educational bulletins and bank tours.

In this respect, the bank has held several symposiums for the youth, in addition to organizing school trips to BM's different branches and to the museum of Mohamed Talaat Harb, the bank's founder.

Banque Misr has also, throughout such tours, offered educational scholarships to 1.3 million students, in cooperation with the Ministry of Education and the Egyptian Banking Institute.

Supporting Home Ownership:

BM firmly believes that the inclusion of new segments of society best supports the bank's financial system, widening and enhancing its services and outlook. It also has a positive impact on the overall economic activity of the country, as it increases the amount of people's savings and investments, thus ensuring the mobilization of financial resources through official channels. This in turn positively reflects on the economy, increasing its growth rates and decreasing poverty and unemployment rates.

The bank participated in the Central Bank of Egypt's (CBE) initiative offering long-term loans to low and middle-income housing projects. Such projects are considered very promising for the banking sector as they are highly encouraged and supported by the government, which views them as an effective method to attract new local and foreign investments through public-private partnership housing projects.

The CBE announced in February 2014 that it allocated EGP 10 billion to finance low- and middle-income citizens to buy houses at a low yearly interest rate of 7% to 8%. BM has so far contributed EGP 3 billion to the CBE's initiative.

Supporting Local Community Projects:

BM joined a national campaign to replace the old taxis in Egypt to improve the transportation sector and minimize the pollution caused by the old taxi vehicles, which had a negative impact on tourism and the community in general. In collaboration with the Ministry of Finance, BM offered EGP 300 million for the purchase of 4,600 new taxis.

Supporting Customers and Data Protection:

Providing a wide range of products and services allows the bank to create and sustain profit and fulfill its primary goal of keeping clients secure and satisfied. BM applies the latest modern technologies to protect its clients from any e-piracy risks. Consequently, the bank was the first Egyptian bank to meet the requirements of PCI DSS compliant systems. Furthermore, Banque Misr maintained its number one ranking for the 11th year in a row in the field of automating government workers' salaries. The bank also maintained its rank in first place with regard to the total number of operations conducted through the Debit Card Scheme and Shared Cash Network, "123".

Adapting to the latest technologies in internet banking, BM will launch its secure and convenient internet banking services within 2017. The new service will decrease paper used in offline transactions. It will also reduce couriered statements, amounting to 80,000 statements per month, to cardholders by approximately 30% within the next three years.

Gaining Strong Foothold:

Banque Misr took the lead in electronic delivery channels through operating the largest network of branches, ATMs and point of Sales (POS) terminals across Egypt. In continuation of the bank's strategy to develop, it has opened new branches throughout the country, increasing its network of branches to more than 580. Additionally, the bank has expanded its sophisticated network of ATMs, reaching a total of 1,715 machines.

The value of the retail-banking portfolio at Banque Misr recorded EGP 14.25 billion in June 2016, surging from EGP 8 billion in the same period of 2015, marking a EGP 6.25 billion increase and a growth of 78%.

BM acquires 48% of the market for automated governmental employees' salary transfers. It also serves 1,468 public and private companies on employees' salary transfers. The total value of transferred salaries is EGP 40.35 billion annually.

SME BANKING

It is Banque Misr's unwavering belief that the small and medium-sized enterprises (SMEs) industry is the gateway to economic prosperity, and as such we continue to offer them sustained support in the form of distinguished opportunities to grow their businesses. Having the largest number of branches, BM has an edge over other banks in being accessible to all kinds of entrepreneurs: micro, small, and mid cap.

As the bank continues its leading role in pushing economic and social development, Banque Misr continues to work to actively offer SMEs appropriate financing services.

Offering Funds and Boosting Investment Opportunities:

Viewing it as a social responsibility rather than a business opportunity, BM does whatever is necessary to help SMEs succeed. We increased the SME funding portfolio to EGP 8.5 billion by the end of June 2016.

BM has invested a great portion of time and resources to increasing the number of branches that serve SMEs to 257 branches, covering 25 of Egypt's 27 governorates. Through its micro-financing services, Banque Misr has provided funding of EGP 776 million to 41,603 clients. During 2016, Banque Misr approved EGP 300 million to fund 948 small enterprise clients, in its latest efforts to encourage private employment, reduce poverty, and achieve overall sustainable social development and economic growth.

The bank works in collaboration with the government to ensure that creditworthy SMEs have access to finance, working capital, and investment. We provided new funds to 20,162 MSMEs worth EGP 637 million through the "Mashrouak" initiative, a joint project with the Ministry of Local Development, the National Bank of Egypt (NBE), the Agricultural Bank of Egypt, Housing and Development Bank, and Banque Du Caire (BDC). The initiative was launched in April 2015 to fund micro and small projects.

Training and Development Opportunities for Clients:

We encourage SMEs to adopt sustainable business practices to gain confidence. We consistently provide our SME clients with business advice and support through training workshops in collaboration with the European Bank for Reconstruction and Development (EBRD) and the Frankfurt School of Finance and Management. We view the workshops as a prerequisite for effective financial inclusion, as they enable enterprises to make informed decisions, deal with financial complexities on a day-to-day basis, and take effective action to improve their financial situations, welfare, and avoid financial distress.

The bank continues to reach out for more and diverse business classes through conducting extensive research and market studies with the help of specialized professionals to know what new tools or services are needed for the various business communities to prosper.

CAPITAL MARKETS GROUP

Banque Misr's Capital Markets Group aims at maintaining the bank's leading position in Egypt to continue to be the most obvious choice for retail and corporate banking in the field of financial management and specialized investment services, while creating favorable value for the bank's various stakeholders. Total income generated from the group's activities amounted to EGP 3.5 billion during fiscal year 2015/2016, marking a year-on-year increase of EGP 1.1 billion, which accounts for a 46% growth. Accordingly, the compound annual growth rate (CAGR) generated from the income group's activities over the past five years stood at 25%. The fair value reserve for assets managed by the group reached EGP 3.9 billion on June 30th, 2016, compared to EGP 3.1 billion the previous year, marking a 26% growth.

Pool of Expertise:

The Capital Markets Group relies on a diversified group of in-house experts who are able to lead and offer a wide spectrum of integrated financial services, including managing the proprietary, listed equities and bonds portfolio of the bank. They also offer corporate advisory and transaction banking businesses (trustees and securities services), sales and security trading, and distribution of diversified mutual funds.

The Capital Markets Services:

Mutual Funds

Banque Misr's Mutual Funds business is one of the largest and oldest in the Middle East. Established in 1994, Banque Misr currently manages eight mutual funds. The bank has a diversified range of mutual fund types that include Money Market Funds, Balanced Funds, Equity Funds, Capital Guaranteed Funds and Islamic Funds. The bank's funds aim to cater to different client needs, on both the individual and corporate levels.

In recognition of the bank's continuous efforts to offer the best and most advanced services to all its esteemed clients, the leading financial advisory, Global Finance, named Banque Misr as Best Provider of Money Market Funds in Africa and the Middle East for the years 2009 and 2010, Best

Provider of Money Market Funds in the Middle East for the years 2008, 2012, 2013, 2014, and 2015, and Best Provider of Short-Term Investments/ Money Market Funds in the Middle East for 2016.

Portfolio Management

The Capital Markets Group actively manages and monitors Banque Misr's proprietary trading equity and fixed income, local and international portfolios, as well as managing the bank's investments in the mutual funds of other banks.

Equity Participation and Direct Investments

Banque Misr supports all efforts exerted to develop the Egyptian economy, acting as one of the largest and most active private equity investors in Egypt through direct shareholding in companies across a number of vital economic sectors.

The bank's Capital Markets Group holds a diversified direct equity portfolio throughout different sectors, including tourism and services, construction and housing, agriculture and food, IT and communications, among others.

The bank holds equity stakes in 160 companies, with a total capitalization of EGP 178 billion as of June 30th, 2016.

The bank has endeavored to strengthen the capital structure of six companies within its direct equity portfolio by injecting EGP 18 million into their capital. Meanwhile, capital gains realized from the divestment of equity stakes in some companies amounted to EGP 92 million in 2015/2016.

Investment Banking Services

The Capital Markets Group also provides companies, institutions, and the government with a wide range of comprehensive and innovative financial services to enable them to achieve their financial goals and implement their short and long-term plans.

Stemming from Banque Misr's leading role in supporting the Egyptian economy, the bank plays a vital role in supporting the debt instruments in the market, and also acts as a main pillar to fund the state's investments and activate its efforts to offer a one-stop-shop for investors.

The Capital Markets Group's services in that area also included: mergers and acquisitions, transitions, bonds (both corporate and securitized), privatization deals, initial public offerings (IPOs), and divestitures, as well

as acting as a financial advisor for corporate restructuring.

Our team in the Capital Markets Group works alongside the different industries to help develop and deliver strategic and fully integrated financial solutions to our clients' most challenging issues.

The group is also active on both the Equity Capital Markets (ECM) and the Debt Capital Markets (DCM), fulfilling Banque Misr's role in transactions and focusing on originating, structuring, pricing, executing, underwriting, and fund raising basic fixed income securities. This comes in addition to offering securitized products for our corporate and institutional clients through relying primarily on our large underwriting capabilities and widely distributed network.

The bank has promoted and guaranteed three securitized bond issuances during the year, totalling EGP 1.8 billion, of which the bank's share of underwriting was EGP 1 billion.

Real Estate Services

The Capital Markets Group team is also responsible for managing the bank's real estate assets portfolio, which involves the purchasing and selling of different kinds of real estate properties on behalf of our customers. It also works on conducting real estate marketing auctions, as well as promoting industrial and touristic projects.

The bank has divested a number of its non-earning assets during fiscal year 2015/2016, generating capital gains of EGP 1.2 billion from the sale of such assets, compared to EGP 400 million a year earlier.

Custody and Trustees Services

Banque Misr's Capital Markets Group custodian offers a range of services to meet all customers' needs and objectives. This includes the purchasing and selling of securities, subscribing in public offered shares and bonds on behalf of customers, as well as issuing account statements, collecting securities coupons, and offering all corporate actions for individual and institutional clients alongside sub-custodian services.

CORRESPONDENT NETWORK AND TREASURY

Correspondent Network:

Banque Misr has an extensive network of around 300 correspondent banks covering 59 countries to ensure a smooth flow of business between clients and their counterparts around the globe. Our worldwide presence through foreign branches, subsidiaries, and correspondent banks has enabled us to provide the most efficient services to our customers, to meet both their current and future needs.

In cooperation with our correspondent banks, we provided funding sources for foreign currency through short-term loans and business operations funding schemes exceeding \$800 million for fiscal year 2015/2016.

Further, we played a vital role in supporting the government and the private institutions in importing strategic goods, such as petroleum and food goods. Banque Misr further raised a global syndicated and bilateral term loan of \$455 million in its favor.

Treasury:

The treasury department plays a very important role within our banking system. Its significance as a provider of sufficient liquidity is crucial to the performance of any bank or financial institution. The constant availability of cash allows the bank to cater to its clients' and corporate customers' immediate financing needs. Our treasury department also works on effectively investing any liquidity surplus in the best and safest available methods to achieve high returns with low risk. Moreover, it provides practical solutions through different financial engineering tools. It also helps finance public debt by playing an active role with the primary dealers, as well as in the secondary market.

Banque Misr played a vital role in helping the economy overcome several financial and political crises, including the 2008 global financial crisis and Egypt's 2011 popular uprising that ousted the state's former president and which was followed by a long period of economic recession and a sharp drop in the country's strategic foreign reserves and currency value. Our bank was one of the best banks in providing adequate liquidity, which had a positive impact on the national economy, boosting its performance

during difficult circumstances.

In the context of the bank's commitment to facilitating the mobilization of imported goods and essential services, Banque Misr allocated foreign-currency letters of credit and documents against payment for importing goods of around \$11 billion during fiscal year 2015/2016, in addition to a currency exchange service that recorded \$3.6 billion.

Offering Creative Solutions:

Our team of professionals in the treasury department offers value-creating ideas, innovative application of cutting-edge technology, and deep industry experience to our clients, helping them stay well ahead of the curve. Our bank is one of the first banks to invest in innovative structural products that fall under the Credit Derivatives division through international transactions room, credit linked note (CLN) and first to default (FTD), which contributed to the bank's profits.

We were also the first to join the "Dollar Interbank" mechanism, established in 2004. The dollar loans between banks on the local market are considered an important component in any successful free exchange rate system. The interbank in dollars also ensures a better functioning of the foreign exchange market in Egypt, already battling tough political and economic conditions.

The bank has also directly funded the state's treasury through the purchase of treasury bills and government securities with an average balance of treasury bills and bonds of EGP 201 billion in June 2016, marking a 16% increase compared to the closing figures of June 2015, and achieving a profit of EGP 23.1 billion.

Banque Misr's Money Market Desk also introduced new investment tools for the dollar and euro treasury bills. The new mechanisms provided high liquidity and high returns. It is worth noting that the BM's treasury bills portfolio reached \$3.351 billion and €200 million respectively by the end of June 2016.

ISLAMIC BANKING

Banque Misr's Islamic banking unit adopts a sustainable framework, which incorporates the Islamic fundamental principles of accountability, morality, Islamic banking business, capacities, and a result-based approach to hedge against any contagion risks.

A Focus on Customer Experience:

BM was the first public bank to establish branches devoted entirely to Islamic transactions, providing banking, financial, and trading activities in line with the rules of the Islamic Shariah, to cater to the diverse needs of our customers. The funds of such branches were separated from others at Banque Misr. The branches that handle the Islamic transactions were also further supervised by the Shariah Committee, which encompasses uniquely qualified professors of Al Azhar and Dar Al-Ifta.

By combining its unique heritage and tradition with the adoption of modern banking techniques, underscored by technology and innovation, BM has maintained its status as a leading Shariah-compliant bank in Egypt. In terms of Islamic retail banking activity, Banque Misr's Islamic Banking Unit, "Kenana", offers a diverse range of products, including Islamic credit cards, auto Murabaha, and durable Murabaha.

Acknowledged as a pioneer in the development of the Islamic financial industry in Egypt, BM offers Islamic banking services through a network of 36 branches and offices across Egypt. All our special branches for Islamic finance utilize advanced computer systems to provide innovative banking services to keep up with other banks in Egypt and abroad. With respect to the Islamic banking sector, the credit portfolio directed to this sector rose to EGP 4 billion in June 2016, up from EGP 3.1 billion in June of the previous year.

Living Up to Customers' Expectations:

Because BM provides the highest standards of service to all its sectors, we expanded the Islamic banking portfolio to include new competitive products and services (Bancassurance). Banks can earn additional revenue by launching Bancassurance services to their clients at the same time. To accommodate customers' needs, the bank has launched the Bancassurance

service through a partnership with one of the biggest Egyptian insurance companies, Egyptian Life Takaful Company, to provide a variety of insurance and investment products throughout BM's Islamic branches.

Life insurance products are fully integrated in the bank's range of savings and investment products.

In 2015, the bank launched a new retail Islamic package that used the Islamic Murabaha concept to finance some clients' pilgrimage and tourism visits. Moreover, in 2015/2016 the bank launched alternative products, such as Education Murabaha. The bank also issued the Sharia-compliant Kenana Islamic credit card based on Murabaha through the Islamic Wekala concept. The bank is working on launching an emergency cash withdrawal option for the Kenana Islamic credit card.

Furthermore, with the aim of meeting the needs of various customers, we developed a new type of investment products called "Islamic Treasury Products", in collaboration with the Islamic banking sector and under the provisions of the Islamic Shariah. We succeeded in achieving a bank portfolio for the supply of the government treasury bills worth EGP 9.5 billion by the end of June 2016, compared to EGP 5.5 billion by the end of June 2015.

The bank is set to soon undertake the first Islamic financing of small and medium-sized enterprises, according to the Central Bank of Egypt's definition as enterprises with annual sales revenues worth up to EGP 100 million, along with other micro-financing products, according to its new initiatives to finance the SMEs sector.

We launched five products: small-sized enterprise financing Murabaha, factory equipment financing Murabaha, medical and hospitals equipment financing Murabaha, means of private transportations financing Murabaha, schools, institutes and private universities financing Murabaha, along with other micro enterprises' financing products. This come as part of the country's strategic objective and Banque Misr's national role in boosting the Egyptian economy.

Supporting the National Economy:

Out of Banque Misr's deep devotion to supporting the national economy, the Islamic Banking Sector led, during fiscal year 2015/2016, a consortium of Egyptian banks to partially finance the Egyptian General Petroleum Corporation (EGPC) to purchase liquefied natural gas

shipments for a total value of \$130 million. Banque Misr's contribution was \$50 million.

Also during fiscal year 2015/2016, the Islamic Banking Sector was the mandated lead arranger that participated in granting the National Port Said Steel Company with EGP 1.84 billion to finance the construction of a greenfield steel plant in Ain Sokhna. Banque Misr's contribution was EGP 300 million.

The Islamic Sector was granted numerous awards during the past few years, including:

- IFN Dubai Awards for Al Sharqiya Sugar Manufacturing Infrastructure and Project Finance Deal of the Year 2014
- The IJGlobal Award for MENA Metals and Mining: Ain Sokhna Steel Plant Deal of the Year 2015 on March 21st, 2016

Kings and Leaders visit Banque Misr and its Companies



King Fouad in a visit to Misr Spinning and Weaving Company in Mahala El Kobra.



King Fouad in a visit to Misr Spinning and Weaving Company in 1931, with Talaat Harb Pasha delivering a speech.

Kings and Leaders visit Banque Misr and its Companies



King Farouk at Banque Misr with Hafez Afify.



King Farouk at main entrance of Banque Misr with Hafez Afify.

Kings and Leaders visit Banque Misr and its Companies



President Mohamed Naguib at Studio Misr, accompanied by Banque Misr Chairman Mohamed Roshdy and others.



President Gamal Abdel Nasser in his visit to the Misr Cotton Ginning Company section at the Banque Misr Companies Fair.

Kings and Leaders visit Banque Misr and its Companies



President Gamal Abdel Nasser in his visit to the Banque Misr Companies booth at the Industrial and Agricultural Production Fair.



President Anwar Sadat with Banque Misr Chairman Mr. Ahmed Fouad.

Kings and Leaders visit Banque Misr and its Companies



President Sadat laying the foundation stone for the Banque Misr new tower.



President Hosni Mubarak in a visit to one of Banque Misr's companies.

Chapter Five:

Financial Performance

MESSAGE FROM THE CHAIRMAN



It is a great honor to present to you our distinguished performance for fiscal year 2015/2016. In this respect, I would like to begin by thanking the board members and the bank's team, who exerted all efforts to enable the bank to achieve such outstanding results and overcome any hardship. Fiscal year 2015/2016 was marked by a number of positive changes on the political, economic and financial levels; both locally and internationally.

Such challenges were mirrored in our national economy, which registered a 4.3% growth during the fiscal year 2015/2016, down from 4.4% in the previous fiscal year. The country witnessed

a modest performance of the tourism sector and volume of foreign investments, along with a shortage in foreign reserves needed to finance the government's development schemes, driven by similar economic uncertainty in Gulf region.

In this period of market uncertainty, Banque Misr remains the steadfast.

Customers' deposits registered a growth of approximately EGP 51.2 billion, amounting to over EGP 341.3 billion, compared to EGP 290.1 billion at the end of fiscal year 2014/2015, marking a 17.6% growth. Banque Misr currently acquires 16.1% of the total customer deposits of the Egyptian banking sector.

Banque Misr's net credit portfolio has risen to about EGP 128 billion, marking a year-on-year rise of EGP 67 billion, representing 13.6% of the total credit facilities in the Egyptian-banking sector, compared to 8.9% at the end of fiscal year 2014/2015.

Pursuant to CBE regulations, the NPLs coverage ratio and capital adequacy ratio recorded 100.1% and 11.58%, respectively.

The bank's diversified funds aimed at meeting different corporate needs, on both the public and private levels. Our Corporate Banking and Syndicated Loans portfolio has reached EGP 53 billion, registering a 27% growth in June 30, 2016.

Additionally, the financial results revealed that Banque Misr has managed to achieve a huge leap. Our net interest income has registered close to EGP 11.3 billion, reflecting a year-on-year increase of EGP 2.8 billion. The net profit also increased to EGP 5.5 billion, after deducting the bank's paid income tax of EGP 4.7 billion. Shareholders equity increased to record approximately EGP 26.6 billion.

The bank also provided different financing systems that cover various economic needs. The value of the retail banking portfolio, including the Islamic retail portfolio at Banque Misr, rose to EGP 14.5 billion in June 2016, recording a 52% growth rate.

Banque Misr also updated its Islamic banking unit to be fully compliant with the principles of Islamic Shariah, to widen the investment activities of the bank's Islamic branches, which reached a volume of EGP 4 billion in 2016.

The bank's portfolio of treasury bills in dollars rose to \$3.3 billion, marking a growth of 175% compared to last year. Similarly, the bank's treasury bills in euros have amounted to €200 million.

In addition, BM also provides investment services through expanding in central depository and trading services, along with custodial, and trustee services. The bank's Capital Markets Group manages eight mutual funds aimed at supporting the Egyptian capital market and catering to different client needs. It also offers, merger and acquisitions operations, both corporate and securitized bonds, privatization deals, initial public offering (IPOs), divestitures, as well as acting as a financial advisory for corporate restructuring.

The Capital Markets Group has generated revenues more than EGP 3.5 billion during fiscal year 2015/2016, in comparison with EGP 2.4 billion in the previous year, marking an increase of 46%.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED - JUNE 30, 2016

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Wahid Abd ElGhaffar
Baker Tilly Wahid Abdel Ghaffar & CO.
Public Accountants and consultants

Sameh Saad Mohamed Abd El-megeed
Accountability State Authority (ASA)

AUDITORS' REPORT ON THE SUMMERIZED FINANCIAL STATEMENTS OF BANQUE MISR FOR THE YEAR ENDED JUNE 30th, 2016

To: The Shareholders' of Banque Misr (S.A.E.)

We have audited the financial statements of Banque Misr (S.A.E) as of and for the year ending June 30th, 2016, from which the accompanying separate summarized financial statements were derived in accordance with Egyptian Standards on Auditing and in light of the provisions of applicable Egyptian laws and regulations. In our report dated January 10th, 2017 we expressed an unqualified opinion on the bank's financial statements as of June 30th, 2016, from which the accompanying summarized financial statements were derived.

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived as of and for the year ending June 30th, 2016.

To better understand the bank's financial position as of June 30th, 2016 and the results of its operations for the year then ended, and the scope of our audit, the summarized financial statements should be read in conjunction with the financial statements from which the summarized financial statements were derived, and our audit report thereon.

Cairo on : 27/02/2017

Wahid Abdel Ghaffar
Baker Tilly Wahid Abdel Ghaffar & Co.
Public Accountants and consultants



Auditors

Sameh Saad Mohamed Abd El-megeed
Accountability State Authority (ASA)

Summary of Banque Misr separate financial statements extracted from
Bank Misr financial statements for the year ended June 30th, 2016

Separate Balance sheet as at June 30th, 2016

Amounts in EGP Thousand

	Note no	June 30 th , 2016	June 30 th , 2015
Assets			
Cash and balances with central banks		23,097,741	21,554,367
Due from banks		52,532,597	25,827,274
Treasury bills		72,047,855	89,813,835
Financial assets held for trading	(5)	2,212,211	315,709
Loans and advances to banks	(6)	434,897	236,809
Loans and advances to customers	(7)	127,946,188	63,807,209
Available for sale investments	(8)	130,801,137	109,334,663
Investments held to maturity	(8)	496,186	363,914
Investments in subsidiaries and associates		4,224,966	3,881,528
Other assets		15,437,862	15,334,195
Property, Plant, and Equipment (net)		971,917	702,048
Total Assets		430,203,557	331,171,551
Liabilities and Shareholders' Equity Liabilities			
Due to banks		41,775,462	4,109,626
Customers' deposits	(9)	341,306,939	290,146,318
Other loans	(10)	8,997,510	3,321,867
Other liabilities		7,976,603	6,987,650
Other provisions	(11)	927,655	1,384,470
Deferred tax liabilities		415,704	249,114
Post retirement benefits liabilities	(12)	2,217,231	1,706,439
Total Liabilities		403,617,104	307,905,484
Shareholders' Equity			
Paid in capital	(13)	15,000,000	15,000,000
Reserves	(14)	6,079,597	4,084,150
Retained earnings		5,506,856	4,181,917
Total shareholders' equity		26,586,453	23,266,067
Total Liabilities and Shareholders' Equity		430,203,557	331,171,551
Contingent Liabilities and Commitments			
Liabilities for letters of guarantee, letters of credit and other commitments		25,760,044	22,910,555

The accompanying notes are an integral part of these financial statements

Chief Financial Officer: Sherif Samy Aguib
 Vice Chairman: Akel El Maghraby
 Vice Chairman: Ahmed Mohy El Deen Abo El ezz
 Chairman: Mohamed Mahmoud Eletreby
 Auditors: Wahid Abd El Ghaffar, Sameh Saad Mohamed Abd ElMegeed
 Baker Tilly Wahid Abdel Ghaffar & CO. Public Accountants and consultants
 Accountability State Authority(ASA)

Banque Misr Separate Income Statement

For The financial year ended June 30th, 2016

Amounts in EGP Thousand

	Note no	June 30 th , 2016	June 30 th , 2015
Interest on loans and similar income		32,583,821	24,777,418
Interest on deposits and similar expense		(21,260,161)	(16,240,405)
Net interest income		11,323,660	8,537,013
Fee and commission income		2,231,641	1,866,154
Fee and commission expense		(66,410)	(15,185)
Net fee and commission income		2,165,231	1,850,969
Dividend income		465,341	398,680
Net trading income		106,992	367,944
Gains from financial investments		279,452	357,857
Impairment charge for credit losses		(331,592)	(131,057)
Administrative expenses		(4,381,362)	(3,623,101)
Other operating income (expenses)		562,318	39,389
Profit before income tax		10,190,040	7,797,694
Income tax (expense)		(4,683,184)	(3,615,777)
Net Profit for the year		5,506,856	4,181,917
Earnings per share (EGP/Share)	(15)	1.69	1.60

Banque Misr
Statement of Changes in Shareholder's Equity
For The financial year ended June 30th, 2016

Amounts in EGP Thousand

	Note no	Paid in Capital	Legal Reserve	General Reserve	Capital Reserve		Fair Value Reserve	Special Reserve	Banking Risks Reserve	Supportive Reserve	Fixed Assets Prices Increased Reserve	F.C Translation Differences Reserve	Retained Earnings	Total
Balance as at July 1st, 2014		11,400,000	465,753	449,892	252,004		3,447,943	6,927	545,599	774,798	40,796	179,593	2,515,015	20,078,320
Dividends paid		-	-	-	-		-	-	-	-	-	-	(767,500)	(767,500)
Transferred to reserves		-	248,655	219,310	28,462		-	-	44,803	1,206,285	-	-	(1,747,515)	-
Net change in fair value of available for sale investments (net of tax)		-	-	-	-		(169,900)	-	-	-	-	-	-	(169,900)
Foreign currency translation differences		-	-	-	-		-	-	-	-	-	(56,770)	-	(56,770)
Capital increase		3,600,000	(671,331)	(669,202)	(280,466)		-	-	-	(1,938,205)	(40,796)	-	-	-
Net profit for the year		-	-	-	-		-	-	-	-	-	-	4,181,917	4,181,917
Balance as at June 30th, 2015	13,14	15,000,000	43,077	-	-		3,278,043	6,927	590,402	42,878	-	122,823	4,181,917	23,266,067

Balance as at July 1st, 2015		15,000,000	43,077		-		3,278,043	6,927	590,402	42,878	-	122,823	4,181,917	23,266,067
Dividends paid		-	-	-	-		-	-	-	-	-	-	(1,075,000)	(1,075,000)
Transferred to reserves		-	394,452	-	237,396		-	-	277,448	1,870,359	-	-	(3,106,917)	
Net change in fair value of available for sale investments (net of tax)		-	-	327,262	-		(1,365,426)	-	-	-	-	-	-	(1,365,426)
Foreign currency translation differences		-	-	-	-		-	-	-	-	-	253,956	-	253,956
Net profit		-	-	-	-		-	-	-	-	-	-	5,506,856	5,506,856
Balance as at June 30th, 2016	13,14	15,000,000	437,529	327,262	237,396		1,912,617	6,927	867,850	1,913,237	-	376,779	5,506,856	26,586,453

Banque Misr

Summarized Separate Statement of Cash Flows for the financial year ended June 30th, 2016

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Net cash flows provided from operating activities	44,093,608	26,343,133
Net cash (used in) investing activities	(21,136,195)	(29,398,233)
Net cash flows provided from financing activities	4,318,561	8,731
Net increase (decrease) in cash and cash equivalents during the year	27,275,974	(3,046,369)
Cash and cash equivalents at the beginning of the year	29,735,208	32,781,577
Cash and cash equivalents at the end of the year	57,011,182	29,735,208
<u>Cash and cash equivalents are represented in :</u>		
Cash and balances with central banks	23,097,741	21,554,367
Due from banks	52,532,597	25,827,274
Treasury bills	72,047,855	89,813,835
Balances with central banks (within the mandatory reserve percentage)	(18,624,689)	(16,590,338)
Due from banks (more than three months maturity)	(173,120)	(1,075,301)
Treasury bills and other government securities (more than three months maturity)	(71,869,202)	(89,794,629)
Cash and cash equivalents	57,011,182	29,735,208

Banque Misr

Summarized Statement of Separate Profit Appropriation For the financial year ended June 30th, 2016 According to the General Assembly Decision on February 27th, 2017

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Net Profit for the year	5,506,856	4,181,917
Deduct		
Gain on sale of property, plant, and equipment transferred to capital reserve	730,726	237,397
Gross distributable profit	4,776,130	3,944,520
Deduct		
Legal reserve	477,613	394,452
General banking risk reserve	815,070	277,448
General Reserve	348,345	327,262
Net distributable profit	3,135,102	2,945,358
Distributed as follows		
Supportive Reserve	1,797,602	1,870,358
Employees share in profit	437,500	225,000
State share in profit	900,000	850,000
	3,135,102	2,945,358

BANQUE MISR - S.A.E

Summarized notes to the separate financial statements for the year ended June 30th, 2016

1- General Information

Banque Misr (S.A.E.) was established on April 3rd, 1920 as a commercial bank. The head office is located at 151, Mohamed Farid Street, Cairo.

The bank carries out corporate, retail, and investment banking, in addition to Islamic banking, through 511 branches in the Arab Republic of Egypt, five branches in the U.A.E., and one branch in Paris, France. The number of employees at the balance sheet date is 14,110 employees.

These financial statements were approved during the general assembly meeting on February 27th, 2017.

2- Summary of Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all years presented, unless stated otherwise.

A- Basis of Preparation

The separate financial statements have been prepared in accordance with the Egyptian financial accounting standards issued in 2006 and its amendments in accordance with the Central Bank of Egypt's regulations approved by the Board of Directors on December 16th, 2008, consistent with the standards referred to and on the basis of historical cost convention, as modified by the revaluation of financial assets held for trading and available for sale investments. According to the bank's statute, the financial year begins on the first of July and ends on June 30th, and the financial statements are presented close to the nearest thousands of pounds.

B-Foreign Currency Translation

B/1 Functional and Presentation Currency

The separate financial statements are presented in Egyptian pounds. Items included in the financial statements of each of the bank's foreign branches are measured using their functional currency, being the basic currency of the economic environment in which the foreign branch operates.

B/2 Transaction and Balances in Foreign Currencies

Each branch maintains its accounting records in its functional currency

and transactions in other currencies are recorded during the financial year using the prevailing exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated on the balance sheet date 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 items:

- Net Trading Income. (Case of held-for-trading financial assets).
- Other operating revenues (expenses) for the remaining items.

Changes in the fair value of investments in debt instruments, which represent monetary financial instruments, denominated in foreign currencies and classified as available-for-sale assets, are analyzed into valuation differences resulting from changes in the amortized cost of the instrument, differences resulting from changes in the applicable exchange rates, and differences resulting from changes in the fair value of the instrument.

- Valuation differences resulting from changes in the amortized cost are recognized and reported in the income statement in 'interest income', whereas differences resulting from changes in foreign exchange rates are recognized and reported in 'other operating revenues (expenses)'. The remaining differences resulting from changes in fair value are deferred in equity and accumulated in the 'revaluation reserve of available-for-sale investments'.
- Valuation differences arising from the measurement of non-monetary items at fair value include gains or losses resulting from changes in foreign currency exchange rates used to translate those items. Total fair value changes arising from the measurement of equity instruments classified as at fair value through profit or loss are recognized in the income statement, whereas total fair value changes arising from the measurement of equity instruments classified as available-for-sale financial assets are recognized directly in equity in the 'revaluation reserve of available-for-sale investments'.

B/3 Foreign Branches

For the purpose of translation into Egyptian pounds, assets and liabilities of foreign branches are translated using the closing rate at the balance sheet date, while items of income and expense are translated into Egyptian pounds at the rates prevailing at the dates of the transactions, or average rates of exchange, where these are approximate to actual rates. Resulting valuation differences are recognized as foreign currency valuation differences under the equity caption.

C- Revenue Recognition

C/1 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 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.

C/2 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 the 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.

Fees are recognized on the debt instruments that are measured at fair value through profit and loss on initial recognition. 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.

Fees and commissions resulting 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 businesses – are recognized upon completion of the underlying transaction in the income statement.

Administrative and other services fees are recognized as income on a time proportionate basis over the lifetime of the service.

Fees charged for custodian services provided over long periods are recognized as income over the period during which the service is rendered.

C/3 Dividends Income

Dividends are recognized in the income statement when the right to collect them is declared.

D- Treasury Bills

Treasury bills are recorded at par value, while discount (un-earned interest) is included in Credit Balances and Other Liabilities. Treasury bills are presented on the balance sheet net of unearned interest.

E- Purchase and Resale Agreements, and Sale and Repurchase Agreements

Securities that may be lent or sold subject to a commitment to repurchase (repos) are reclassified in the financial statements and deducted from the 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 the treasury bills balance. The difference between purchase and resale price is treated as interest and accrued over the life of the agreements using the effective interest method.

F- Loans and Advances to Banks and Customers

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

G- Impairment of Financial Assets

G/1 Financial Assets Carried at Amortized Cost

The bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If the bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment according to historical default ratios.

If the bank determines that objective evidence of financial asset impairment exists that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If the bank determines that there is not an impairment loss based on the previous study, the asset is added to the group.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

G/2 Available-for-sale Investments

The bank assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets classify under available-for-sale is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. The decrease is considered significant when it becomes 10% of the cost of book value of the financial instrument, and the decrease is considered to be extended if it continues for a period of more than nine months. If the mentioned evidence becomes available, then the accumulated loss is to be transferred from the equity and disclosed at the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

H- Financial Assets Held-for-Trading

A financial asset is classified as held-for-trading if it is acquired principally for the purpose of selling in the near future or if it is a part of a portfolio of identified financial instruments that are managed together for short-term profit taking. Financial assets held-for-trading are measured at fair value. Unrealized holding gains and losses are recognized in the income statement.

I- Available-for-Sale Investments

Available-for-sale investments are non-derivative financial assets that are either designated as available-for-sale or do not fit into any other category of financial assets. Available-for-sale investments are measured at fair value. Unrealized holding gains and losses are included in a separate component of equity until the financial asset is sold or impaired. At this time, the cumulative gain or loss previously recognized in equity is recognized in the income statement.

J- Held-to-Maturity Investments

Investments held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the bank management has the positive intent and ability to hold to maturity.

Debt investments held-to-maturity are measured at amortized cost using the effective interest method, which represents the nominal value of bonds, plus the premium or minus the discount. The premium is amortized by deduction on the income statement or the discount is amortized by addition to the income statement on the interest on loans and similar income item by using the effective interest rate method. Thus, the nominal value and the nominal recoverable value become the same on the maturity date.

- The same method of valuation is used if the bonds have been purchased from the stock market with a value higher or lower than the nominal value (taking into consideration deducting the implicit interest that may be a part of the acquisition cost which belongs to the period prior to the acquisition date and was not received by the seller).
- In the case of bonds purchased in foreign currency, these bonds are valued using the prevailing exchange rates and the inclusion of valuation differences in the income statement in other operating revenues (expenses) prior to adjustments relating to premium, discount, or determining impairment losses.

Banque Misr mutual funds certificates, which the bank is required by law to hold until fund liquidation, are included as held-to-maturity investments according to the Central Bank of Egypt regulations, and are measured at cost. Any decrease in redemption value below cost is recognized as impairment in the income statement. Impairment loss previously recognized is reversed in case of subsequent increase. The reversal cannot result in a carrying value greater than original cost.

K- Investments in Subsidiaries and Associates

Subsidiaries are entities (including special purpose entities) in which Banque Misr exercises direct or indirect control over their financial and operating policies, and usually has an ownership share of more than half of its voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the bank has the ability to control the entity. Associates are entities over which Banque Misr exercises significant influence directly or indirectly, but without exercising control. Generally the bank owns between 20% and 50% of the voting rights.

The purchase method is used to account for the acquisitions of subsidiaries by the bank. The cost of an acquisition is measured as the fair value of the assets, and/or assets given and/or equity instruments issued and loans assumed at the date of exchange, plus the cost directly attributable to the acquisition. Net assets, including contingent liabilities assumed in a business combination, are measured initially at their fair values at the acquisition date, irrespective of the minority interest. The excess of acquisition cost over the fair value of bank's share in the net assets acquired is recorded as goodwill. If the acquisition cost is less than the fair value of the net assets, the difference is recognized directly in the income statement under the item "Other operating income (expenses)".

Accounting for subsidiaries and associates in these separate financial statements is recorded by using cost method. According to this method, investments are recorded at cost of acquisition, including goodwill if any exists, and impairment losses are deducted. Dividends are recorded in the separate income statement when they are declared and the bank's right to collect them has been established.

L- Derivative Financial Instruments and Hedge Accounting

Derivatives are recognized initially, and subsequently, at fair value. Fair values of exchange traded derivatives are obtained from the quoted market price. Fair value 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.

M- Fixed Assets & Depreciation

Fixed assets are recorded at historical cost, minus depreciation and impairment losses. Depreciation of fixed assets is calculated using the straight-line method to allocate their residual values over estimated useful lives, as follows:

Buildings & construction	5%	Vehicles	From 20% up to 25%
Equipment	12.5%	Furniture	100%
IT equipment	From 25% up to 100%	Fixtures	From 12.5% up to 33.5%

N- Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash and balances due from the Central Bank of Egypt, current accounts with

banks, and treasury bills maturing within three months of the acquisition date.

O- Post-retirement Benefits Liabilities

Banque Misr provides its employees with various post-retirement benefits that are charged to their salaries throughout their period of employment. Moreover, these benefits are recognized as part of the bank's commitment to employees, in accordance with the Egyptian Accounting Standards of 2006, and the Central Bank of Egypt regulations issued in December 2008. Costs arising from the benefits program earned by employees at the end of the fiscal year are calculated according to the current value of expected future financial inflows. An actuarial expert calculates this using the estimated unit of credit, which takes into account hypotheticals such as population science, employee turnover rates, interest rates, and inflation. Banque Misr also provides the employees in its foreign branches, in the UAE and France, with end-of-service benefits, in accordance with the laws of those countries.

P- Other Provisions

Other provisions 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 a 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 are measured at the present value of the expected required expenditures to settle obligations after one year from the financial statement date using the appropriate rate, in accordance with the terms of settlement, while ignoring the tax effect which reflects the time value of money. If the settlement term is less than one year, the estimated value of obligation is calculated.

Q- Income Tax

Income tax on the profit or loss for the year and deferred tax are recognized in the income statement, excluding the 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 calculated through determining the value of deferred taxes 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 are recognized when there is possibility to achieve future taxable profits through the usage of 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.

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 key 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 return 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. 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 practices.

Risk management is carried out by a risk department under policies approved by the Board of Directors. The risk department identifies, evaluates and hedges financial risks in close co-operation with the bank's operating units. In addition, the risk department is responsible for the independent review of risk management and the control environment.

Capital Management

Capital adequacy and the use of regulatory capital are monitored periodically

by the bank's management through employing techniques based on the guidelines developed by the Basel Committee on Banking Supervision. The required data is submitted to the Central Bank of Egypt on a quarterly basis.

The Central Bank of Egypt requires the following:

- Maintaining EGP 500 million as a minimum requirement for the issued and paid-in capital.
- Maintaining a minimum capital adequacy ratio of 10%, calculated as the ratio between total value of the capital elements, and the risk-weighted average of the bank's assets and contingent liabilities.

Overseas branches are subject to the supervision rules regulating banking business in the countries in which they operate.

The bank has complied with all local capital requirements and these in the countries in which its overseas branches operate during the last two years. The Central Bank of Egypt board meeting held on December 18th, 2012 decreed the approval of the instructions of minimum capital adequacy in the context of applying Basel II. The following table summarizes the components of tier one capital, subordinated capital, and capital adequacy ratio as of the end of the fiscal year that ended on June 30th, 2016, and compared to the previous year, in accordance with CBE regulations issued on Basel II applications:

	June 30 th , 2016	June 30 th , 2015
Capital		
Tier 1 Capital	19,093,623	16,039,233
Tier 2 Capital	3,400,225	3,616,901
Total Capital	22,493,848	19,656,134
Total risk weighted assets and contingent liabilities	194,258,609	156,072,840
Capital adequacy ratio	11.58%	12.59%

4- 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.

A- Impairment of Loans and Advances

The bank reviews its loans and advances portfolio, on a quarterly basis,

at least, to assess impairment. The bank uses its discretionary judgment in determining whether it is necessary to recognize impairment loss in the income statement. This requires it to identify any reliable evidence indicating measurable decline in the expected future cash flows from the loan portfolio before identifying any decline for each individual loan.

This evidence includes data indicating negative change in the ability of a portfolio of borrowers to repay the bank, or local and economic circumstances related to default.

On scheduling future cash flows, the management uses estimates based on previous experience related to impairment of assets having similar credit risks. Such experience refers to impairment similar to that of the portfolio in question. The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on expertise.

B. Impairment of Available-for-sale Equity Investments

The bank determines that available-for-sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the bank evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of a deterioration in the financial health of the investee, operational and financing cash flows, industry and sector performance, and changes in technology.

5- Financial assets held for trading

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Debt instruments		
Other debt securities	2,126,616	220,704
Total Debt instruments	2,126,616	220,704
Equity instruments		
Local shares	79,761	88,451
Mutual fund certificates	5,834	6,554
Total equity instruments	85,595	95,005
Total financial assets held for trading	2,212,211	315,709

6- Loans and Advances to Banks

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Term loans	446,707	247,873
Less: provision for loan losses	(11,810)	(11,064)
Total	434,897	236,809

7- Loans and Advances to Customers

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
(1) Retail		
Overdraft	1,528,415	1,589,764
Credit card loans	223,609	180,883
Personal loans	13,522,069	8,390,053
Mortgages loans	806,935	226,885
Total retail	16,081,028	10,387,585
(2) Corporate Loans (including loans to small businesses)		
Overdraft	27,485,571	20,021,742
Direct loans	68,790,992	20,620,887
Syndicated loans	18,488,837	17,620,294
other loans	1,882,278	308,238
Total Corporate	116,647,678	58,571,161
Total loans and advances to customers (1+2)	132,728,706	68,958,746
Deduct: provision for loan losses	(4,646,795)	(5,009,130)
Deduct: unearned discount and interest in suspense	(135,723)	(142,407)
Net loans and advances to customers	127,946,188	63,807,209
Gross loans distributed to:		
Current	91,674,330	28,931,753
Non-Current	41,054,376	40,026,993
	132,728,706	68,958,746

Impairment from Loans Provision for Customers

Movement analysis of the impairment provision of loans and advances for customers

Amounts in EGP Thousand

	June 30 th , 2016			June 30 th , 2015		
	Non-Performing Loans	Performing Loans	Total	Non-Performing Loans	Performing Loans	Total
Balance at the beginning of the year	4,032,813	976,317	5,009,130	7,765,340	826,491	8,591,831
Transfers	0	0	0	3,846	8,428	12,274
Impairment during the year	264,742	69,588	334,330	53,734	167,573	221,307
Recoveries of loans previously written off	423,498	0	423,498	260,115	0	260,115
Foreign currency revaluation differences	166,605	91,885	258,490	136,215	(26,175)	110,040
Write-offs	(1,378,653)	0	(1,378,653)	(4,186,437)	0	(4,186,437)
Balance at the end of the year	3,509,005	1,137,790	4,646,795	4,032,813	976,317	5,009,130

Analysis of the impairment provision of loans and advances for individuals

Item	Individuals				
	Overdrafts	Credit Cards	Personal Loans	Mortgages	Total
June 30 th , 2016	98,433	959	69,498	8,382	177,272
June 30 th , 2015	152,348	2,666	256,826	8,340	420,180

Analysis of the impairment provision of loans and advances for individuals

Item	Corporate				
	Overdrafts	Direct Loans	Syndicated Loans	Other Loans	Total
June 30 th , 2016	2,075,579	1,005,124	1,312,149	76,671	4,469,523
June 30 th , 2015	2,851,609	718,617	1,002,846	15,878	4,588,950

8- Financial Investments

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
(A) Available-for-sale investments		
Debt instruments - Listed	109,699,162	88,635,968
Equity instruments - Listed	7,963,292	9,027,177
Debt instruments - Unlisted	8,780,000	8,234,014
Equity instruments - Unlisted	4,358,683	3,437,504
Total available-for-sale investments (1)	130,801,137	109,334,663
B) Held-to-maturity Investment		
Debt instruments - Listed	137,007	29,250
Debt instruments - Unlisted	71,384	71,384
Equity instruments - Unlisted	287,795	263,280
Total held-to-maturity investments (2)	496,186	363,914
Total financial Investments (1+2)	131,297,323	109,698,577
Current	38,260,399	17,053,689
Non-current	93,036,924	92,644,888
Total financial Investments (1+2)	131,297,323	109,698,577

The following table analyzes movements on financial investments during the year:

	Available-for-sale investments	Held-to-maturity investments
Beginning balance on July 1st, 2015	109,334,663	363,914
Additions	45,954,415	169,509
Deductions	(24,312,714)	(30,801)
Translation differences resulting from monetary foreign currency assets	1,323,374	-
Gains (losses) from fair value difference	(1,198,836)	-
Impairment charges	(299,765)	(6,436)
Balance at end of year June 30th, 2016	130,801,137	496,186
Beginning balance on July 1st, 2014	79,537,575	503,902
Addition	46,725,905	29,250
Deduction	(16,836,945)	(166,691)
Translation differences resulting from monetary foreign currency assets	414,804	348
Gains (losses) from fair value difference	(151,310)	-
Impairment charges	(355,366)	(2,895)
Balance at end of year June 30th, 2015	109,334,663	363,914

(9) Customers' Deposits

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Demand deposits	23,260,368	19,748,364
Call and time deposits	76,114,819	79,829,748
Saving certificates	127,076,600	85,698,151
Saving deposits	104,867,796	98,736,038
Other deposits	9,987,356	6,134,017
Total	341,306,939	290,146,318

Corporate deposits	92,004,225	90,020,833
Retail deposits	249,302,714	200,125,485
Total	341,306,939	290,146,318

Non-interest bearing balances	22,081,166	18,304,801
Variable interest rate balances	141,078,651	128,865,414
Fixed interest rate balances	178,147,122	142,976,103
Total	341,306,939	290,146,318

Current	230,139,149	217,759,369
Non-current	111,167,790	72,386,949
Total	341,306,939	290,146,318

10- Other Loans

Amounts in EGP Thousand

Items	Interest Rate	Matured Through Current Year	Balance as of June 30 th , 2016	Balance as of June 30 th , 2015
Danish International Development Assistance (DANIDA)	Nil	4,131	6,196	8,900
Danish International Development Assistance (DANIDA)	Nil	12,519	24,667	32,045
Social Development Fund (SDF)	7%	0	0	1,199
Social Development Fund (SDF)	4%	108	108	539
Central Bank of Egypt Subordinated Deposit	Nil	0	1,569,445	1,397,984
Central Bank of Egypt Subordinated Deposit	Nil	0	896,003	785,382
Social Development Fund (SDF)	7%	17,000	17,000	51,000
Social Development Fund (SDF)	8.50%	16,875	42,188	59,063
Egyptian Mortgage Refinance Company	10.25%	2,944	16,111	17,444
Social Development Fund (SDF)	8.50%	10,000	30,000	40,000
Social Development Fund (SDF)	8.50%	28,000	89,000	70,000
Social Fund loans – Bedaia	8.50%	7,500	26,250	30,000
Long-term loans from foreign banks	with interest	0	3,994,900	0
Short-term loans from foreign banks	with interest	2,285,642	2,285,642	828,311
Total Other Loans			8,997,510	3,321,867
Current			2,384,719	920,753
Non-current			6,612,791	2,401,114
Total Other Loans			8,997,510	3,321,867

11- Other Provisions

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Provision for legal claims and taxes	569,078	971,321
Provision for contingent liabilities	348,952	408,487
Other	9,625	4,662
Total	927,655	1,384,470

12- Post-retirement Benefits Liabilities

Amounts recognized in the balance sheet

	June 30 th , 2016	June 30 th , 2015
Post-retirement medical benefits	1,989,352	1,560,336
End-of-service benefits	227,879	146,103
Total	2,217,231	1,706,439

Amounts recognized in the income statement

Liabilities for post-retirement medical benefits	539,820	483,133
Liabilities for end-of-service benefits	67,788	24,284
Balances at the end of the year	607,608	507,417

The main actuarial assumptions used by the bank are outlined below

Discount rate	11%	11%
Long-term inflation rate	8%	8%

13- Paid in capital and reserves

A. Authorized Capital

Based on the extraordinary general assembly meeting on March 22nd, 2015 the authorized capital has been increased from EGP 15 billion to EGP 30 billion.

B. Issued and Paid-in Capital

Based on the extraordinary general assembly meeting on March 22nd, 2015, the paid-in capital has been increased by EGP 3.6 billion through capitalization of reserves. Accordingly, the issued and paid-in capital reached EGP 15 billion divided into 3 billion shares totally owned by the state with par value of EGP 5 per share. This increase was registered in the Central Bank of Egypt's (CBE) banks records and was published in the official gazette on April 12th, 2015 and registered in the commercial registry on April 15th, 2015.

14- Reserves

- According to the bank's statute, 10% of net profit is to be credited to legal reserve. Crediting legal reserve ceases when its balance reaches 100% of the paid-In capital.
- According to the Central Bank of Egypt's instructions, it is not permissible to use special reserves balances without the central bank's approval.

Amounts in EGP Thousand

	June 30 th , 2016	June 30 th , 2015
Legal reserve	437,529	43,077
General reserve	327,262	0
Capital reserve	237,396	0
Supportive reserve	1,913,237	42,878
Fair value reserve	1,912,617	3,278,043
Special reserve	6,927	6,927
General banking risk reserve	867,850	590,402
Financial statements translation differences reserve	376,779	122,823
Total reserves	6,079,597	4,084,150

15) Earnings per share

	June 30 th , 2016	June 30 th , 2015
Net profit attributable to the shareholder (thousand EGP) (1)	5,069,356	3,956,917
Divided by weighted average number of shares (thousands of shares) (2)	3,000,000	2,469,370
Earnings per share (EGP) (1:2)	1.69	1.60

16- Comparative figures

Comparative figures were reclassified to be consistent with current year presentation.

17- Subsequent Events

On November 3rd, 2016 the Central Bank of Egypt issued a decision relating to the liberalization of the foreign currency exchange rate against the Egyptian pound, which resulted in a substantial increase in foreign currency exchange rates.

