



بنك مصر
BANQUE MISR

نعمل معاً لخير بلدنا

30 October 2018
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 2016 - 2017



Egypt's Lucky Charm



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مصر - القاهرة
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GRI Content Index for “IN ACCORDANCE” - CORE

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page	External Assurance
	STRATEGY AND ANALYSIS	
G4-1	28-33	
	ORGANIZATIONAL PROFILE	
G4-3	1	
G4-4	12-14	
G4-5	14	
G4-6	40-43	
G4-7	14	
G4-8	40-43	
G4-9	1	
G4-10	106-111	
G4-11	110-111	
G4-12	140-141	
G4-13	102 , 140-141	
G4-14	102-105	
G4-15	103-105 , 124 , 126-128 , 130-131	
G4-16	40-43	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	166-167 , 170-171	
G4-18	12-15	
G4-19	12-15	
G4-20	12-15	
G4-21	12-15	
G4-22	12-15	
G4-23	28-33 , 40-43 , 99-100 , 106-111, 151-152	
STAKEHOLDER ENGAGEMENT		
G4-24	12-15	
G4-25	12-15	
G4-26	12-15	
G4-27	12-15	
REPORT PROFILE		
G4-28	12-15	
G4-29	Feb 2017 (BM Sustainability Report 2015-2016)	
G4-30	12-15	
G4-31	Last Page	
G4-32	GRI Content Index for “In accordance” - Core	
G4-33	82-88	
GOVERNANCE		
G4-34	82 , 85-86 , 96-97	
ETHICS AND INTEGRITY		
G4-56	36-38 , 96-99	

SPECIFIC STANDARD DISCLOSURES

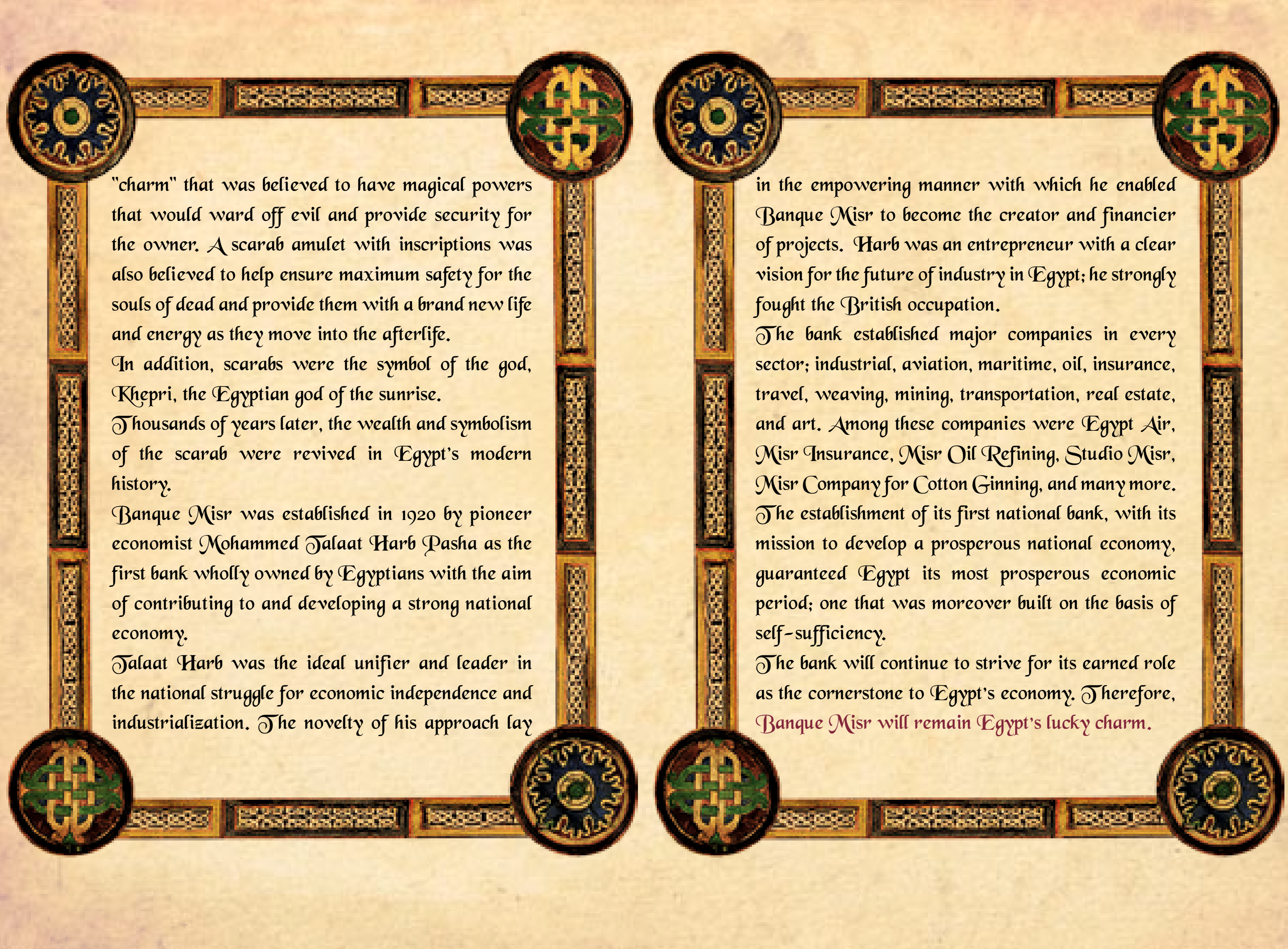
Material Aspects	DMA and Indicators	Page	OMISSIONS	EXTERNAL ASSURANCE
CATEGORY: ECONOMIC				
Economic Performance	G4-DMA	112 , 124		
	G4-EC1	99 , 112 , 114 , 116 , 118		
CATEGORY: ENVIRONMENTAL				
Emissions	G4-DMA	103-105		
	G4-EN15	103-105		
	G4-EN16	103-105		
	G4-EN17	103-105		
Effluents and Waste	G4-DMA	103-105		
	G4-EN23	103-105		
CATEGORY: SOCIAL				
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK				
Occupational Health and Safety	G4-DMA	98-99 , 104		
	G4-LA7	110		
SUB-CATEGORY: HUMAN RIGHTS				
Investment	G4-DMA	102		
	G4-HR1	108-111		
SUB-CATEGORY: SOCIETY				
Local Communities	G4-DMA	32		
	G4-SO1	32 , 103-105 , 112 , 114 , 116 , 118-122 , 124 , 126-128 , 130-131 , 143 , 148		
SUB-CATEGORY: PRODUCT RESPONSIBILITY				
Product and Service Labeling	G4-DMA	96-97		
	G4-PR4	96-97		
Product Portfolio	G4-DMA	142-144		
	FS6	145-149		
	FS7	145-149		
	FS8	143		
Audit	G4-DMA	82-88 , 96-99		
	FS9	82-88 , 96-99		
Active Ownership	G4-DMA	108-109		
	FS11	142-144		



Egypt's Lucky Charm

Egypt's Lucky Charm

Since its inception in 1920, Banque Misr has chosen, with great honor, Queen Cleopatra to represent it as its icon and part of its logo. One of the strongest female rulers and the last pharaoh of Ancient Egypt; Queen Cleopatra is a symbol of one of the most prosperous periods in Egypt's history. For this annual report, Banque Misr has chosen the sacred scarab; one of the most important amulets in Ancient Egypt, as its new icon and part of its logo. A scarab is a unique insect that has influenced Egyptian civilization for thousands of years. In fact, the idea of using the scarab as an amulet dates back to the building of the Pyramids in the early Egyptian dynasties. To the Ancient Egyptians, the scarab was one of the most potent amulets, symbolizing the sun, protection, transformation, and resurrection. They used it as a



"charm" that was believed to have magical powers that would ward off evil and provide security for the owner. A scarab amulet with inscriptions was also believed to help ensure maximum safety for the souls of dead and provide them with a brand new life and energy as they move into the afterlife.

In addition, scarabs were the symbol of the god, Khepri, the Egyptian god of the sunrise.

Thousands of years later, the wealth and symbolism of the scarab were revived in Egypt's modern history.

Banque Misr was established in 1920 by pioneer economist Mohammed Talaat Harb Pasha as the first bank wholly owned by Egyptians with the aim of contributing to and developing a strong national economy.

Talaat Harb was the ideal unifier and leader in the national struggle for economic independence and industrialization. The novelty of his approach lay

in the empowering manner with which he enabled Banque Misr to become the creator and financier of projects. Harb was an entrepreneur with a clear vision for the future of industry in Egypt; he strongly fought the British occupation.

The bank established major companies in every sector; industrial, aviation, maritime, oil, insurance, travel, weaving, mining, transportation, real estate, and art. Among these companies were Egypt Air, Misr Insurance, Misr Oil Refining, Studio Misr, Misr Company for Cotton Ginning, and many more. The establishment of its first national bank, with its mission to develop a prosperous national economy, guaranteed Egypt its most prosperous economic period; one that was moreover built on the basis of self-sufficiency.

The bank will continue to strive for its earned role as the cornerstone to Egypt's economy. Therefore, *Banque Misr will remain Egypt's lucky charm.*

Table of Contents

	Foreword
12	About Banque Misr
15	Material Topics
	Our Approach
26	BM Approach
28	Introduction by the Chairman
36	Our Strategy
40	Domestic and International Presence
	How BM Operates
52	Board of Directors
82	Board and Executive Committees
95	Our Commitment
102	BM Service Providers and Suppliers
103	Environmental Sustainability
106	Our People
112	Community Development
	Our Activities
140	Technology
142	Corporate Banking
145	Retail Banking
149	SMEs and Microfinance
150	Capital Markets Group
153	Correspondent Network and Treasury
155	Islamic Banking
	Our Financial Performance
162	Message from the Chairman
164	Financial Statements

Banque Misr at a Glance

Ownership State-owned bank	Customers more than 8 million in Egypt	Served by 14,497 Employees
Through 6 Business Divisions: Corporate Banking Retail Banking SMEs and Microfinance Capital Markets Group Correspondent Network and Treasury Islamic Banking	Across 7 countries: Egypt Lebanon UAE France Germany China Russia	Branches* Over 600 ; the largest branch network by any bank in Egypt and the Middle East
8 Mutual Funds	2,154 Automated Teller Machines (ATMs)*	14,577 Point of Sale Terminals (POS)*
5.97 million No. of Issued Cards*	Direct Equity Participation 158 multi-sector companies	EGP 65 billion Shareholders' Equity
EGP 787 billion Total Assets	EGP 8.2 billion Net Profit After Tax	EGP 532.5 billion Customer Deposits
EGP 15.5 billion Net Interest Income	EGP 3.3 billion Net Fee and Commission Income	EGP 5.9 billion Income Tax Paid

* As of Dec.2017



Banque Misr Museum

Banque Misr Museum, housed in the ground floor of the bank's headquarters, houses several precious collections, which weave a rich tapestry of Egypt's history.

The museum narrates the story of the strong determination and the concerted efforts of patriots who carried the torch of Banque Misr's successful journey since its inception in 1920, represented by its founder, the pioneer Egyptian economist Talaat Harb Pasha and his partners, as well as their successors. They all joined forces and continued Banque Misr's successful legacy and its journey of excellence in the Egyptian banking industry.

Banque Misr's management exerted extraordinary efforts to preserve this heritage while establishing the museum, which offers a formidable collection of historical documents and volumes tackling several economic and social topics related to the bank's success story. The museum in turn houses rare copies of Talaat Harb Pasha's writings that address all spheres of life, in addition to other books that narrate the story of this prominent economist.

The museum offers electronic access to the rich information of its collections, which include writings, volumes, photos, and historic documents that can be used for research, education, or enjoyment.

The Story behind Banque Misr's Headquarters



✦ Banque Misr Museum is housed in the ground floor of the bank's headquarters. In 1923, Banque Misr organized an international competition to choose the best architect to design and supervise the construction of its headquarters.

The Italian architect, Antoino Lasciac, whose works are recognized in the histories of Egypt and Italy, was chosen from the competition.

In 1925, the foundation stone of the building was laid. Talaat Harb Pasha kept the foundation documents in a leather bag, which was later stored in one of the rooms, with a recommendation that these documents should be handed to an entity concerned with keeping documents and manuscripts.



The Story behind Banque Misr's Headquarters



In 1927, the building was completely constructed, with 100% Egyptian raw materials, workforce, and industries; except for the floors, which were imported from Belgium, and the marble columns and stairs from Germany.

On June 5th, 1927, the bank's headquarters was inaugurated in a magnificent grand ceremony in the presence of all the state's consuls, ministers, high-profile citizens, and a delegate from King Fouad. This building was described by the renowned Egyptian poet Ahmed Shawqi as 'the fourth pyramid' in a poem specially written for this day.

The building comprises a storage basement and several floors: the ground floor is dedicated to the bank's customers with 60 counters; another floor is designated for the Chief Executive Officer and General Managers. In addition, the remaining four floors are allotted to the bank's companies, including the offices of their respective managers and staff. The building also has four elevators in every corner.

Banque Misr's Headquarters



✦ This domed ceiling is located inside Banque Misr's headquarters. This architectural piece of art was made by the renowned Italian architect Antoino Lasciac.



✦ The hall of Banque Misr's headquarters. This architectural piece of art was designed by the renowned Italian architect Antoino Lasciac.

Night Safe



✳ Formerly located outside Banque Misr's headquarters, the night safe belongs to the Star of the Orient, the late Umm Kulthum. She deposited her jewelry in the bank's night safe after the end of her shows every day. The bank would always take inventory of Umm Kulthum's jewelry the day after receiving them.

The night safe gave Talaat Harb Pasha a head start by being the first to introduce the system of depositing jewelry in 1927.

The Founding of Banque Misr Museum



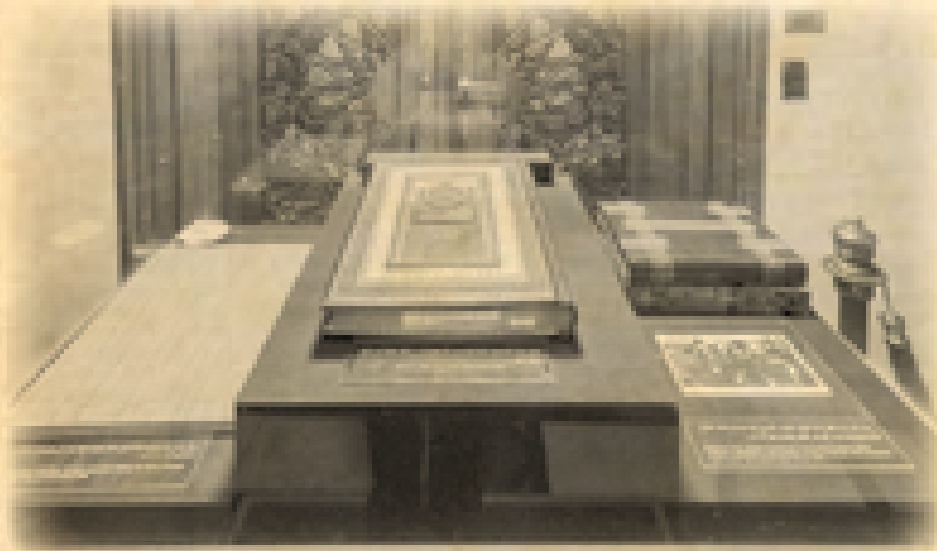
✳ Banque Misr Museum, a place dedicated to narrating the rich history of the pivotal economic institution, has always been a longstanding dream for Talaat Harb Pasha's family, as well as Banque Misr's management and employees.

In 2005, the bank's leadership took a leap of faith to bring this dream to life. They formed a supreme heritage committee and rendered it responsible for the project. Ms. Enayat Shaband and her valuable collectibles, which belonged to the bank, were a great inspiration in bringing Banque Misr Museum to life.

An array of cultural cadres with broad experience led by Dr. Ahmed Nawar, who was the Head of Egypt's Fine Arts Sector, had given support to the project and supervised the artistic side of its construction. Banque Misr has also cooperated with various institutions to digitally render the artifacts through different media to allow the maximum dissemination of this heritage.

On May 11th, 2011 during a grand ceremony, Banque Misr Museum was inaugurated in the presence of the bank's former chairmen, as well as Talaat Harb Pasha's family. Since then, Banque Misr Museum has become a top destination for Arab and foreign tourists. The bank has signed several partnerships aiming to instill the sense of belonging among the new generation by acquainting them with this unique story of success in the history of the Egyptian economy.

Banque Misr Museum



✧ Banque Misr's Registry Book of public figures' visits, 1927 AD.



✧ Entrance of Banque Misr Museum

Banque Misr Museum



✧ A view of Talaat Harb's office



✧ A view of Talaat Harb's office

Banque Misr Museum



✧ A guiding panel for Banque Misr Museum's collectibles



✧ A guiding panel for Banque Misr Museum's collectibles

Chapter One Foreword



About Banque Misr

Established in 1920 by Egyptian pioneer economist Talaat Harb Pasha, Banque Misr (BM) introduced to Egypt the economic system relying on investing the public's savings in economic and social projects, making BM the first bank wholly owned by Egyptians.

Since the very beginning, the first bank owned by Egyptians for Egyptians has been committed to establishing companies in various sectors, such as textiles, insurance, transportation, aviation, entertainment, and filmmaking. All the while, the bank has never faltered in providing continuous support to its other regular banking and investment activities. Presently, Banque Misr owns shares in 158 companies across different fields ranging from finance, tourism, housing, agriculture, and food, to companies in the field of communication and information technology.

In recognition of the bank's persistent efforts to offer premium and up to the minute services to all its esteemed clients, leading finance magazine 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 the years 2016 and 2017.

Banque Misr's position as a regional pioneer is outstanding, having been the first bank in Egypt and North Africa to adhere to PCI data security standards, obtaining the latest iteration of the global Payment Card Industry Data Security Standard (PCI DSS 3.2) certification. BM's cutting-edge technologies facilitate its customers' access to banking services; a quality the bank prides itself on. Banque Misr's ATM network today covers the entire country; making it one of Egypt's largest ATM networks.

With 14,497 employees serving a client base of around 8 million, and a total paid-up capital amounting to EGP 15 billion, the bank's geographic outreach is extensive, especially in the economic sector.

The bank's headquarters is located at 151 Mohamed Farid Street, Downtown, Cairo, Egypt. With over 600 electronically integrated branches owned and operated on the national and international levels, Banque Misr is working to further expand its network. In addition to its extensive network in Egypt, it also has five branches in the United Arab Emirates (UAE), one in Paris, a subsidiary in Germany, and 20 more branches of its subsidiary in Lebanon, and two representative offices in Russia (Moscow) and China (Guangzhou). We are currently working on expanding further.

In addition to our already established worldwide network of correspondents, we aim in 2018 to launch more representative offices in Italy (Milan), South Korea (Seoul), and in a number of African countries.

Yet, we as Banque Misr do not only focus on our financial success and the expansion of our institution; in Banque Misr we commit to higher values. We are equally committed to achieving progress in the Sustainable Development Goals defined by the United Nations (UN) in several areas, including human rights, labor, preserving the environment, and combating corruption. They are the core of our operations and we are determined to succeed at furthering them.

The bank has also extensively worked on supporting the communities in which it operates by carrying out 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 has taken part in several initiatives and protocols to support national projects, including Al-Robeky Leather City workshops, industrial complexes for micro, small, and medium-sized enterprises (MSMEs), «Mashrouak» (Your Project) program, the New Damietta Furniture City workshops, pharmacists' businesses, etc. This comes in line with Banque Misr's deep belief that SMEs are a critical component of the Egyptian economy, as they significantly contribute to the state's GDP.

Banque Misr has been supporting the national economy since its inception 97 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-run bank, with 100% of its shares owned by the Egyptian government.

Material Topics:

The 2016/2017 Annual Report is our third edition, guided by the framework of the internationally recognized Global Reporting Initiative (GRI); it is not just a review of Banque Misr's financial achievements. It also aims, through an integrated approach, to highlight the value and impact of Banque Misr's contribution to society.

Therefore, the report encompasses both financial and non-financial data and information in hopes of being able to deliver a clear image of the kind of value we provide for our customers, society, and stakeholders throughout the year. At Banque Misr, we recognize and tackle topics pertaining to sustainability that are crucial both to the bank and its stakeholders.

Our definition of a stakeholder takes a much broader sense than most people associate with the word. We consider anyone in contact with our institution as a stakeholder; whether they are an employee, existing client, prospective client, the government, partners, suppliers, or even a nongovernmental organization (NGO).

The four following action areas are what we consider necessary for our success and sustainability:

The BM Approach: outlines Banque Misr's efforts in 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 statements. The BM Approach also defines the principles that govern the bank's internal culture and operations.

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 with our collaborations and partnerships.

BM Activities: outlines our key accomplishments, especially our operations in Egypt and the steps taken to support the national economy.

BM Financial Performance: drafts our financial performance for the year based on transparent reports on financial statements.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's gold coin of 1970 AD, commemorating 50 years since its establishment. The coin features the bank's headquarters and its Queen Cleopatra icon.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's silver coin of 1980 AD, commemorating 60 years since its establishment. The coin features the bank's headquarters and its Queen Cleopatra icon.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's EGP 5 silver coin of 1995 AD, commemorating its diamond jubilee, which marked 75 years since its establishment. The coin features the bank's tower building and Queen Cleopatra icon.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's gold coin of 1995 AD, commemorating its diamond jubilee, which marked 75 years since its establishment. The coin features the bank's headquarters.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's EGP 1 silver coin of 1995 AD, commemorating its diamond jubilee, which marked 75 years since its establishment. The coin features the bank's tower building and its Queen Cleopatra icon.

Banque Misr Museum Collectibles

Banque Misr's Commemorative Coins



* Banque Misr's EGP 1 gold coin of 1995 AD, commemorating its diamond jubilee, which marked 75 years since its establishment. The coin features the bank's tower building and its Queen Cleopatra icon.

Banque Misr Museum Collectibles

Banque Misr Commemorative Postage Stamps



✳ Misr Organization's postage stamp issued in 1961 AD in denominations of 10 millimes, on the occasion of the establishment of Banque Misr and in remembrance of the late Talaat Harb Pasha's 94th birthday (1867-1961). The stamp features Misr Spinning and Weaving Company's factories in Mahala El Kobra. It was made by the Survey Department, in the period of the United Arab Republic.



✳ A postage stamp issued in 1970 AD in denominations of 20 millimes, on the occasion of BM's golden jubilee that marked 50 years since its establishment. The stamp features Talaat Harb Pasha and Banque Misr's headquarters. It was made in the period of the United Arab Republic.

Banque Misr Museum Collectibles

Banque Misr Commemorative Postage Stamps



✳ A postage stamp issued in 1992 AD - 1413 AH in remembrance of late Talaat Harb Pasha's 125th birthday (1867-1992). The stamp was issued in denominations of 10 piastres designed by Lotfy El Sawaf and made in Cairo Postal Printing Press.

Banque Misr Museum Collectibles

Banque Misr Commemorative Postage Stamps



* A postage stamp issued in 1995 AD in denominations of 15 piastres on the occasion of Banque Misr's diamond jubilee, which marked 75 years since its establishment (1920-1995). The stamp was designed by Saeed El Badrawy and made in Cairo Postal Printing Press.

Chapter Two

BM Approach

BM Approach

Founded with the mission to contribute substantially to the welfare and prosperity of Egypt, Banque Misr continues to adhere to its mission steadfastly, through capitalizing on the interests and demands of the Egyptian masses, whose welfare has always been at the very core of each operation and decision. We do not simply strive to generate profit, we strive to serve as a national financial catalyst, to be relied on to implement and aid national and strategic development in various social and economic fields.

Seeking to own the largest network of branches in Egypt and the Middle East, the bank currently owns and operates more than 600 branches, each working to meet the objective of our inception. Each branch of ours exerts major efforts to meet the community's various financial needs across the nation.

This section is dedicated to telling our tale of success. As with every story of success, ours was based on long-term commitment, fundamental principles of sustainability, governance, and distinction; the principles that underpin every operation of ours. Through this section as well, we present our current role and our future goals; to keep pace with the globe's moment-to-moment political, economic, environmental, and technological changes. Our ambition is to further ensure sustainable growth, rendering it central to our way of doing business.



Creating Value for Society, Delivering Underlying Strong Results

Introduction by the Chairman:

Over the past years, we have led Banque Misr to significantly improve returns and growth in value. The bank always seeks to have steady progress by achieving long-term sustainable plans along with increasing awareness of the importance of business ethics and being a responsible corporate citizen with a culture based on governance and compliance.

We at Banque Misr are working proactively to ensure that we meet our clients' demands, support the community, and actively engage with our partners and stakeholders. Thereby, the impact of this deliberate path is incontestable in the bank's financial year 2016/2017 results that were released in the bank's third Sustainability Report, which has been prepared in compliance with the internationally recognized Global Reporting Initiative (GRI) G4 Guidelines.

As we mark our third year of joining the UN Global Compact, we have been thoroughly committed to complying with its 10 principles in the areas of human rights, labor, environment, and combating corruption. We have moreover continued to ensure that the principles of corporate governance remain uncompromised.

Also during 2016/2017, the bank has witnessed a significant growth in its business size, which was evidenced by the net profit increasing to around EGP 8.2 billion on June 30th, 2017, compared to EGP 5.5 billion on June 30th, 2016, marking a growth of approximately 48.5%.





The bank achieved good indicators, despite the country's challenges in carrying out its ambitious economic reform program, which in return has affected the performance of the banking sector throughout financial year 2016/2017. We relied on several aspects and strategies to develop our products and services in line with the government's reform policies.

Ambitious Economic Reforms and Significant Challenges:

The Egyptian government embarked on an ambitious economic reform program and has taken decisive measures aimed at restoring macroeconomic stability and sustainable public finances. The reform program, guided by the International Monetary Fund's (IMF) three-year \$12 billion bailout scheme, included the liberalization of the exchange rate regime, fiscal consolidation measures, and improvements in the business environment.

On November 3rd, 2016, the Central Bank of Egypt floated the Egyptian pound against the US dollar in a bold move aimed at tackling a widening gap between the official and black market exchange rates. The decision further aimed to improve the country's external competitiveness, support exports and tourism, and attract foreign investment.

The liberalization of the exchange rate regime was a key step toward restoring the competitiveness of the economy and boosting private sector activity, which had been severely impeded by shortages of foreign currency. It has also contributed to restoring the international financial institutions' confidence in the Egyptian economy; thereby, the Egyptian stock market indices recorded significant growth throughout 2017.

Following the liberalization decision, the Central Bank of Egypt made two interest-rate increases during fiscal year 2016/2017, in an effort to control inflation after the government raised fuel and electricity prices as part of other reform measures.

Helping Drive the Economy:

Since its foundation in 1920, we at Banque Misr have remained committed to effective participation to achieve development in all sectors of the national economy. Furthermore, we are dedicated to facilitating financial services for everyone in the community, underlining our commitment to a sustainable success and continuous development, which remain at the core of Banque Misr's principles and objectives.

Meanwhile, we at Banque Misr have continued to carry out this strategy for development, which places high emphasis on the importance of creating value for society. During the year, the bank played an active role in financing vital infrastructure, intra-regional trade, and renewable energy projects whilst providing tailored financial solutions for small and medium-sized enterprises and supporting entrepreneurs. This is in addition to Banque Misr's contributions toward achieving sustainable development in the economic, social, environmental, cultural, and educational fronts as part of its corporate social responsibility.

Throughout fiscal year 2016/2017, the bank was able to arrange, fund, and participate in a number of syndicated financing facilities totaling EGP 69.5 billion, distributed across a number of sectors, including electricity, cement, real estate investment, and oil.

Financial Inclusion:

Banque Misr considers the ideal of financial inclusion to be a main target in light of its effects on achieving financial and social stability, enhancing growth opportunities, and creating comprehensive and sustainable development in our homeland. As such, the bank undertakes several activities to ensure that appropriate financial planning is achieved for the prosperity of the people and the development of the economy.

Banque Misr has been a pioneer in spreading the culture of financial inclusion since its inception in Egypt, as our role does not solely comprise of profit generation but principally also 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. As such, the bank always strives to serve the state's plans toward financial inclusion and the transition toward a cashless society by contributing to several initiatives, protocols, conferences, and programs that work on spreading the culture of financial inclusion, as well as expanding electronic payment acceptance.

A gradual transition to a cashless society contributes in turn to attracting more segments of society through innovative technological services to support electronic payment methods, in view of the weight of financial inclusion in maximizing the rates of economic growth and social development. Furthermore, Banque Misr firmly believes in the importance of enforcing financial inclusion as an inevitability and a priority for banks in Egypt in the upcoming period. Banks must unite their efforts with those of the Central Bank of Egypt to take effective steps toward achieving a qualitative leap in the Egyptian economy through boosting financial inclusion.

E-Payment solutions

Banque Misr has an ATM network that serves our customers and all other financial institutions through 2,154 advanced ATM machines spread nationwide. In addition to the basic cash withdrawal and deposit services, the bank has added several new services to its ATMs. These services include monetary transfers between individuals, bill payments, donations, and payments of various subscription fees. Banque Misr also improved its e-payment service by adding a service enabling social insurance e-payment, in addition to tax and other customs e-payments through 326 branches distributed across Egypt, collecting about EGP 16 billion during 2016/2017. 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.

Banque Misr has maintained first place in this field for the last 12 consecutive years. The total value of automated salaries exceeded EGP 55 billion during fiscal year 2016/2017, dispensed to 2.4 million and 746,000 cards for the public and private sectors, respectively, in addition to 58,000 accounts as of January 2018.

Banque Misr was also ranked first in government payment services and collection of customs duties. Moreover, BM came in first place in terms of merchant outlets accepting debit and credit cards with 16,413 locations as of December 2017, in addition to 14,577 POS terminals spread all over Egypt and a trading value of EGP 9.08 billion in fiscal year 2016/2017.

Supporting MSMEs

Holding steadfastly to our commitment to providing a sustainable financing channel to support the profitable growth of micro, small, and medium-sized enterprises (MSMEs), the bank firmly believes in the important role played by MSMEs in the development of the national economy. Thereby, Banque Misr has taken part in several initiatives and protocols for several MSME projects, such as Al-Robeky Leather City workshops, the MSMEs industrial complexes, 'Mashrouak' (Your Project) program, the New Damietta Furniture City workshops, pharmacists' businesses, etc. The bank continues to provide its robust support to entrepreneurs and conducts periodic follow-ups to determine whether or not they are undertaking conscious decisions and effective procedures

to improve their financial conditions. Banque Misr further provides funding for MSME projects through its branches nationwide to various different industrial, agricultural, and services sectors. This comes in line with Banque Misr's deep belief that MSMEs are a critical component of the Egyptian economy.

We at Banque Misr do not just offer funding to the owners of micro, small, and medium business projects, but we also provide them with the necessary technical support. Our vision for sustainability incorporates several elements aimed at providing maximum support to the MSMEs sector. Those elements include standardized restructuring and decentralized lending policies in addition to helping improve the skills of the MSMEs Division staff, who were offered training courses to qualify them to meet the expectations of MSME customers. Moreover, the bank has also recruited an additional 150 personnel to join this division. These efforts were reflected in the positive indicators achieved by Banque Misr, as the total financing portfolio for small- and medium-sized projects registered EGP 3.6 billion, with a number of clients reaching 60,000 on June 30th, 2017. The bank also provided loans worth EGP 929 million for micro projects by June 30th, 2017, which then surged to EGP 1.366 billion by December 31st, 2017.

By the end of 2017, Banque Misr's MSMEs funding portfolio had doubled, achieving an increase of EGP 3.2 billion i.e. 69.5% growth in the volume of funding MSMEs projects in just six months during the period from June 30th, 2017 until December 31st, 2017.

Mortgages for Low-income Citizens

As part of the bank's pioneering 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. The value of the CBE initiative portfolio at Banque Misr reached EGP 2.17 billion in December 2017.

Making the Bank More Accessible

In line with the Central Bank of Egypt's (CBE) initiative to foster greater financial inclusion, and seeking to meet the needs of our customers wherever they are, Banque Misr has expanded its geographical presence to more than 600 electronically connected local and international branches, compared to 580 the previous year. The bank also plans to open 275 new branches over the next few years, boosting its network of branches to around 875 by 2022. Our ultimate target is to facilitate access to the bank across the country in order to reach all the different social segments.

Furthermore, BM's international presence is in; the United Arab Emirates (UAE), Lebanon, Paris, Germany, Russia, and China. This is in addition to our established worldwide network of correspondents, and our ongoing plans to expand our international presence in Italy and South Korea, as well as in some African countries.

Social Impact:

Stressing the fact that no one institution, company, nation, or organization can solve the sustainability challenges we collectively face, Banque Misr's policy depends on and encourages collective efforts. Building a better world demands that we work together and combine expertise, networks, influence, and passion toward meaningful solutions. This is also why we at Banque Misr continue to support the principles of the United Nations Global Compact. We must remind ourselves, daily, not to accept that things have to be the way they are; we have to change things to be the way they should be and set a good example for other institutions to follow.

Banque Misr commits itself to achieving progress in the Egyptian community, directly or indirectly through Banque Misr Foundation for Community Development (BMFCD). BMFCD was established as a separate entity (non for profit organization) managed by a board of trustees to address deep-rooted social, developmental, and health challenges.

The bank as well as the foundation continue to play a prominent role in developing and providing assistance to society through engaging in several activities to support the development of the community, such as developing slum areas, villages, hospitals, schools, sports centers, in addition to other aspects related to human development.

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 in desperate need for development.

The amount spent on supporting corporate social responsibility jumped to about EGP 351.4 million in fiscal year 2016/2017, compared to EGP 122.58 million in fiscal year 2015/2016. This amount surged once again to more than EGP 535 million by mid-2017/2018.

Attracting and Developing Great People:

Employees are the most important asset at Banque Misr, and that is why the bank always provides them with all the tools needed to enhance their outstanding performance, professionalism, loyalty, and dedication in implementing the bank's strategy.

Therefore, the bank focuses on enhancing employees' satisfaction levels, improving the work environment, and attracting skillful calibers, in addition to developing employees' management and leadership skills to create future leaders.

In this context, Banque Misr offered promotion and training opportunities for several employees at different levels in the bank, designed to maintain motivation and promote passion. The bank aims to boost the technical, administrative, and leadership skills of its employees to qualify them to assume leading positions in their future careers. In addition, the bank proactively implements gender-sensitive recruitment as women now occupy 30.43% of the total number of the bank's employees.

The bank also organized several economic seminars and provided several economic reports 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.

No One Can Do It Alone:

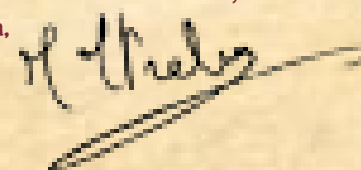
In conclusion, all people contributing to these results should be proud of their achievement, which is steering the bank, with its great responsibility toward stakeholders, customers, staff, suppliers, the community, and the environment - toward a process of continual improvement. Banque Misr's 'Working Together for Prosperity' is not just a slogan, but it is undoubtedly the way we integrate our business to achieve the optimal norm of customer satisfaction as well as ensure an added value to our beloved country.

For this, I would like to express our appreciation to the Central Bank of Egypt, the Ministry of Finance, and designated authorities in Egypt for their relentless support of the bank's activities. On behalf of the Board of Directors, I would like to thank the bank's management team and employees for their commitment and dedication to secure Banque Misr's principles and strategies, as well as our stakeholders for their support and confidence, and especially to our valued customers for their continued trust.

Sincerely,

Mohamed Mahmoud El-Etreby

Chairman.




Financial Highlights for fiscal year 2016/2017

Financial Position (Year to June 30th)

EGP 787 billion

2017	787
2016	430
2015	331

Retail Portfolio (Year to June 30th)

More than EGP 18 billion

2017	18.1
2016	14.5
2015	7.8

Branches (Year to June 30th)

Over 600 local and international branches

2017	600
2016	580
2015	500

Customers' Deposits (Year to June 30th)

More than EGP 532 billion

2017	532.5
2016	341
2015	290

Microfinancing (Year to June 30th)

EGP 929 million

2017	929
2016	328

CSR Donations (Year to June 30th)

EGP 351.35 million

2017	351.35
2016	122.58
2015	85.56

2017 Sustainability Highlights

SUPPORTING LOCAL INDUSTRY



Used 15,000 packing bags for BM's printing materials, made from Egyptian cotton and 100% Egyptian-made materials.

The bank has presented giveaways to its customers; a wooden model of a cell phone amplifier and leather products, which were 100% manufactured by Egyptian raw materials and workforce, in line with the state's strategy to support local industry.

LOWER ENERGY



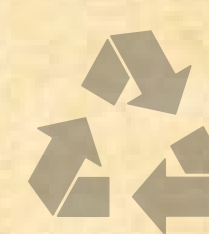
Installed LED lighting, reducing energy consumption by 9% in each branch.

WOMEN'S EMPOWERMENT



Women constitute 30.43% of BM's employees.

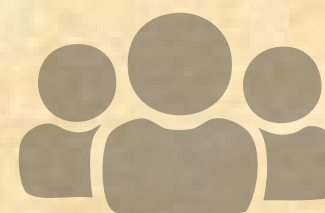
RECYCLING



This year's prints are made out of more than 17 tons of 100% locally made recycled materials.

300 tons of paper were shredded to be recycled.

IMPROVING WORKPLACE ENVIRONMENT



349,416 training hours to qualify employees to assume leading positions in their future careers

Our Strategy:

Banque Misr carries a mission at the core of its strategy to build on its business and promote effective financial inclusion through solidifying a close connection to the economic, environmental, and social landscape in which we exist and operate.

Throughout its 97 years in business, the bank was built with the awareness that it has to adopt sustainable approaches to ensure continuity to its businesses. Those sustainable approaches strive to maintain 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: To fulfill all of our customers' banking needs excellently while maximizing stakeholders' value, inspiring employees' loyalties, and playing a leading role in the prosperity and development of Egypt.

Our Values: The bank has ensured that its success is built on infallible standards of integrity especially when it comes to serving its customers. Teamwork, accountability and innovation are also hallmarks in our system of operation; they serve as our guidance when it comes to both our customers and employees. The awareness that our success can only be built on that of our customers and communities ensures that we do business openly, directly, and sustainably.

Our Values

Accountability

We are always looking to our next step, planning for it, and striving for quality.

We:

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

Customer Services

We are a customer-oriented business and we work to maintain our relationships with them.

We:

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

Integrity

Our integrity relies on open, direct, and honest interactions with everyone, not just our customers and stakeholders.

We:

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

Sense of Belonging

We are dedicated to the fulfillment and development of the aspirations of our community and clients

We:

- Have a sense of ownership in the bank's activities and whole-heartedly partake in its successes while learning 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 responsibility toward the economy and society

Teamwork

Our team members are part of a very large family that values and respects every member, regardless of what their roles are.

We:

- Believe the best outcome is achieved when people work together
- Believe that every single employee matters and contributes to our success
- 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

We aim not only for excellent performance, but we also aim for a sustainable, consistent performance and results.

We:

- Add value to stakeholders by prioritizing long-term success over short-term gains
- Ensure that discipline and perseverance govern all our actions in order for us to garner outstanding results for our customers
- Work with our clients to help them reach their current goals, while anticipating and planning for their future objectives

Innovation

We acknowledge that innovation and practicality must go hand-in-hand

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

Awards and Recognitions:

Banque Misr has been recognized by various professional institutions for its consistent and strong financial performance as well as its innovative banking products and services. Banque Misr's persistent support in providing funds to projects across various sectors has also been identified and recognized as one of the key factors of its success by global awarding institutions.

The key awards received for 2017 are as follows:

International Finance Magazine

Banque Misr has been honored with two prestigious awards, being adjudged the Best CSR Bank in Egypt 2017 and the Best E-Tax Collection Bank in Egypt 2017 by International Finance Magazine (IFM) of the UK, which is read in over 185 countries worldwide.

Control Case

Banque Mir has received the Latest Version of the Global Payment Card Industry Data Security Standard (PCI DSS 3.2) certification by Control Case, a leading provider of Compliance, Information Security, and Risk Management Solutions.

Tatweej

In recognition of the bank's continuous efforts to improve the quality of service and excellence in all its products and businesses, Banque Misr has received the Gold Medallion for Excellency and Quality and Al Nisr Al Arabi Award for General Management Strategies from Tatweej Academy for Excellence Awards in the Arab region.

Global Banking & Finance Review Magazine

London-based Global Banking and Finance Review, one of the largest specialized financial magazines in the world, has awarded Banque Misr as the Fastest Growing SME Bank in Egypt 2017, in addition to the Fastest Growing Bank for Micro Financing in Egypt 2017. The bank has been awarded this honor in recognition of the high growth rates achieved in 2017 in comparison with the previous years, especially with regards to funding SME and Microfinancing.

Mohammed Bin Rashid's Dubai SME

Banque Misr has received the Best Bank Supporting Youth Projects in the Arab World award from Mohammed Bin Rashid Establishment for Small and Medium Enterprise (Dubai SME). The bank was recognized for its ongoing efforts in supporting young entrepreneurs involved in MSMEs.

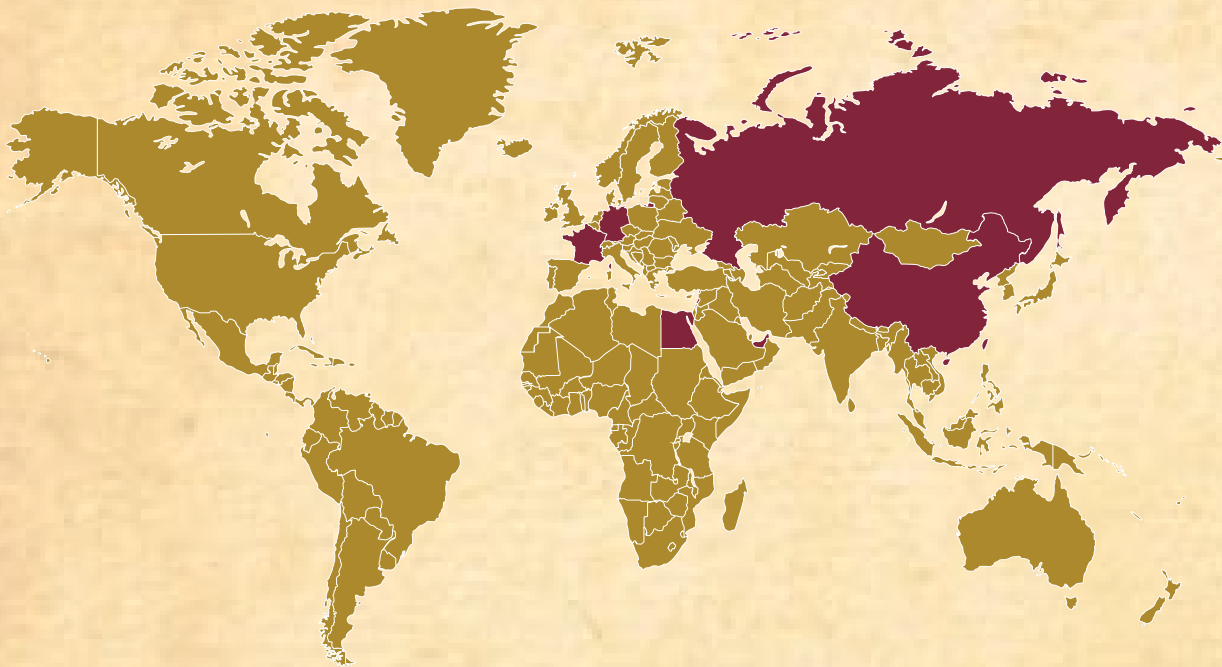
Bloomberg

According to the Bloomberg's Global Report for the third quarter of 2017, Banque Misr was recognized as the Best Bookrunner and Mandated Lead Arranger in Egypt. In addition, the bank was also named the Second Best Bookrunner and Mandated Lead Arranger across Africa.

Global Finance Magazine

Banque Misr has been named for the ninth consecutive year as the Best Provider of Money Market Funds and Short-Term Investments in the Middle East 2017, by the New York-based Global Finance, one of the largest specialized financial magazines in the world. Such an award is granted to the best bank across the Middle East and to the bank with the highest degree of excellence in terms of revenue, quality of services provided to customers, market share, competitive prices in comparison with other banks, and in using up-to-date and innovative banking technologies.

Domestic AND international presence:



Banque Misr's Board of Directors adopts a market-driven expansion strategy. All branches are electronically connected to facilitate clients' financial interactions whether in branches or ATM network spread nationwide.

The bank has also upgraded its operating procedures, branches' layout, and ATM machines. In addition, all branches are supplied with the most up-to-date technologies and modern equipment to provide clients with efficient time saving experience. Banque Misr is widely acknowledged as one of the most widespread banks in the Middle East and Africa; all of our products and services can be easily accessed.

Banque Misr has ensured geographic privilege by owning and adopting branches abroad as BM currently has five branches established in the United Arab Emirates (UAE), one in Paris, a subsidiary in Germany, 20 branches of our subsidiary in Lebanon and two representative offices in Russia (Moscow) and China (Guangzhou). In 2018, BM plans to launch representative offices in Italy (Milan) and South Korea (Seoul), in addition to some African countries.

As part of the bank's development strategy that aims 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's five branches in the UAE are spread across Abu Dhabi, Dubai, Al Ain, Sharjah, and Ras Al Khaimah. The Sharjah branch has been moved to a new location and the Abu Dhabi branch was renovated in 2017, to match our corporate identity while being installed with the latest equipment. The bank has tailored a number of banking services to best fit and satisfy the UAE community, especially Egyptian expatriates living there. It offers them a wide range of corporate, retail and treasury banking products, in addition to several state-initiated funds and certificates. The UAE branches also allow them to purchase Belady Deposit Certificates in euros and US dollars in addition to Talaat Harb and Al Qemma Deposit Certificates in Egyptian pounds; both being very high-yielding certificates.

In terms of the branches in the UAE, Banque Misr has restructured them, improved the efficiency of their network and developed their IT infrastructure and communication systems, while doubling the UAE branches' paid-in-capital, granting them a subordinated loan to support their capital base. The restructuring successfully enabled these branches to offer comprehensive packages of its various products and services, thus rendering them regional centers for activities in the GCC states.

Banque Misr UAE will offer mortgage loans for Egyptian expatriates in the UAE to enable them to book housing units in Egypt using the local currency (EGP); this will provide Egyptian residents in the UAE with services that cover and satisfy all their needs.

BM's Presence in Lebanon:

Established in Lebanon in 1929 and located in the heart of Beirut's commercial center and all over the Lebanese region, Banque Misr Liban S.A.L. (BML), offers a variety of distinctive corporate, retail, investments, treasury, and private banking services.

Due to its strategic locations in different Lebanese cities, BML's network grew rapidly. The BML network features an extensive ATM network and online banking services; its customer base continues to expand and diversify to encompass a wider range of retail banking and SME fields.

Several internal reform measures, including restructuring the senior executive management 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, resulted in a growth in BML's total assets by 84.42%, while deposits increased by 69.32%. In addition, the loans and advances to customers surged by 162.21% over the past five years. These major developments were also made possible by increasing BML's paid-in capital, which recorded 120 billion Lebanese liras. Additionally, BML is committed to enhancing its loans portfolio, while supporting its provisions and reserves.

The bank's network has reached 20 branches in 2017 and is still expanding. Approximately two new branches are opened every year; in addition, the bank remains committed to applying the latest technologies to increase productivity and improve the quality of its services.

BML established Misr Liban Insurance Brokers S.A.L. in December 2010, to emphasize financial services integration especially through bancassurance activities. Misr Liban

Insurance Brokers S.A.L. was created with the aim of developing a comprehensive set of banking products and services to meet the needs of the banking market in the fields of retail, corporate, treasury, investments and private banking, alongside other financial services.

In 2017, Banque Misr Liban opened its representative office in Abidjan, République de Côte d'Ivoire in West Africa. This representative office (BMLCI) caters to the Lebanese expatriate community in West Africa and provides full logistical services to Lebanese and Egyptian nationals willing to invest in West Africa. In addition, BMLCI supports and works closely with the company Egypt Lebanon for Africa (ELA).

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 the 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.

BML has still shown endurance and looks forward to a promising period of steady growth and continued development for all its activities and services, especially under the leadership of its Board of Directors and with the strength of its qualified senior management team. BML will continue working on upholding its objective of serving its customers in the best possible ways.

BM's Presence in Germany:

Following Banque Misr's successful experience in international markets, BM's top management decided to open a subsidiary in Frankfurt, Germany in 1992. The subsidiary was called Misr Bank - Europe GmbH. Currently, Banque Misr owns 79.75% of the subsidiary (69.75% directly and 10% through Banque Du Caire).

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. 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.

By concentrating on its strength in trade finance and guarantees, the bank was able to successfully master the financial crisis and the long period of low interest rates witnessed over the last few years. Updating the bank's core banking system in 2013 and developing a new risk management concept also contributed to an enhanced risk awareness. A comprehensive and forward-looking management of risk is an important factor in the success of Misr Bank - Europe GmbH, which is why it applied a competent risk bearing capacity concept and an experienced management. In that regard, 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.

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

Misr Bank - Europe GmbH's export finance product offers insurance-covered financing of export receivables to Egyptian exporters, 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 ongoing efforts have strongly contributed to a large volume of high-class assets in syndicated loans and the establishment of a highly liquid 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 on rue Danielle Casanova, formerly known as rue Neuve-des-Petits-Champs and it was re-inaugurated in 1984 on rue Auber in Paris.

The branch includes Egyptian and French financial experts with a clear mandate to support and promote trade and economic ties between Egypt and Europe. Since the branch is ideally positioned in the Eurozone, it is focused on trade finance and corporate banking. It also aims to provide its clients with tailored solutions while adhering to the highest standards of the industry.

The Paris branch also provides retail-banking services to clientele with ties to Egypt. In addition, the branch is currently upgrading its online banking service to better cater to a more modern and demanding clientele.

BM Representative Offices:

Banque Misr has established representative offices in 2017 as a part of its strategy to further expand into the international market. One of the new representative offices is located in Guangzhou (the People's Republic of China) and the other one in Moscow (the Russian Federation).

The main business activities of BM representative offices aim to:

- Establish key relations and liaison activities with state-owned and private banks, financial institutions, companies, organizations and institutions
- Create business opportunities for Banque Misr's branches and units in Egypt, the UAE, Lebanon, France and Germany, which provide a comprehensive range of products and services including trade finance (letters of credit, letters of guarantee and collections), payment orders, transfers, corporate credit, etc
- Strengthen the relations between Banque Misr and its correspondent banks
- Handle market research and analysis

Banque Mistr Museum Collectibles
The Order of Nile

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On September 25th, 1980 AD, a decree to grant the name of Talaat Harb Pasha the Order of the Nile was issued and later came into effect on Dhu al-Qidah 16th, 1400 AH, November 15th, 1980 AD. The Order was gifted by Ms. Amal, Talaat Harb Pasha's granddaughter, to Banque Misr.

Banque Misr Museum Collectibles
The Order of Nile



✦ Granted to late Talaat Harb Pasha, late President Mohamed Anwar al-Sadat hands the Order of the Nile to Talaat Harb Pasha's grandchildren on November 15th, 1980 AD during the celebrations that marked 60 years since the establishment of Banque Misr.

Banque Misr Museum Collectibles

The Order of the Nile



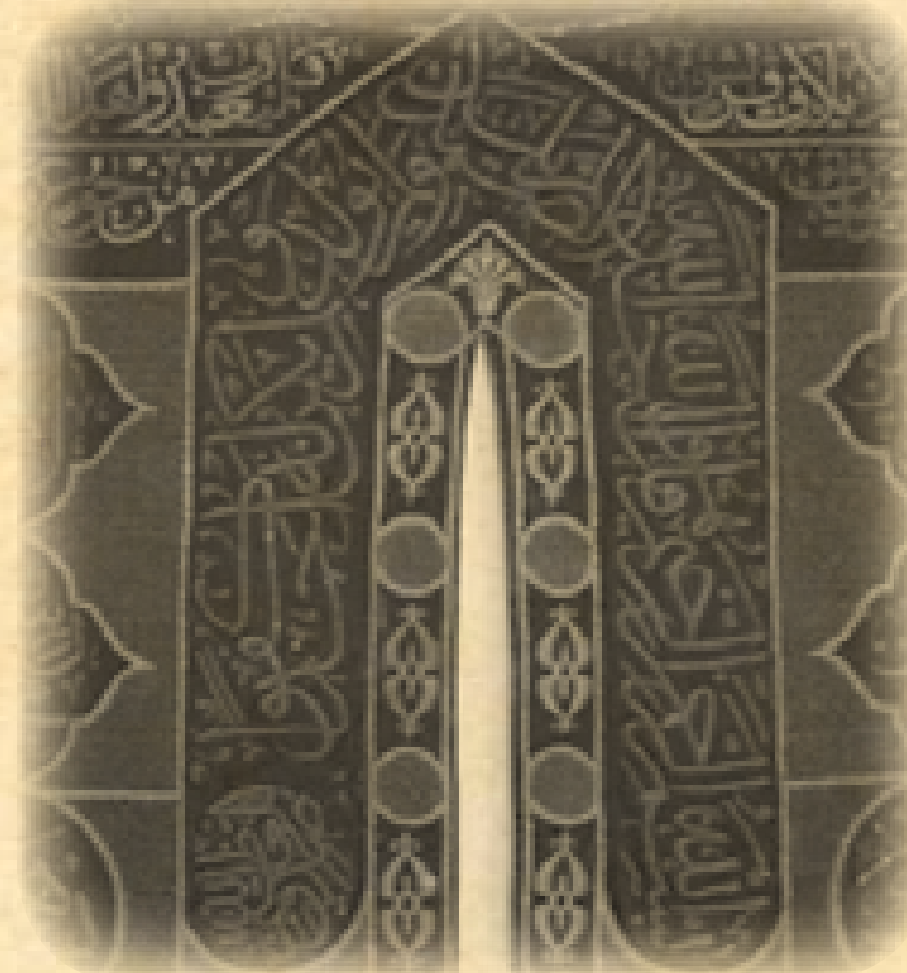
✦ The Order of the Nile is Egypt's highest state honor awarded for exceptional services to the nation; usually awarded to the President of the Republic and sometimes granted to other Heads of State, whether in their lives or on the anniversaries of their deaths.

The medal is made out of pure gold, comprised of golden intertwining square shapes representing three ancient Egyptian symbols. The first is a symbol of protection to keep the nation safe. The second symbolizes the prosperity and happiness with which the Nile sustained Ancient Egypt; while the third represents goodness and permanence.

Between each square shape, there are flowers made out of gold encrusted with ruby and turquoise. There is also a golden clasp ornament attached to the medal. It is a hexagonal ornament with Pharaonic flowers, turquoise, and ruby. In the middle, there is a bas-relief picturing the Nile as a symbol for unifying Lower (represented as the papyrus) and Upper (represented as the lotus) Egypt.

Banque Misr Museum Collectibles

Holy Kaaba's Kiswa Piece



✦ In 1937, His Majesty King Abdulaziz Al Saud presented the two pieces of the Holy Kaaba's Kiswa to the leading Egyptian economist Talaat Harb Pasha, in recognition of the early economic projects Banque Misr and its firms had initiated in Saudi Arabia. The two pieces encompass a decorative black brocade cover, embroidered in gold with Quranic verses. One of the Kiswa pieces was later added to Banque Misr Museum as a precious donation made by Ambassador Mohamed Hassona on behalf of Talaat Harb Pasha's grandchildren.

Banque Misr Museum Collectibles

Holy Kaaba's Kiswa Piece



✦ It is worth noting that the Kiswa used to be manufactured in Egypt and sent with the Hajj caravan to Saudi Arabia every year through the Mahmal, a richly decorated palanquin carried by a camel.

Every year, the old Kiswa is removed, cut into small pieces, and granted by the King of Saudi Arabia to certain public figures. Presenting the two pieces of Kiswa - the door and the belt - to Talaat Harb Pasha demonstrates the high standing he enjoyed in the Saudi Kingdom at that time.

Chapter Three

How BM Operates

Board of Directors As of Fiscal Year 2016/2017

Mr. Mohamed El-Etreby
Chairman of the Board of Directors

Mr. Ahmed Abu El Ezz
Vice Chairman of the Board of Directors

Mr. Akef El Maghraby
Vice Chairman of the Board of Directors

Mr. Ahmed El- Nahas
Board Member

Dr. Ali El-Saiedi
Board Member

Mrs. Maha Heba EnayetAlla
Board Member

Mr. Mohamed El-Hamamsy
Board Member

Mr. Mohamed Sherif Sharaf
Board Member

Board of Directors As of September 2017

Mr. Mohamed El-Etreby
Chairman of the Board of Directors

Mr. Akef El Maghraby
Vice Chairman of the Board of Directors

Ms. Sahar El-Damati
Vice Chairman of the Board of Directors

Mr. Mahmoud Montaser
Board Member

Mr. Ahmed El-Guindy
Board Member

Dr. Riham Moustafa
Board Member

Mr. Tamer Gadallah
Board Member

Members of Board of Directors

As of September 2017



Mr. 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 S.A.L. (BML).

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

Other Current Positions:

- Chairman, Banque Misr Foundation for Community Development
- Board Member, Federation of Egyptian Banks (FEB)
- Board Member, Union of Arab Banks
- Board Member, Cairo Amman Bank
- Board Member, Egyptian Banking Institute (EBI), Central Bank of Egypt
- Board Member, National Investment Bank
- Board Member, General Authority for Investment and Free Zones (GAFI)
- Board Member, National Council for Childhood and Motherhood
- Board Member, Administrative Capital for Urban Development
- Board Member, Egyptian General Company for Tourism and Hotels (EGOTH)
- Chairman, Misr Capital Investments S.A.E.
- General Assembly Member, Misr Insurance Holding Company
- Board Member, Arab Contractors Co.
- Board Member, Tahya Masr Holding Company for Investment and Development
- Board Member, Ain Shams University (ASU)

Committees:

(E, ALCO, CRC)



Mr. 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. He is responsible for the Lines of Business, including Corporate, Treasury, Investment, SMEs, Retail, Branches, Islamic Financing, and Global Transaction Services and International Business.

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 mergers and acquisitions (M&As), debt and equity capital markets, loan markets, and derivatives transactions.

He also serves as the Chairman of Misr Bank-Europe GmbH Frankfurt and Board Member of Banque Misr Liban S.A.L. (BML).

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



Other Current Positions:

- Chairman, BM Lease
- Board Member, Misr Capital Investments S.A.E.
- Chairman, the Banking Committee of the American Chamber of Commerce (AmCham)

Committees:

(E, C, V, ALCO, CRC, b2, b7, a5)

Ms. Sahar El-Damati

Vice Chairman

Ms. Sahar El-Damati has banking experience extending for more than 30 years, during which she occupied numerous leading positions in local and international financial institutions, exhibiting her distinguished capabilities in the field.

Ms. El-Damati began her career in the United States as a researcher specialized in the tax policy department at the International Monetary Fund, before she moved to the World Bank in the financial policy and analysis department.

She went on to become a senior credit analyst and marketing officer at the Commercial International Bank, followed by a position as the head of credit and portfolio management at the Social Fund for Development. Later, she moved to the Arab African International Bank, where she headed the risk management department and foreign branches as well as being a member of the Board of Directors, whilst simultaneously teaching banking and credit at the American University in Cairo and the Egyptian Banking Institute. In addition, she was also a board member of Schwepps Egypt, and the Egyptian Credit Bureau (I-Score).

Ms. El-Damati went on to take the position of Chief Risk Officer and member of the Board of Directors at HSBC for more than 10 years. She then moved on to Emirates- NBD, where she held the positions of Deputy Managing Director, and the Executive Chief Risk Officer, as well as being a member of the Board of Directors.

Additionally, she held the position of Chairman of Dwarf Company, and Board Member of Alcatel-Lucent, as well as a member of the Egyptian-Emirati Business Council. She currently serves as Board Member of Banque Misr Liban S.A.L. (BML).

Ms. El-Damati received her bachelor's degree in Economics and her MBA from the American University in Cairo.

Other Current Positions:

- Board Member, Heliopolis Company for Housing and Development
- Board Member, Arab Media Center
- Board Member, Agricultural Ramsis Company
- Professor, American University in Cairo
- Board Member, INCOLEASE
- Board Member, Misr Capital Investments S.A.E.

Committees:

(I, V, E, C, ALCO, CRC, ICCAP, a2, b2, b7, a5, b6, a1, , b1, a9)



Mr. Mahmoud Montaser Ibrahim El-Sayed

Board Member

With more than 38 years of experience in the banking and financial industry, Mr. Mahmoud Montaser Ibrahim El-Sayed is one of the most prominent, well-seasoned, and experienced entrepreneurs and executives in the Middle East. Throughout his career, Mr. Montaser has amassed a wealth of knowledge in all areas of lending, investing, and funding. Since November 2017, the Egyptian government assigned him as the Deputy Chairman and the Managing Director of the National Investment Bank. Moreover, in September 2017, he was appointed as the Board Member of Banque Misr.

Prior to his current position, Mr. Montaser was selected in August 2013 to be the Executive Vice Chairman of the National Bank of Egypt (NBE), one of the largest and most distinguished banks in Egypt. As Vice Chairman of NBE, Mr. Montaser led the day-to-day commercial banking departments; such as Corporate & Syndications, Investment, Foreign Affairs & Treasury as well as Retail and Branches. While directing this effort, Mr. Montaser was personally responsible for a loan portfolio of over EGP 490 billion. In addition, he oversaw the human resources, customer service, quality assurance, project management, and researches departments. Prior to undertaking these duties, he

oversaw the bank's Risk, Operations, Audit, IT, and Administrative Support departments.

He was also the Executive Board Member and Head of Corporate and Syndicated Loans in 2008, having been responsible for the supervision and management of the direct and indirect credit portfolio that exceeded EGP 465 billion at the same time.

Mr. Montaser also serves as NBE's representative in several corporations in the petroleum, construction, and aviation fields, in addition to NBE's financial affiliates in Europe and Egypt.

In 1977, Mr. Montaser graduated with a bachelor's degree from the Faculty of Commerce at Ain Shams University. He obtained a diploma in Banking Studies from Ain Shams University in 1998.

Other Current Positions:

- Board Member, Arab Contractors Company
- Board Member, Misr Capital Investments S.A.E.
- Board Member, National Air Navigation Services Company, a subsidiary of the Egyptian Holding Company for Airports and Air Navigation
- Board Member, Holding Company for Roads and Bridges
- General Assembly Member, Chemical Industries Holding Company
- Board Member, Egypt Aviation Academy

Committees:

(A, R, G, B)



Mr. Ahmed Alaa El-Din Ali El-Guindy

Board Member

Mr. Ahmed Alaa El-Din Ali El-Guindy began his career in research and economics at the World Bank bureau in Cairo in 2002. He continued working as a Financial Analyst at EFG-Hermes in 2004 in the Investment Banking Division. He went on to occupy the position of Vice President of Investment Banking in 2008, before becoming the Managing Director of Investment Banking from 2012 until 2016.

During this time, he worked on expanding the division's regional presence and overseeing the conclusion of several high-profile mergers and acquisitions as well as numerous regional initial public offerings including: Emaar Malls Group, Edita Food Industries, Dubai Parks and Resorts, Orascom Construction, Arabian Cement Company, Emaar Misr, and Domty. Under his leadership, the investment banking team went on to top the Thomson Reuters' MENA Equity Capital Markets list in 2015.

In June 2016, he became a Founding Partner of TCV Holding for Investment, specializing in providing growth capital to successful and promising Egyptian SMEs.

Mr. El-Guindy received his bachelor's degree in Business Administration and Economics from the American University in Cairo in 2002 and his master's degree in Accounting and Finance from the London School of Economics in 2004.

Other Current Positions:

- Board Member, Misr Capital Investments S.A.E.
- Non Executive Board Member, Raya Contact Center

Committees:

(A, R, V)



Dr. Riham Moustafa Hassan Moustafa

Board Member

Dr. Riham Moustafa Hassan Moustafa is a professor of entrepreneurship who began her career as a Teaching Assistant, before becoming an Assistant Professor in the Business Administration Department, at the Faculty of Commerce, Helwan University.

Dr. Moustafa specializes in Public Policy and Entrepreneurship. In 2015, she earned her PhD in Public and Urban Policy from the New School University in New York; her dissertation was titled "Evaluating The Institutional Environment for Entrepreneurship: A Cross National Study on Arab Countries."

In 2009, she earned her master's degree in International Studies from the University of Connecticut, with a thesis titled "Egyptian Women as Entrepreneurs and Leaders." Dr. Moustafa also has another master's degree in Marketing and Strategic Management, with a thesis titled "Evaluating the Competitiveness of Textile and Ready-made Garment

Industry in the Light of Trade Liberation Agreements." Her research and teachings include entrepreneurship, public policy, strategic management (competitive strategies), and management in transitional economies.

Other Current Positions:

- Board Member, Economic and Administrative Research Council
- Board Member, Academy of Scientific and Technological Research
- Board Member, Committee for the Development of the Sector of Cultural Affairs and Missions, Ministry of Higher Education.

Committees:

(A, G, I, B)



Mr. Tamer Abdel Aziz Shehata Gadallah

Board Member

Mr. Tamer Abdel Aziz Shehata Gadallah began his career in the Cabinet Information and Decision Support Center, where he occupied the position of Systems Engineer and Programming Coordinator in 1993.

In 1996, Mr. Gadallah joined GigaNet Egypt, where he worked as a Sales Manager for the online business unit. He then moved to Mena Net for Communications, where he held the position of Business Development Manager in 1999, before being formally appointed to the position of General Manager in 2001.

Subsequently, Mr. Gadallah joined TE Data as Sales Director in 2004, before heading the Commercial Department in 2005. This was followed by a position as Chief Executive Officer and Managing Director of TE Data in the period between August 2008 and March 2016. He later held the position of Chief Executive Officer and Managing Director of Telecom Egypt from March 2016 to April 2017.

Mr. Gadallah received his bachelor's degree in Electronics and Communication Engineering from Cairo University in 1992. He also completed his MBA degree in Business Administration from Maastricht University in the Netherlands in October 1996.

Other Current Positions:

- Board Member, Misr Capital Investments S.A.E.
- Board Member, Mwasalat Misr Company
- Board Member, Eastern Tobacco Company

Committees:

(I, R, B, G)



Senior Executives
As of February 2018



Senior Executives As of February 2018

Mr. Effat Ishak

Head of Treasury and Correspondent Banking Sector



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

Mr. Ishak has been working for Banque Misr for more than 35 years. He was Board Member of Misr Bank - Europe GmbH, the Export Development Bank of Egypt, and the National Navigation Company.

Moreover, Mr. Ishak is currently Board Member of Banque Misr Liban S.A.L. (BML).

Committees:

(E, V, ALCO, CRC, b2, b7, a5, a8, c9, a3)

Senior Executives As of February 2018

Mrs. Maha Heba EnayetAlla

Head of Strategy & Development



Mrs. Maha Heba EnayetAlla has 34 years of diversified experience in the banking sector. She joined Banque Misr in September 2010 and was appointed as Executive Board Member from January 2014 to September 2017.

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 currently oversees the following departments:

- Strategy & Change Management
- Compliance & Corporate Governance
- Projects Monitoring & Business Continuity
- Business Development & Market Support
- Performance Quality Assurance
- Government Relations

Mrs. EnayetAlla was also chosen by Forbes Middle East as one of the Top 100 Most Powerful Business Women-2017

Her professional experience was complemented by intensive training programs and study tours with renowned international institutions.

Other Current Positions:

- Board Member, Misr Capital Investments S.A.E.
- Board Member, Holding Company for Tourism and Hotels

Committees:

(E, I, CRC, ALCO, b2, a1, b5)

Senior Executives As of February 2018

Mr. AbdElRaouf Hussein

Head of Central Operations



Mr. AbdElRaouf Hussein was appointed as General Manager of Retail Banking Operations in June 2009. In February 2017, he was assigned the role of General Manager of Central Operations.

Mr. Hussein has extensive experience spanning over 33 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. His roles in the past ranged between Operations and Technology Director, Operations Director, Retail Banking Group Head, and Cards Business Manager.

He holds a Bachelor of Business Administration and a diploma in Executive Management. In addition to that, he is a certified business operations professional.

Other Current Positions:

- Board Member, Fawry Plus

Committees:

(E, a1, a8, a3, c3)

Senior Executives As of February 2018

Mr. 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 worked for Riyad Bank in Saudi Arabia from 1992 until 1998. Since joining Banque Misr in 1982, Mr. Fawzy held several positions, including Senior Deputy General Manager of Retail Banking Operations in 2008 and General Manager of West Cairo branches in 2011.

He has served as Head of the Regions and Branches Sector since 2013 and CEO of Banque Misr Employees' Insurance and Pension Fund. Mr. Fawzy is a certified lecturer in Egypt and the Gulf.

Other Current Positions:

- Board Member, Egyptian Takaful Insurance Company

Committees:

(ALCO, FATCA, E, a4, b2, b8, b7, c5, b5)

Senior Executives As of February 2018

Mr. 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 33 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, El Salhia for Investment Development Company

Committees:

(E, a9, c6, a5)

Senior Executives As of February 2018

Mr. Amer Mohamed AlAbbady

Chief Audit Executive



Mr. Amer Mohamed 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, where he headed the bank's Remedial Loans Department, and subsequently took charge of 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 in the position of Senior Lending Officer.

During the period from 1998 to 2001, he gained significant academic experience through his exposure to diverse training programs in Business Administration at the Management Centre Europe (MCE) in Brussels.

Committees:

(ICAAP)

Senior Executives As of February 2018

Dr. Fatma El-Gouffy

Chief Corporate Communication Officer



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

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

Prior to joining Banque Misr, Dr. El-Gouffy 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 2013; all were from Maastricht School of Management, Netherlands.

Other Current Positions:

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

Committees:

(b2, c4)

Senior Executives As of February 2018

Mr. 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, across all the bank's 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. He has also received a Certificate in Consulting Engineering in the field of Information Systems in 2003.

Moreover, Mr. Zaalouk received a Certificate of Appreciation for outstanding performance in contributing to the SME Automation System Design in 2017.

Mr. Zaalouk has a bachelor's degree in Engineering from Ain Shams University, in 1981.

Other Current Positions:

- Board Member, El Mostakbal for Urban Development

Committees:

(E, I, ALCO, a1, b2, a8)

Senior Executives As of February 2018

Mr. Hassan Salah El-Din Al-Geziery

Head of Legal Affairs Sector



Mr. Hassan Salah El-Din Al-Geziery is the Head of Legal Affairs Sector. He joined Banque Misr in 1979.

He has about 40 years of proven experience in various legal fields.

Other Current Positions:

- Board Member, Misr Investment Company
- Board Member, Main Development Company For Economic Zone - North West Gulf of Suez (MDC)

Committees:

(E, a9, a2, b3, b2, a3)

Senior Executives As of February 2018

Mr. Ihab Dorra

Head of Retail Banking



Mr. Ihab Dorra was appointed as the Head of Retail Banking at Banque Misr in February 2017. He is responsible for leading global performance and strategic delivery of a broad range of personal banking products and services with a focus on new banking technology, innovative and digital banking trends, and online payment and e-banking channels. This is in addition to driving Banque Misr's strategy in retail business banking segments to maximize customer and shareholder value and achieve market-leading business growth.

Prior to joining Banque Misr, Mr. Dorra was Head of Retail Banking at Bank Audi Egypt where he built the platform for a full-fledged retail arm, including Audi Première Service and Branch Model Optimization.

In 2008, Mr. Dorra joined Barclays as Cluster Head, managing a region of 15 branches constituting over 50% of the bank's liabilities portfolio. Mr. Dorra worked in Citibank in 2001 where he spent eight years acquiring different positions ranging from Auto Loan Sales Manager, Auto Loan Product and Sales Manager to Branch Manager and Branch Area Head.

Mr. Dorra, who is a Certified Trainer at the Egyptian Banking Institute (EBI), received a number of trainings and diplomas in Retail Banking, which enriched his area of expertise. He recently received a Banking Diploma from University of Madison in Wisconsin - USA in 2016, in addition to holding an MBA from the Operational Unit for Development Assistance (OUDA).

Other Current Positions:

- Board Member, Egyptian Banks Co. for Technological Advancement S.A.E. (EBC)

Committees:

(ALCO, E, a4, a1, b5, b1)

Senior Executives As of February 2018

Mr. Mohamed Hamed

Chief Risk Officer



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

Prior to this, Mr. Hamed held positions such as the General Manager of Group Head of Islamic Bank and Head of the 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. letters of guarantee, letters of credit, cambio, etc). He was also Board Member in El Nasr Casting Company and Air Cairo Company.

Mr. Hamed is currently Board Member of Misr Bank- Europe GmbH.

He has an MBA in Financial Management from City University in 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, a8, b2, c1, c6)

Senior Executives As of February 2018

Mr. Mohamed Yehia

Head of Human Resources and Training



Mr. Mohamed Yehia was appointed as 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's 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, b2, c5, b7)

Senior Executives As of February 2018

Mr. Mohamed Younis

Head of Corporate Banking and Syndicated Loans



Mr. Mohamed Younis enjoys over 24 years of extensive in-depth experience in the banking sector. He was one of the main founders of Misr International Bank's (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.

Mr. Younis has headed the Corporate Banking and Syndicated Loans department 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 increased by more than 360% since December 2010.

This significant performance has been recognized by Bloomberg's League Tables in which BM was

classified as the best Mandated Lead Arranger for Syndicated Loans in the Egyptian market as well as the second best Bookrunner and Mandated Lead Arranger for Syndicated Loans across Africa as of September 2017, in continuation of Banque Misr's achievements and attainment of top rankings on Bloomberg's League Tables since the beginning of 2015. During this period, Banque Misr was awarded Deal of the Year for eight of its banking transactions by various international institutions for the years 2010, 2012, 2015, and 2016.

BM has also been granted three awards by EMEA Finance Magazine, as the Best Syndicated Loans House for the year 2015 and Best Project Finance House in Africa for 2015 and 2016. Mr. Younis also serves as Board Member as well as Head of the Risk Committee at Banque Misr Liban S.A.L. (BML).

Other Current Positions:

- Board Member, El Ezz Flat Steel Company

Committees:

(E, C, c6, ALCO, b2)

Senior Executives As of February 2018

Mr. Shehab Zidan

Head of Global Transaction Banking



Mr. Shehab Zidan joined Banque Misr in October 2017 as Head of Global Transaction Banking. Mr. Zidan has extensive experience spanning over 18 years, whereby he held diversified banking managerial roles in the Commercial Operation, Financial Institutions, Corporate Banking, and Global Transaction Banking sectors.

Mr. Zidan commenced his banking career in 2000 with the Commercial International Bank (CIB), after which he joined the Arab African International Bank (AAIB) in 2004. From 2007 until 2017, he was working at Barclays. From 2014 to 2017, he was responsible for establishing the Global Transaction Service (GTS) platform in Barclays Egypt.

Mr. Zidan graduated with a bachelor's degree from the Faculty of Commerce and Business Administration at Helwan University. He studied Business Administration at the American University in Cairo in 2000 and he holds an MBA from ESLSCA Business School. Mr. Zidan also holds several professional certificates, including the CDCS from the IFS School of Finance & International Chamber of Commerce (ICC), and the Advanced Commercial Lending from the IFS School of Finance.

Other current positions:

- Board Member, BM Lease

Committees:

(E, ALCO, C, b5, c4)

Senior Executives As of February 2018

Mr. Sherif Elbehery

Head of SMEs and Microfinance



Mr. Sherif Elbehery is currently the Head of SMEs and Microfinance at Banque Misr, a position he has held since April 2017. Mr. Elbehery brings a variety and wealth of expertise to the role, having worked in various areas throughout his career, including SMEs, Retail Banking, Finance, Business Development, and Strategic Capacity Planning.

Prior to this post, Mr. Elbehery was the Director of Retail and Business Banking at Barclays Egypt, a role he held for three years.

Mr. Elbehery joined Barclays Egypt in 2010 as the Director of Strategy, Planning, and Marketing and Corporate Affairs. Prior to that, he was based in the UAE Barclays Africa Center, where he spent nearly four years moving between senior roles in the Emerging Markets Center and Russia.

He assumed a number of positions at Vodafone and Citigroup, including Head of Business Performance and Business Manager for Middle East, and North Africa Global Transactional Services, respectively.

Mr. Elbehery holds a degree in Business Administration from Ain Shams University, and is a CFA charterholder.

Other Current Positions:

- Board Member, Egyptian Takaful Insurance Company

Committees:

(E, cl, a4, C, c6, b7)

Senior Executives As of February 2018

Mr. 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 40 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, Suez Company for Fertilizer Production
- Board Member, El Mostakbal for Urban Development
- Board Member, Misr Alexandria Fund for Financial Investments

Committees:

(A, E, I, ALCO, V, b2, a5, a8, b1, b4, ICAAP)

Senior Executives As of February 2018

Dr. Suzan F. Hamdy

Head of the Capital Markets Group



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

Dr. Hamdy has a career spanning more than 34 years in the banking industry. She began 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, Business Development, and Foreign Branches.

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 and several other foreign companies.

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, such as the Egyptian Capital Market Association, Fixed Income Association, Egyptian Investment Management Association, the American Chamber of Commerce, the British Egyptian Business Association, and the World Studies Future Generation in Finland.

She had represented Egyptian banks in Visa International Risk Advisors for the Central and Eastern Europe, Middle East, and Africa (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 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; the owner of Conrad Hotel
- Board Member, Misr Capital Investments S.A.E.

Committees:

(E, ALCO, V, b2)

Senior Executives As of February 2018

Mr. Tarek Ali

Head of Administrative and Engineering Affairs Sector



Mr. Tarek Ali joined Banque Misr in 2009 as the General Manager of the Administration Department for two years. He then was promoted to his current position as the Head of Administrative and Engineering Affairs Sector since 2011.

He has about 35 years of proven experience in various fields. Before joining Banque Misr, Mr. Ali was the Head of Supply Chains at Americana Group. He was formerly the Head of the Operations Sector at QuickTel Communications.

Prior to that, he was the Head of the Purchases and Materials Department at Magrabi Hospitals. Mr. Ali has spent 15 years in senior roles at Xerox Egypt, growing between the Quality Assurance Manager, Administration and Training Manager, Production Manager, until his final role as the Head of the Materials and Export Department.

He was the sixth of his colleagues who has a bachelor's degree in Power from the Faculty of Engineering at Ain Shams University.

Other Current Positions:

- Technical Consultant, Misr Investment Company
- Board Member, Amanco Company
- Board Member, Goldentex Wool Company
- Vice Chairman, Talaat Harb Club

Committees:

(E, a4, b1, b2, a5)

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 the General Assembly 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.

Investment Committee (V)

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

Wages and Benefits Committee (B)

Oversees all relevant staff wages and benefits 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 all 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.

High 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 High 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 studies and gives recommendation to the 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 employees and customers

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

- The senior management and Board of Director's 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 banking 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:

A- Constant reviewing of the bank's strategies and activities. The committee also monitors the offered services, ensuring all 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-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-High Risk Committee:

Assisting the Board of Directors in carrying out its roles in relation to the control and supervision of the overall risk management framework at Banque Misr.

The committee also follows up on the functions of risk management through:

A- Compiling reports and following up on 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 High 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- Wages and Benefits Committee:

Managing the wages 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 for 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 healthcare 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 the 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.

Human Resources High 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.

Instruction Manuals Committee (a3):

Ensures the bank's compliance with the guidelines and other procedures contained in both new, updated, and amended instruction manuals.

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.

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.

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 and Change (CRC):

Responsible for changes, development and restructuring, and mergers processes for all the sectors and branches in the bank.

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.

Crisis and Emergency Management Committee (b2):

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 and to handle emergency assistance following natural disasters. 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.

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 relevant actions in relation to 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.

Banking Services Tariff Committee (b5):

Responsible for reviewing and amending the fees for the provision of the banking services in Banque Misr.

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.

International Business Risks Committee (b9):

Approves of all limits related to Pre-Settlement Risk (PSR), provided by different business lines and/or the International Business Sector (new grants - renewal - increase limits), and credit customers are excluded from this.

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.

Central and Non-Central Small Enterprises Financing Committees (c8):

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

Settlement of Retail and Corporate Banking Customers Committee (c9):

Considers the debt settlement offered by the Debt Treatment or Retail Banking sectors, whose indebtedness does not exceed EGP 1 million or its equivalent in any other major foreign currency, excluding the marginal returns.

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:

The Economic Dimension

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 by the rule of law in any decision-making process, and developing a robust governance operating model.

The Social Dimension

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 impact.

The Environmental Dimension

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 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 internal control and risk management governance, as well as policies and practices concerned with compliance to legal and regulatory requirements, are considered a high priority during 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 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 2016/2017.

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 which is 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 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.

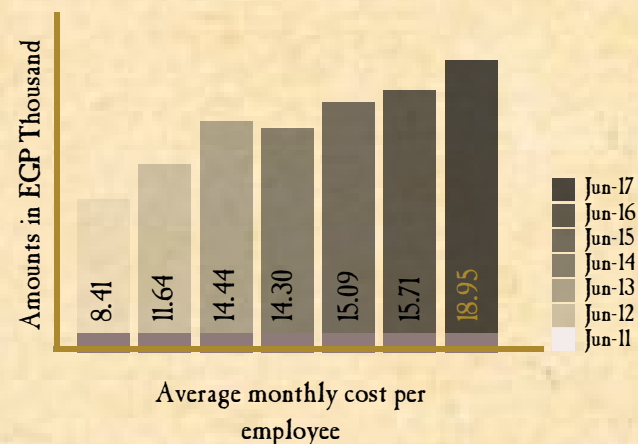
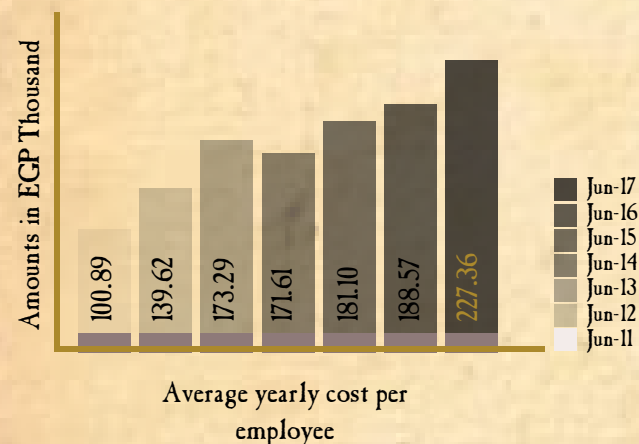
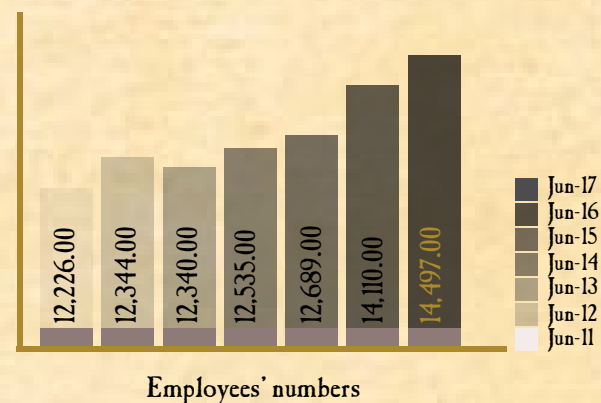
Banque Misr highly values the importance of transparency and integrity in all of its business dealings, to avoid any improper action or even the emergence of questionable conduct, either from our employees or from any other third party with whom we conduct business. Banque Misr has moreover completed all the procedures for the purchase 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 107,983.72. 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 4,290.64. The average annual cost of employees in terms of wages and benefits rose to EGP 227,360 in 2017, up from EGP 100,890 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.



Risk Management

In recent years, local and international markets have been exposed to a variety of financial risks. Therefore, Banque Misr works to support all enterprises, irrespective of their size or type, by providing them with the most credible information and recommendations to enable them to establish a strong framework to manage their financial risks and improve their performance and decision-making process, in accordance with compliance requirements.

The existence of a successful Risk Management System is essential in enhancing the bank's operations and maximizing the stakeholder's value. As such, we ensure that risk management is at the core of our business strategies.

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

The bank monitors all kinds of business lines to ensure that all risks affecting these operations are properly managed and mitigated. Banque Misr aims to achieve an appropriate balance between risk and reward, as well as minimize potential adverse effects on the bank's financial performance.

Our risk management policies provide highly credible information while identifying, measuring, controlling and reporting the risks faced by the bank, as well as for setting the adequate limits for acceptable risk levels, and designing the process to mitigate and monitor this risk.

The Risk Management department reviews and updates the risk management policies, procedures and systems, to ensure that they comply with the Central Bank of Egypt's regulations and address all 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.
- Any waste paper that needs to be shredded in the bank is collected, according to instructions, and sent to the main shredding chamber in Alexandria. The shredded waste paper is pressed in bales, ensuring that there are no solid materials such as wood, metal wires, and plastic materials, and that the contents are dry, as a precautionary measure against any flammable materials.
- 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.

Environment Sustainability

Banque Misr remains committed to achieving strong and sustainable financial returns, taking 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:



Lowering Energy Consumption

Rationalization of electricity consumption has become a national duty and we at Banque Misr are fully aware of the importance of contributing to the conservation of energy sources through optimal use. Thereby, the bank has followed the state's efforts and rationalized the use of energy in the management, which consumes between 15% and 20% of BM's total electricity loads across its buildings and branches.

BM has implemented an ambitious strategic plan based on replacing all the existing traditional lighting and air conditioning systems with energy-efficient LED and VRV technologies.

The bank has installed LED lighting, reducing energy consumption by around 9% in each branch throughout fiscal year 2016/2017. By the first quarter of 2018, the bank completed the installation of the LED lighting system in 108 branches and 10 central departments. The LED lighting does not generate infrared and ultraviolet radiation, and reduces energy consumption by about 75% compared to traditional lighting systems. Moreover, the bank also implemented a power generation system through solar cells at its social building in Banque Misr Club.

In tandem, the bank has also installed VRV air conditioning systems, lowering energy consumption by around 22% in each branch. By the end of 2017, the bank also completed the installation of VRV systems in 80 branches. Furthermore, BM has introduced internal awareness campaigns on the importance of rationalizing energy consumption by using automatic control technologies in switching on and off HVAC air conditioning systems, which contributed to reducing energy consumption by around 10% in each branch. The bank has contributed EGP 18.3 million to an energy consumption awareness campaign, held by the Egyptian Electricity Holding company.

The bank is also planning to adopt an automated system that includes occupancy sensors to further lower its consumption of energy and water.



Safety Procedures

BM's branches and buildings are fully equipped with advanced technologies for fire detection and firefighting systems. As such, the bank started adopting a new firefighting agent, which is approved by the Central Bank of Egypt, the Civil Protection Associations, and the National Fire Protection Association (NFPA). The new firefighting agent has an excellent fighting effect and is not harmful to environment and human health. The bank is also equipped with firefighting pumps, automatic fire sprinkles, hose reels, hand fire extinguishers, and trained employees to face any emergent fire hazards.

Planning for emergencies and disasters is crucial; that is why we at Banque Misr have developed an overall plan to ensure the safety of employees, clients, and businesses, which includes guidelines to help evacuate buildings in emergencies.

Moreover, BM equipped blue-collar workers on its premises with safety boots, protective masks, and other tools to protect them from any potential harm from exposure to dust or any other risks.



Recycling

BM collaborates with various recycling facilities and institutes to secure proper disposal of wastes in an environmentally-friendly manner. This year, Banque Misr's 2018 calendar was made from 100% recycled Egyptian raw materials.

The bank also collects all unused papers for paper shredding, recycling, and re-use. Around 300 tons of paper were shredded to be recycled during fiscal year 2016/2017. Banque Misr has produced this year's prints, which amount to more than 17 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 double-sided printing of internal memos, documents, and reports.

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



Emissions

Banque Misr has continued its support for the national campaign to replace old taxis in Egypt to improve air quality, aiming for the reduction of greenhouse gas emissions and protection against climate change.

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

Moreover, 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.

Our People

Our human capital is our most valuable asset and our strongest tool for achieving and maintaining sustainability. Our work is a people-centered business and our employees' commitment and efforts are our main methods of upholding our prosperity and success. Our 97 years of business have taught us that employee engagement leads to positive commercial outcomes and improves the business environment, which in turn leads to higher productivity, better talent retention, reduction of absenteeism, an overall enhancement in our services, and higher customer satisfaction.

When it comes to our employees we consider the following:

Values:

Our employees commit to high standards of conduct at all times; yielding excellence in fulfilling all of our customers' banking needs. We expect our staff to act with full integrity and uphold every value we instill in our operations in the execution of their daily duties. Banque Misr remains focused on human capital and its potential. We aim to empower, and we begin with our employees. We encourage professionalism with emphasis on development and training, while also embracing and praising employees for their diversity and its value in corporate culture.

Since our values shape our behavior and code of conduct, BM's strict regulations ensure that our staff project those values accurately and diligently in all their operations.

That said, we also ensure that our employees get the care and attention they need; especially when there are special talents that require proper development and shaping. We ensure that our employees' potential never goes to waste by providing each and every one the opportunities needed to learn and increase their competencies; preparing them to fill key positions in the future.

Banque Misr also believes in the importance of integrating more youth in the bank. In 2016/2017, the average age of employees in BM went down to 37, from 44 in 2005.

Diversity:

Banque Misr is also committed to respecting 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. Maintaining a network of diverse employees enables us to serve our diverse clientele better.

Recruitment and Selection:

The recruitment department in Banque Misr successfully hired 913 selected candidates for vacancies in the last fiscal year. The hiring process was conducted through four channels.

The first channel comprised eight employment fairs that we participated in throughout fiscal year 2016/2017. However, we were also keen on having our own employees fill the vacancies within, so the second channel was advertising for 29 different vacancies through announcing 17 internal adverts. The third channel was announcing 49 external adverts during the same fiscal year. Finally, the fourth channel was launching two credit courses, the Corporate Credit Course (CC5) and SMEs & Islamic Finance Credit Course, along with several other mini credit courses such as five SMEs Mini Credit courses, and one Islamic Mini Credit course, as well as two Supplementary Credit courses.

Investing in Our People:

Banque Misr designs and implements a number of training programs directed at enhancing the skills and knowledge base of its staff, which has improved performance noticeably. In addition, we have launched the second phase of our teamwork program, which was developed last year, under the title "Ma'an" (Together, in Arabic); this program is the channel through which we maintain and enhance our main goal: to create and develop constant and consistent positivity and team-spirit among our employees.

In order to ensure that employees understand our terms and conditions from the very start, BM began launching an induction program since the start of 2017. This program allows us to welcome our newly hired employees properly, while also serving as a new knowledge management technique. The program covers the employer and employees' rights, as well as terms and conditions of employment to guarantee the effective integration of employees into our organization. It also aims to increase productivity and reduce of short-term staff turnover.

Not only does BM focus on the newly hired talent, BM has also developed a new program called Senior Development Track. The program is designed to qualify senior management personnel to join the succession program. With all of these programs in place, Banque Misr increased the number of its vocational training sessions. The bank offered 22,867 training opportunities, with a total of 349,416 training hours.

Succession Planning:

Future Leaders

The bank also took part in the Future Leaders Program organized by the Egyptian Banking Institute (EBI), helping cultivate a wider range of knowledge in BM's employees through seminars, class discussions, training, study tours, case studies, and demo branch simulations. It built on 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 the Talent Management Project which trained and developed the skills of the bank's future leaders. The program enabled certain members of staff - who were found to be motivated and with high potential - to generate ideas for improving processes, quality, and service.

The bank also provided them with specialized training courses and adopted a rotation plan in many different departments in BM.

Additionally, the bank completed the development plan for the first GM successors. As part of the Succession Plan Project, the potential successors were provided with extra courses in skills deemed necessary for the position: personal, interpersonal, managerial, and organizational skills.

Employee Turnover:

Banque Misr's low employee turnover rate reflects a high rate of employee satisfaction. Banque Misr registered an employee turnover rate of 3.99% in fiscal year 2016/2017, mainly comprised of employees who had reached retirement age.

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:

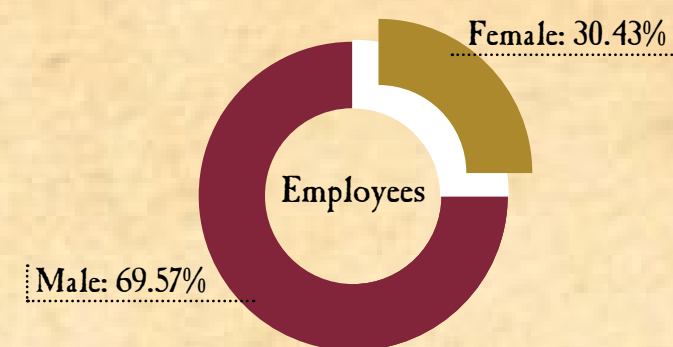
- No child labor: The bank's administration and its suppliers would never - under any circumstances - consider employing children.
- Humane treatment: A workplace that is free of harsh and/or inhumane treatment is guaranteed.
- No discrimination: Harassments of all forms and/or deliberate discrimination on the basis of race, religion, political convictions, gender/sex, 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:

The high number of female employees at our institution is an indication of our success in complying with and operating within our values and commitments toward society. In 2017, women constituted 30.43% of the total number of the bank's employees.

Not only do we work on empowering the women of our society, we are also attentive to their needs and to the delicate balance they maintain between their careers and personal lives.

In 2017, BM offered maternity leave to 345 female employees, along with child care vacations for 206 others. Offering flexible working hours also supports our commitment to the work/family balance that we strive to provide to our employees at 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:

As a gesture of gratitude to our employees who form our work force capital, and to show them that we understand the importance of human resources, the bank launched a new loans package for its employees that includes mortgage loans, personal loans, and car loans with facilitated conditions.

Competitive Benefits for Employees:

Banque Misr's appreciation for its employees does not come in the form of words; we express our appreciation by providing our employees with the most competitive benefits packages in terms of wages, salaries, and medical care, which also cover employees' families, transportation facilities, and leisure travel, along with a number of other social and sports benefits.

At BM, we reward our employees' high performance levels with 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 2017 recorded an increase in the average employee cost to EGP 227,360, up from EGP 188,890 in 2011.

Employee Recognition:

Banque Misr continues to hold regular award celebrations for its distinguished staff members; in recognition of their efforts and to express our gratitude for them. The bank honored employees who held the first positions in competitions organized by the Egyptian Banking Institute.

Banque Misr has also adopted many initiatives to reward its best employees for their hard work and efforts.

Medical Care:

Our appreciation for our employees does not stop at awards and competitive paychecks, BM also ensures the wellbeing of all its employees through offering comprehensive medical packages for them and their families. 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 uses a medical system that automatically updates to save time and facilitate the process. The cost of employees' medical services, which included offering special treatments to 173 patients suffering from hepatitis C, netted EGP 172 million for fiscal year 2016/2017.

Moreover, as a way of showing our care for the wellbeing of our most valuable asset, Banque Misr holds periodical seminars aimed at raising awareness among employees and building healthy organizational culture, based on the principle that prevention is better than cure. The most recent medical seminar conducted by the bank aimed to build awareness on "Hepatitis C and Prevention".

Post-Retirement Benefits:

Over the past seven years, employees' post-retirement benefits have climbed from EGP 34 million in 2010 to EGP 38 million in 2011. Furthermore, 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 565 million in 2017.

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:

Our employees enjoy benefits that surpass the basic necessities; we offer a 70% discount on many leisure trips designed for our employees, during the summer and winter seasons. Over the years we have found that these trips reflect positively on their performance and productivity. Their rate of compliance improved and the general disposition of the employees during office hours was noticeably happier as well. The total cost of the leisure trips recorded EGP 15.6 million in fiscal year 2016/2017.

Social and Sports Activities:

Building and further solidifying our profound belief in the importance of the human element in the bank's strategy, we inaugurated its New Cairo Leisure and Sports Club this year, with the aim of providing a suitable place for employees to spend quality time with their families. The bank provided all the technical support needed as well as EGP 100 million to finance the establishment of the new club.

We cover our employees holistically, trying as much as possible to maintain their overall wellbeing. That is why we also encourage physical activities and sports, sponsoring tournaments and other activities with a total cost of EGP 4.7 million in fiscal year 2016/2017. We take it upon ourselves to organize football tournaments frequently during the Islamic holy month of Ramadan, as well as during Easter holidays, encouraging employees to take part. Other similar tournaments are also organized for volleyball, table tennis, chess, basketball, swimming, squash, and futsal games.

Freedom of Association and Collective Bargaining:

We also respect our employees' rights to join, form, or refrain from joining a labor union without fear of reprisal, intimidation, or harassment. We understand that this is a fundamental right granted to any and all employees and we are thusly committed to establishing constructive dialogue with their freely chosen legal representatives.

Child Labor:

Banque Misr adheres to the minimum age provision mentioned in 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 (ILO).

Community Development

Stemming from its compatibility with the United Nations Global Compact, with its 10 principles on human rights, labor, environment and anti-corruption, Banque Misr has always had a strong legacy of giving back. Corporate social responsibility (CSR) lies at the core of the bank's strategy and its employees' business approach.

Through responsible businesses, we at Banque Misr always aim to create value for society and strive for better economic achievement. We contribute positively and constructively through specific projects that are either carried out directly by the bank, or indirectly through Banque Misr Foundation for Community Development, or through partnership with NGOs and development-oriented civil society institutions.

We at Banque Misr adopt a philanthropic approach based on preserving the citizens' right to life with dignity through creating financial solutions that are suitable for all social segments and that meet their various needs. As such, we aim to make a positive impact on the welfare of individuals, as well as families' living conditions, and in turn build a prosperous economy for our beloved country.

Therefore, Banque Misr sponsored programs and initiatives aimed at financing micro-sized projects in the neediest villages across the country, in cooperation with NGOs such as; Misr El-Kheir Foundation, Orman Charity Association, and Egypt Network for Integrated Development (ENID/El Nidaa). This comes within the framework of the state's strategy and the Central Bank of Egypt's initiatives to support small businesses, as essential providers of jobs and economic growth.

Studies were conducted to select the neediest villages in Minya and Qena governorates according to the population density and the living conditions. Upcoming phases will cover more areas in need across the country, eventually extending to revenue-generating governorates.

Supporting Micro-sized Enterprises in Villages Most in Need

Partnership with Misr El-Kheir

Banque Misr partnered with Misr El-Kheir Foundation to provide finances worth EGP 17.5 million for a number of micro-sized commercial and craftsmanship projects led by youth and breadwinning women in four cities in Minya governorate; Maghagha, Bani Mazar, Malawi, and al-Adwa. The bank contributed to the implementation of 50 micro-sized projects, 300 women-led businesses, and 500 greenhouses, as well as the cultivation of 200 feddans and the activation of two agricultural associations. Moreover, Banque Misr also provided 300 residents of these cities with technical and craft training. It also provided hotel training for 150 others.



✦ Banque Misr provides craft workshops for women and youth in Upper Egypt, in cooperation with El Nidaa



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Partnership with Orman Association

Under the same framework of providing funding opportunities in Upper Egypt, Banque Misr partnered with Orman Charity Association to provide initial funding of about EGP 4 million for four villages in Minya governorate; Ashroba, Abaza, Abgag Al Hatab, and Al Souby. Pursuant to this partnership, the bank offered soft loans of EGP 21,000 for each case in three phases to help finance the launch of micro projects in the four villages.

Partnership with El Nidaa to provide Craft Workshops for Women and Youth

In cooperation with the UNDP-backed program Egypt Network for Integrated Development (ENID/El Nidaa), Banque Misr held two craft workshops and trained 100 people at total cost of about EGP 3.244 million. The workshops were designed to provide breadwinning women and youth in Upper Egypt with handicrafts training in the copper craft and kilim industries.

The workshops aimed at promoting job creation for both women and youth, as well as improving the living conditions in three villages in Qena; El Maana, Al Gazairia, and Sheikh Eissa.

Supporting National Economy

Banque Misr is considered one of the main pillars for national industrial and economic development. Thereby, the bank has always been keen on upholding its role in supporting the national economy and financing economically viable projects in addition to backing the various industries that advance economic development.

Long Live Egypt Fund

During fiscal year 2015/2016, 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.

In addition, during fiscal year 2016/2017, the bank committed EGP 160 million to the fund so as to finance the Al Asmarat slum-dweller project. Aiming to showcase our love for the country and engage people in celebrating the country's victories, Banque Misr also secured EGP 1 million to finance this year's celebrations of the October 6th war anniversary.



✳ Banque Misr provides financial support for Al Asmarat slum-dweller project



✳ Banque Misr supports owners of leather tanneries to move to Al-Robeky Tannery City

Mashrouak Program

Banque Misr participated with the Ministry of Local Development in the "Mashrouak" (Your Project) program, aiming to provide funding for micro and small projects through the one-window investment system in the 308 local units spread nationwide, in which Banque Misr recorded an 77% penetration rate in 238 units. The total financing portfolio for small- and medium-sized projects registered EGP 3.6 billion, with a number of clients reaching 60,000 on June 30th, 2017. In the same context, the bank provided loans worth EGP 929 million for micro projects by June 30th, 2017, which then surged to EGP 1.366 billion by December 31st, 2017.

Al-Robeky Tannery City

As part of the country's policies to develop the leather industry in a healthy and clean environment, Al-Robeky City is one of the most high-priority strategic projects. Thereby, Banque Misr provided funding for the small leather tanneries, which relocated to the new city, to purchase lands, machinery, equipment, and all production requirements, as well as for the investors to purchase small and medium-sized workshops and commercial and administrative units.

The loans were given at very low interest rates, with periods ranging from one year to 10 years, including a two-year grace period.

Funding Industrial Parks for MSMEs

Banque Misr continued to provide finances to establish industrial complexes for micro, small, and medium enterprises, in cooperation with the Egyptian Industrial Development Authority (IDA), in accordance with two initiatives launched by the Central Bank of Egypt to support MSMEs. The finances were 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 finances come in line with the bank's firm belief in providing social and economic support to boost the national economy, increase national production, create job opportunities for young people, raise living standards, and push development forward.

Damietta Furniture City

Stemming from Banque Misr's leading role in supporting the Egyptian furniture industry and stimulating exports from the sector, the bank provided small craftsmen with the necessary funding to purchase their own units in the new Damietta Furniture City and furnish them with state-of-the-art equipment.



✦ Banque Misr supports small craftsmen to purchase their own units in the Damietta Furniture City



✦ Banque Misr provided funds for the renovations of the buildings in the historical Korba neighborhood

Mortgages for Low-income Citizens

As part of the bank's pioneering 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, granting 16,203 loans and a loan portfolio of EGP 1.48 billion on June 30th, 2017, which later surged to EGP 2.17 billion in December 2017.

Supporting Egyptian Pharmacists

Banque Misr continued to play an active role in supporting the country's pharmaceutical trade activity by providing necessary funding for pharmacists seeking to launch their own enterprises, under the umbrella of Central Bank of Egypt's initiative to support small projects, with an interest rate of 5% on loans.

World Youth Forum

Stemming from Banque Misr's strong belief in the importance of youth empowerment as an integral part of the development of the nation, the bank also sponsored the World Youth Forum, which took place in Sharm El-Sheikh. The bank contributed EGP 20 million to the conference.

Financial Inclusion Conference

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 sponsored the Financial Inclusion Conference in Sharm El-Sheikh, one of the state's largest international economic events in 2017. The bank contributed EGP 10 million to the conference.

The conference was regarded as a milestone in the government's plan to step up efforts toward consolidating and disseminating the culture of financial inclusion, with the help of the Central Bank of Egypt's financial inclusion initiative.

Talaat Harb Coming Back Campaign

Banque Misr launched this year an advertising campaign under the title, "Talaat Harb is Coming Back". The campaign is designed to finance small- and medium-sized enterprises in Egypt by particularly encouraging the youth to borrow money and start their own businesses. The campaign aims to rebrand small business; it aims to make working in small businesses more alluring while criticizing alternatives such as illegal emigration.

With a proven significant impact on the national economy, the campaign takes place in line with the government's guidelines and the Central Bank of Egypt's requirements, addressing youth, women, and different segments of the society.

As a result, the Ministry of Foreign Affairs released a press statement, in which it thanked Banque Misr for its significant role in combating illegal emigration.

Developing Slums and Old Areas

Al Asmarat Slum-dweller Project

Aiming to catalyze the state efforts to remove and reduce slums through converting them into better housing options, Banque Misr 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.

Bashayer El Kheir Housing Project Phase III

Banque Misr participated in the third phase of one of the largest state development projects to upgrade informal settlements, Bashayer El Kheir (Good Omens). The third phase targets the development of two informal areas, Maawa El Sayadeen (Fishermen Shelter) and Nagaa El Arab, located in the west of the Mediterranean city of Alexandria. The project aims to build decent homes that meet the basic needs for the residents of those areas. Banque Misr committed EGP 300 million for three consecutive years.

The bank contributed EGP 150,000 to sponsor the large charity event that took place in the Cairo Opera House, to raise funds for Bashayer El Kheir housing project - phase III.

Funding Renovations of Korba Old Buildings

Banque Misr pledged EGP 3 million for the renovation of the facades of the old buildings in Korba Square surrounding the presidential palace in Heliopolis.

Developing El Borsa Triangle

The bank also contributed EGP 2 million to the development of El Borsa Triangle from Qasr El Nil Street, one of the largest streets in the downtown Cairo area to Mahmoud Basiuoni Street.

New Nozha Pedestrian Bridge

In a bid to promote road safety and save lives, Banque Misr contributed EGP 3.7 million to cover the cost of building a pedestrian bridge on the Joseph Tito Axis in New Nozha.

Supporting New Valley and Red Sea Governorates

Banque Misr committed EGP 1.3 million to support the New Valley and Red Sea governorates.

Supporting Different Informal Areas

Banque Misr committed EGP 100 million to projects targeting the development of informal areas in the country, in cooperation with the Financial Affairs Authority of the Egyptian Armed Forces.

Healthcare and Scientific Research

Supporting Scientific Research on Stem Cell Treatment for Diabetes

As strengthening research capacity is one of the most effective and sustainable ways of advancing health and development in developing countries, Banque Misr provided the Urology and Nephrology Center at Mansoura University with EGP 6 million to support the center's goals and to finance research on using stem cells for the treatment of diabetes.

Supporting Egyptian National Cancer Institute

The bank also supported the Egyptian National Cancer Institute with finances worth EGP 200,000.

Supporting Egyptian Society of Women Health

While poverty is an important barrier to positive health outcomes for both men and women, poverty tends to yield a higher burden on women's and girls' health due to, for example, food practices (malnutrition) and the use of unsafe cooking fuels (COPD). Thereby, Banque Misr provided the Egyptian Society of Women's Health with EGP 400,000 to support it.

Supporting Magdi Yacoub Heart Foundation

Banque Misr continued its support for Magdi Yacoub Heart Foundation (MYF), as it donated EGP 5 million for critical cases this year.

Education

Funding Illiteracy Programs

Stemming from its deep belief in the importance of education in the development of Egyptian society, Banque Misr has been an active founding member in the national project for eliminating illiteracy, having contributed EGP 275,000 to the project during fiscal year 2016/2017. It also awarded teachers who provided literacy sessions to the highest number of individuals.

Supporting Teacher Training Initiative

In affirmation of its corporate social responsibility role, Banque Misr signed a contract with the Education First Institution, under the auspices of the Ministry of Education, to support a project aiming to train 4,500 teachers in 721 experimental language schools across the nation.

Educational initiatives constitute one of the key pillars of Banque Misr's corporate social responsibility strategy, stemming from the belief that the experiences of developed countries have proven that the basis of their growth was and continues to be concern for education.

The institution aims to support public education in Egypt through enhancing the capacities of teachers in this sector and through supporting outstanding students in all disciplines, in addition to linking civil society organizations and the state with the aim of supporting education in Egypt.

Building One-stop Shop at Zewail University

Banque Misr signed a cooperation protocol with Zewail University for the establishment of a one-stop-shop service center, aiming to streamline the most common student services at one convenient location, at a cost of EGP 25 million.

Signing Cooperation Protocol with Ministries of Higher Education and Planning

Banque Misr also signed a cooperation protocol with the Ministry of Higher Education and Scientific Research as well as the Ministry of Planning, Follow-Up and Administrative Reform, whereby the bank offered EGP 500 million over three years to support the country's educational programs and scientific research.

Participating in the International Financial Week Activities

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

Funding Renovations of the Historic Talaat Harb Theatre at Ain Shams University

In a bid to promote cultural enrichment for university students, Banque Misr approved EGP 8 million to finance the restoration of the historic Talaat Harb Theatre in Ain Shams University.

Supporting Youth Sports Activities

Seeking to provide a good example to other institutions toward building Egypt and developing youth's skills, Banque Misr always seeks to lead youth initiatives toward a brighter future.

During 2017, Banque Misr sponsored the Women's International Tennis Championship in Sharm El-Sheikh, in which more than 25 European countries participated.

The bank continues to sponsor frequent youth futsal tournaments, as well as chess championships during the Islamic holy month of Ramadan, encouraging its employees and their families to participate in them.

Training Programs for Entrepreneurs

Stemming from Banque Misr's firm belief in the importance of fostering an entrepreneurial culture, the bank has developed a program in cooperation with a consulting firm, aimed at providing training for BM clients and investors in Alexandria. The training tackled marketing methodologies and how to set sales strategies, aiming to help entrepreneurs in Egypt launch their own small and medium-sized enterprises.

Social Solidarity

Supporting Orphans

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

Supporting Students in Need

Banque Misr donated EGP 500,000 to pay tuition fees for Cairo University students who were unable to meet agreed payment deadlines.

Supporting Talaat Harb Retired Employees Association

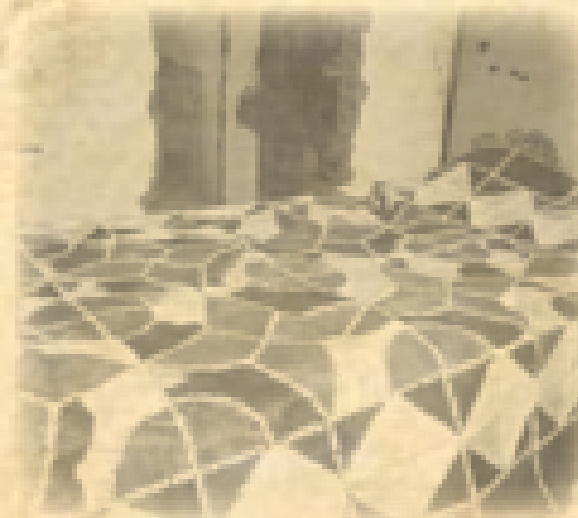
The bank continues to donate to the Talaat Harb Retired Employees Association, as part of its commitment to continue an active and ongoing relationship with retired employees by organizing a number of tours for them. This year, Banque Misr donated EGP 55,000 to the association.

Supporting Orman Association Charitable Activities

Banque Misr continues its support for Orman Charity Association by offering EGP 20 million this year since the association aims to serve Egyptians from all segments of society, without discrimination on any basis such as gender, religion, or political opinion.



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



* Banque Misr Foundation supports handicrafts workshops in Giza and Qena

Banque Misr Foundation for Community Development

Banque Misr has always had a strong legacy of supporting corporate social responsibility. Therefore, Banque Misr Foundation for Community Development was launched as a nonprofit organization in 2007, aiming 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. The foundation is officially registered under the Ministry of Social Solidarity.

It 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 2017, 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, effective environmental activities, 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 2017 in projects to upgrade 72 villages, 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, Manzala, Kafr Ilwan, Kafr Hasan Saad, and Mit Asem in Toukh City in Qalyubia, on the outskirts of Cairo



✦ The Chairman and the Vice Chairman of the board of trustees of BMFCD, Mr. Mohamed El-Etreby and Dr. Ali El-Saiedi visiting remedial schools in El-Deweika in Manshiyat Naser



✦ Remedial classes for students in El-Deweika in Manshiyat Naser

- Four villages in Menouf City in the Nile Delta governorate of Menoufia
- Al-Adwa and Al Raghama villages in Kom Ombo, Aswan governorate
- Hawara Village and Manshiet Demoud Demashkin, Fayoum governorate
- Kardous Village, one of the villages of Sodfa, Asyut Governorate
- Sponsoring three full-service convoys, in cooperation with the Faculty of Agriculture at Benha University

In cooperation with the Faculty of Agriculture at Benha University, Banque Misr Foundation sponsored three full-service convoys, which included the purchase of rabbit breeding batteries, fodders, and breeds, aiming to provide job opportunities for the youth. The convoys were sent to three villages in Qalyubia, Asyut, and Aswan governorates.

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. Banque Misr Foundation implemented 3,500 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, maintenance of mobile phones, printers, and computers, as well as 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.

Supporting Pottery and Ceramics Industries in Qena's Gargous Village

The foundation sponsored a training program designed to support and develop two ceramic factories in Gargous Village in Qena governorate, in cooperation with a number of global specialists in the ceramics industry as well as international renowned designers. The training program aimed to preserve this special craft by helping devise new and different designs to keep pace with the developments in the ceramics industry.

Developing Slums

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.

The foundation also sponsored launching sewing, leather, carpet, and kheyameya tapestry (patchwork) workshops in addition to supporting Al-Manarat project that seeks to take care of orphans and single mothers for the fifth consecutive year.

Education:

Supporting Nile University

Banque Misr Foundation provided EGP 10.6 million to support Nile University, a pioneering local non-profit research institution that aims at graduating cadres of highly qualified professionals to meet the needs of the community and industrial companies in order to achieve sustainable economic development. It also offered scholarships to 50 high-achieving students.

Renovating Schools

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

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

Opening New Classrooms

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 centers with educational equipment.

Training Young People

The foundation provided 1,100 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 800 young people in Luxor, Sohag, Menoufia, Fayoum, and Aswan, in addition to offering them job opportunities and support for their small projects.

Providing Scholarship Opportunities

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

Nile University for Science and Technology to finance educational scholarships for 50 undergraduate students in different specializations, along with five graduate students, at a total cost of EGP 10.9 million.

Furnishing Seven Computer Labs in Damietta

Banque Misr Foundation 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' projects to materialize into existing businesses.

Supporting Healthcare Projects:

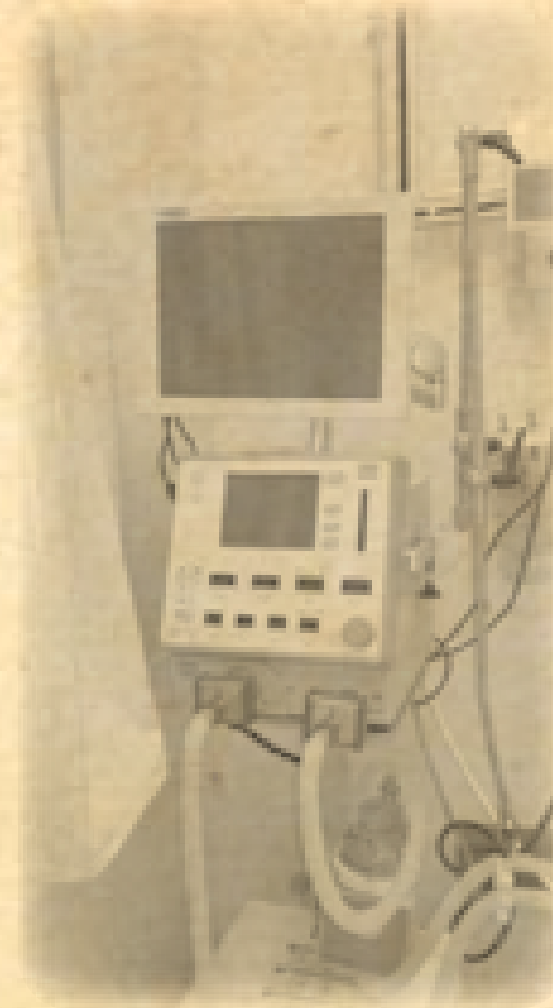
Developing Hospitals and Medical Units

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 38 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

Banque Misr Foundation for Community Development provided financial support totaling about EGP 32.5 million to equip several university and governmental medical units in various governorates during fiscal year 2016/2017.



✦ Banque Misr provided financial support to develop an intensive care unit in Minya University Hospital



✦ Banque Misr Foundation sponsors several medical convoys to serve approximately 6,000 residents in a number of Egyptian villages

The foundation contributed EGP 8.9 million and then EGP 5.1 million for neonatal intensive care units in the New Children's Hospital at Ain Sham University during the fiscal year 2016/2017. It also allocated EGP 10 million for the general surgery and orthopedics department at Benha University Hospitals.

In addition, the foundation arranged EGP 2.8 million for the emergency and intensive care department at Beni Suef University Hospitals and EGP 5 million for the child care operations at Magdi Yacoub Heart Foundation.

Banque Misr Foundation provided the Faculty of Medicine in Aswan University with stress exercise electrocardiogram, dynamic ECG holter monitor, and blood pressure machines worth EGP 300,000.

It also secured about EGP 320,000 for the operation rooms at El-Sahel Teaching Hospital and about EGP 70,000 to develop stress exercise electrocardiogram machines for the fitness and rehabilitation unit and Cairo University Hospitals.

For the second consecutive year, Banque Misr Foundation undertook the nursing costs, amounting to EGP 2.2 million annually, for the Intensive Care Unit in Ain Shams University Surgery Hospital. It also covered the nursing costs, amounting to EGP 1.2 million annually, for the Intensive Care Unit in Abu El-Rish Children's Japanese Hospital.

The Right to Vision for All and Combating Blindness Project in Fayoum - Phases II and III

Banque Misr Foundation provided EGP 525,000 to cover the surgery and treatment costs of a number of patients who were unable to pay.

Burn Treatment Project - Phase II

The foundation secured EGP 300,000 to cover the surgery and treatment costs of a number of patients who were unable to pay.

Hepatitis C Treatment Project

The foundation allocated EGP 610,000 to cover the treatment costs of a number of adults and children with hepatitis C who were unable to pay.

Cochlear Implant in Children Project

Banque Misr Foundation secured EGP 300,000 to cover the treatment costs for a number of patients who were unable to pay, in cooperation with Faculty of Medicine, Fayoum University.

Open Heart Surgery Project

The foundation contributed EGP 495,000 to bear the surgery costs for a number of patients who were unable to pay, in coordination with Abu El-Rish Children's Japanese Hospital.

Eye Surgery Project

In cooperation with the Research Institute of Ophthalmology, Banque Misr foundation provided EGP 500,000 to cover the eye surgery costs for a number of patients who were unable to pay.

Annual Medical Convoys

In cooperation with the Faculty of Medicine at Ain Shams University, Banque Misr Foundation sponsored the convoys that traveled to the villages of Beni Suef and Fayoum governorates. The convoys included providing medical check-ups and treatment as well as referral of patients in need of surgeries.

Social Solidarity

Supporting Orphans

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:

- 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

Supporting Students in Need

The foundation subsidized tuition fees for 400 students in South Valley University and 50 more in Asyut University. It also sponsored scholarships for 86 students in three schools in Asyut governorate.

Banque Misr Museum Collectibles

Historical Books

DESCRIPTION
DE L'ÉGYPTÉ,
OU
RECUEIL
DES OBSERVATIONS ET DES RECHERCHES
QUI ONT ÉTÉ FAITES EN ÉGYPTE
PENDANT L'EXPÉDITION DE L'ARMÉE FRANÇAISE,
PUBLIÉ
PAR LES ORDRES DE SA MAJESTÉ L'EMPEREUR
NAPOLEON LE GRAND.
—
ANTIQUITÉS. PLANCHES.
TOME TROISIÈME.



A PARIS,
DE L'IMPRIMERIE IMPÉRIALE.
MDCCCXXVI.

✳ In 1798, France's Emperor Napoleon Bonaparte ordered a large-scale project to publish all the recorded findings of the scientists, scholars, and artists who had accompanied him on his expedition to Egypt. All of these documents were collected into a huge luxury edition, under the title *Description de l'Égypte*.

Banque Misr Museum Collectibles

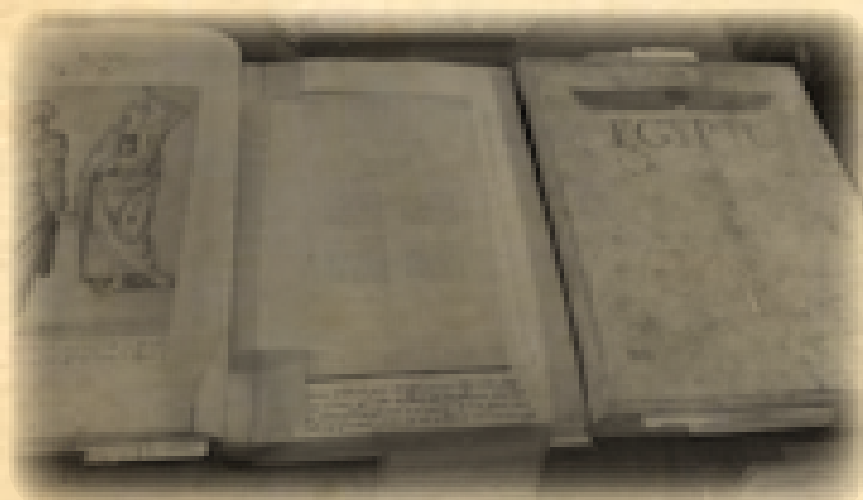
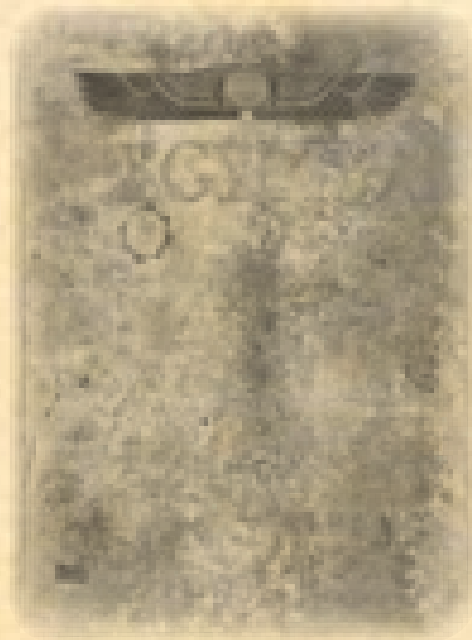
Historical Books



✳ The book offers a comprehensive scientific description of every form of life across Egypt. A rare copy of the 13-volume book, which was published in Paris in 1826, was gifted by Talaat Harb Pasha's family to Banque Misr Museum.

Banque Misr Museum Collectibles

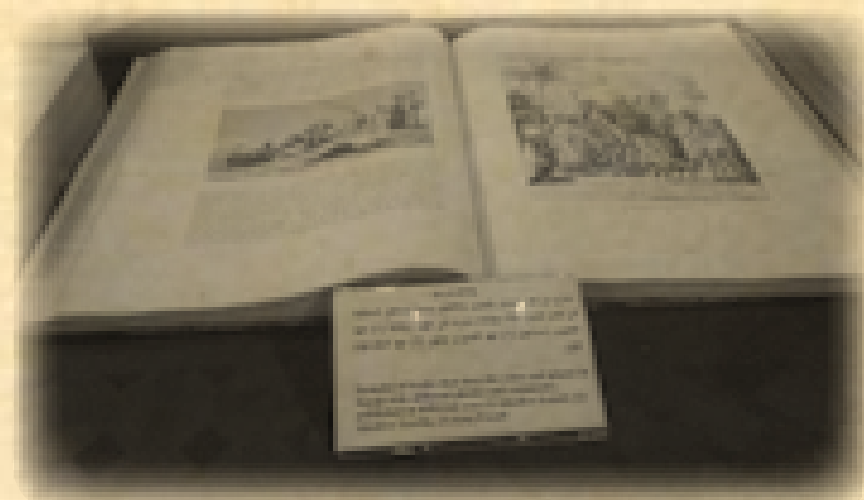
Historical Books



* *Égypte* is a book written in French and issued upon an order by King Fouad in 1932, consisting of textual and visual descriptions of Egypt's governorates. In 220 pages, the book explores Pharaonic, Ptolemaic, Roman, and Coptic antiquities, as well as Islamic monuments, depicted with some 338 rare photographs.

Banque Misr Museum Collectibles

Historical Books



* The book was published in Geneva, Switzerland and a special copy no. 94 that was gifted to Banque Misr. Historians believe that this book has the same historical value of *Description de l'Égypte*.

Banque Misr Museum Collectibles

Historical Books



* *Banque Misr le Caire* is a book written in French and issued during the reign of King Farouk I. It explores the story of Banque Misr and its first days, illustrated with some photographs of its headquarters, local and regional branches, companies, and its board of directors between 1920 AD and 1937 AD. The book was published by KAPP IMPRIMERIE.

Banque Misr Museum Collectibles

Historical Books



* *Cento Tavole del Codice Resta* consists of a collection of about 100 original drawings chiefly made by Italy's most renowned painters during the period between the 14th and 18th centuries. The book, gifted by the late Talaat Harb Pasha's family to Banque Misr, is rare copy no. 1195 and was published by Biblioteca Ambrosiana, a historic library in Milan.

In 2008, the book was restored in cooperation with the Restoration Center at the National Library and Archives of Egypt. Since then, the 220-page book has taken the forefront of Banque Misr Museum's exhibits.

Banque Misr Museum Collectibles

Historical Books



Mosquée d'Ibn Tuloun
Vue prise sur la rue
La grande mosquée de l'Égypte, ou plutôt celle de l'Égypte
Membre de l'Association des égyptologues
Édition de l'Association des égyptologues

✦ *Les Mosques du Caire* consists of a collection of 247 rare photographs of Cairo's historic mosques, as well as Quran and theology schools, built between 876 AD and 1824 AD.

Chapter Four Our Activities

Technology

In light of Banque Misr's belief in technology as the key driver for enhanced and improved service delivery to its customers, it has incorporated state-of-the-art technology to maximize the value of those services. The bank has leveraged its information technology for efficiency and effectiveness in the delivery of banking services. Thus, the bank continuously keeps its technology up to date to ensure that all inputs to the system are complete and accurate and all transactions are valid and properly authorized.

It also ensures that services continue to run smoothly while systems are improved to keep up with requirements, trends and innovations. To serve this vision, the bank's Information Technology division provides technological solutions and services that focus on improving customer experience while maintaining an optimum return on investment as well as closely monitoring cyber threats and data privacy. A range of technological solutions and services was recently added to the bank's branches.

Information Technology Infrastructure:

The bank's Information Technology division is a key player in the bank's operation. IT has been a major contributor in aligning people, processes, and technologies, which has led to a major transformation in the bank's mode of operation. The division is responsible for developing the bank's IT strategy and delivering all related services to employees and customers as well.

The bank has undertaken several transformational initiatives through investing in innovation and the latest technology. One of the bank's significant achievements was signing a major agreement (ULA) with Oracle Company to maintain a cost reduction policy. From licensing and support perspectives, a complex IT landscape, growing demands on continuity, and increasing cyber threats are constant challenges. Thus, to ensure that BM's intended private cloud and server virtualization creation would not be compromised, 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 the 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, which linked between separate banking applications and enabled applications to access functionality and data from each other's systems, as well. The connectivity greatly helped and increased the efficiency of our operations. In addition, the connectivity yielded several other benefits including 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 did not stop at that stage; the bank has continued and maintains the ongoing development and upgrading of information systems that contribute to providing various banking services to a wide range of customer segments. We aim to offer our customers maximum convenience to the extent of our abilities, and that is why the bank is about to introduce internet banking services, to save our valued customers' time and money. Customers' operations and banking transactions will all be handled online at their convenience, 24 hours a day, seven days a week, offering them multi-platform support. With internet banking, customers can pay their bills, transfer money, and check their account balance. At the same time, we will not compromise them; the service guarantees maximum security.

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

The bank 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; a testament to Banque Misr's commitment to deliver excellence when it comes to its customer service and work environment. Almost finalized, the first phase of the project covers business processes such as clearing incoming checks, requests for external transfers, and non-cash investment funds. This project is expected to lead to several advantages; 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

All disaster recovery site services are now finalized and a disaster recovery plan has already been introduced as well; these measures are taken to safeguard better business continuity for all banking services. This is in addition to the full interruption tests that were carried out to help us find the shortest system restoration times, which have also been introduced to ensure this continuity.

Corporate Banking

A key concept of sustainability and supporting manpower is corporate social responsibility (CSR), which Banque Misr continues to ensure and implement in all its financing schemes, incorporating both social and environmental sustainability standards into the assessment phases.

When we lend, we choose large-scale projects that can prove high economic and/or social impact, along with environmentally-friendly ones.

Financing National Projects:

The bank continues to play a leading role in financing large-scale national projects that significantly contribute to Egypt's economic development as well, particularly in the petroleum, energy, electricity, gas, telecommunication, aviation, tourism, and construction sectors. As a result, the bank's total loans portfolio climbed to EGP 179 billion, growing by about 40% during the fiscal year 2016/2017. Such a significant leap compared to the prevailing market rates was due to the diversification strategy pursued by the bank. Moreover, total recognized commissions surged to EGP 2.3 billion during fiscal year 2016/2017, recording a 76% growth. Out of this, the total recognized commissions in the department's scope of work reached EGP 1 billion, recording a 24% growth during fiscal year 2016/2017.

Banque Misr has received various accolades for its high position among banks in Egypt and the Middle East and for its longstanding expertise in leading landmark financing transactions among different sectors within very tight time frames. The bank led, arranged, and underwrote the majority of the largest transactions carried out in the market over the past decade.

In spite of the prevailing political and economic conditions in the region, the Corporate Banking and Syndicated Loans Department managed to maintain an adequate credit rating portfolio. Concentration levels of the granted facilities within the portfolio's sectors were compiled by June 30th, 2017 with the concentration percentages, according to the approved credit policies from the bank's Board of Directors. Other efforts were also carried out to expand facilities across promising sectors, in an attempt to further reduce concentration percentages within the portfolio.

BM's Corporate Banking/Acquisition Finance team comprises a team of highly qualified bankers who make our bank one of the leaders in the Egyptian and regional markets. This team is dedicated to offering creative financial packages, satisfying and exceeding our clients' expectations.

Total Loans Portfolio
EGP 179 billion

Banque Misr's vast experience and key performance in leading landmark transactions across diverse sectors within tight deadlines enabled it to conclude 10 new syndicated loans throughout 2017, with a total finance volume of EGP 32.9 billion. The largest transaction made in the market from July 1st, 2016 to June 30th, 2017; BM had underwritten a total of EGP 14.3 billion, retaining EGP 4.9 billion from it.

Financing Environmentally-Friendly Projects:

One of our main goals has always been the preservation of the environment in Egypt, to promote environmentally-friendly sustainable development. As such, Banque Misr seeks to support economic projects in all fields, particularly those that serve a wider societal segment, preserve the environment, and combat pollution. The bank provides financial support for large-scale projects of economic and/or social impact by offering the most appropriate funding schemes in the form of soft loans with competitive returns, aiming to serve the highest number of projects. Moreover, Banque Misr runs extensive check-ups on all projects to ensure that they comply with the Ministry of Environment's regulations.

In fiscal year 2016/2017, the bank's Corporate Banking and Syndicated Loans Department arranged a syndicated loan worth around EGP 951 million for a multinational company. The loan aimed to finance the establishment of new solar energy projects in Benban city, located near Aswan, as part of the second phase of the Egyptian feed-in-tariff program. Banque Misr acted as initial mandated lead arranger, facility agent, bookrunner, and security agent. Moreover, BM has been appointed as the onshore agent on behalf of the project's foreign financiers and is responsible for all onshore securities.

New Solar
Energy Projects
Preserve Environment
& Combat Pollution

Delivering Excellence in Corporate Banking:

Working and upholding our excellent standards in every operation has garnered us multiple awards from major global financial institutions. According to Bloomberg's League Tables on Global Syndicated Loans for the third quarter of 2017, Banque Misr succeeded in:

- Ranking first as the best Bookrunner and Mandated Lead Arranger in Egypt.
- Ranking as the second best Bookrunner and Mandated Lead Arranger across Africa.

In addition, Banque Misr was also ranked amongst the top 20 financial institutions for Syndicated Loans Bookrunners across the Middle East and North Africa. The bank was ranked among the top Egyptian banks according to Bloomberg's list of

the top 20 banks during 2017 in marketing and arranging syndicated loans, and in funding projects across the Middle East and North Africa.

BM was also granted by IJ Global in March 2017 the Best Transport Deal of the Year in MENA for 2016: Limak Egypt's expansion project for Cairo International Airport Terminal 2.

Moreover, EMEA Finance awarded Banque Misr the Best House in Syndicated Loans & Project Finance in Africa for the second consecutive year. In addition, EMEA also awarded four transactions financed by Banque Misr in collaboration with other banks in June 2017:

- Limak Egypt's expansion project for Cairo International Airport Terminal 2 - Best Transport Deal of the Year in MENA for 2016.
- Banque Misr's deal for Etisalat Misr, in collaboration with other banks, was announced as the Best Telecommunication Deal in Africa in July 2017.
- Arab Contractors, as the Best Infrastructure Deal in Africa, Europe, and MENA.
- Housing Fund as the Best Social Development Deal in Africa.

Since our human resources are our most valuable asset, we conducted three training courses in cooperation with the largest accounting and credit institutions that ended with remarkable success during the years 2009, 2011, 2014, and 2016. More than 139 analysts successfully graduated from the courses (first batch: 43, second batch: 31, third batch: 32, fourth batch: 33), 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 fifth credit course during fiscal year 2016/2017. Thirty-two candidates managed to pass all the required prerequisites and final tests, out of the 1,600 candidates who only passed the preliminary tests.

Retail Banking

BM never settles when it comes to meeting and exceeding clients' aspirations, which is why the bank continues to provide the highest safety and quality measures possible, through a wide range of creative products and services. Banque Misr's ATMs now have new features included, in addition to their traditional cash withdrawal, deposit, and foreign exchange services. The new services, which were launched in cooperation with Fawry, an e-payment solutions company, include money transfers between different parties without payment cards, bill payments, donations, I-score inquiries, and various subscription fees. The value of bill payments collected throughout the lifetime of the service totaled EGP 233 million in December 2017.

Retail Banking Portfolio

EGP 18.1 billion

24.8% y-o-y Growth

Enhancing Service Level:

Enhancing our service level does not only come in the form of technological advancement. Banque Misr constantly tries to reach customers wherever they are. Recently the bank launched a new line of personal loans without requiring salary transfers to facilitate the process for clients who are working in various sectors, such as governmental institutions, banks (both public and private), oil and petrochemical industries, telecommunications, business owners, and professionals (doctors, pharmacists, engineers, etc). In addition, to cater further to all of our clients, Banque Misr offers a diverse range of specialized loans supported by different financing programs, providing our clients with many competitive advantages. Loan programs include car loans, real estate financing, finishing and refurbishing loans, loans for durable goods, and tourism loans. Moreover, BM is planning to launch education loans in order to serve students in schools, universities, institutes as well as academic certificates, as an attempt to further encourage more Egyptians to invest in education.

Offering even more flexibility, the bank allows clients to provide any available evidence of income, such as their salary slip or a bank statement. The bank's personal loans have special features such as a competitive interest rate, with a maximum loan amount of up to EGP 1 million and a maximum period of up to 120 months.

Banque Misr has also improved its e-payment services and features by enabling its customers to pay for social insurance in addition to tax and other customs, activating this e-payment feature in 326 branches distributed across Egypt, collecting over EGP 16 billion in fiscal year 2016/2017. Corporate Payment Services (CPS), which allow our customers to pay taxes, tariffs, social insurance, and other government dues from their offices, were enabled in our branches

E-payment Services

EGP 16 billion

as well. Continuously developing our services and focusing on making our clients' lives easier has led to Banque Misr ranking first in government payment services and customs tariffs.

Moreover, with 14,577 POS terminals by December 2017 and a trading value of EGP 9.08 billion during fiscal year 2016/2017, BM came in first place in terms of merchant outlets with 16,413 locations nationwide as of December 2017.

The bank was also ranked second in terms of the volume of issued outstanding e-payment cards, which have reached 5.35 million on June 30th, 2017, and then grew to 5.97 million by December 2017. As part of the bank's strategy in promoting e-commerce and tourism, BM introduced the Dynamic Currency Conversion (DCC) system, which is a financial service that allows credit card-holders to get the cost of their transactions in any foreign country converted to their home currency at the point of sale.

Automated Salaries

EGP 55.09 billion

Launching BMVIP Service:

Stemming from the bank's keenness to provide comprehensive services to meet our customers' expectations and requirements, BMVIP was recently launched to meet a certain segment of customers.

BMVIP is a brand-new vision for various banking solutions aimed at reducing VIP clients' time and effort. The service has been launched in cooperation with MasterCard to offer customers exclusive products and services that satisfy all their needs. In line with providing service excellence, BMVIP service presents MasterCard World and World Elite debit cards with numerous benefits for the first time in Egypt.

BMVIP falls nothing short of excellence. The service guarantees its clients a unique experience, with a team of dedicated relationship managers and communication channels dedicated especially to the service, such as BMVIP's 19888 call center, text messages, and e-mail.

BMVIP clients are also guaranteed further luxuries in their interactions with us. They have custom BMVIP Lounges located in distinctive locations, so that they can enjoy their privacy. They also receive special rates of return on their VIP accounts with an ascending daily interest posting, according to the account balance. In addition, they are exempted from checkbook issuance fees and some other banking tariffs.

BMVIP clients are provided with a free membership to both local and international concierge services, travel arrangements (hotel reservation, airline ticketing, airport reception, and hotel delivery), reservations to theaters, cinemas, cultural events, dining, health, and beauty centers, shopping and gift selection (available in Cairo and Alexandria), free membership to Lounge Key for VIP lounges at airports, more services provided to them by Banque Misr (government services, postal services, car rental, emergency road), and many discounts and benefits in a number of restaurants, hotels and services.

Financial Inclusion:

As part of our sustainability strategy and objectives, Banque Misr has been aiming to turn Egypt into a cashless society. Thus, Banque Misr currently occupies 48% of the total market share in automating governmental workers' salaries through its ATM network. The bank has maintained first place for the last 12 consecutive years in this field.

Automated salaries amounted to a total of EGP 55.09 billion in fiscal year 2016/2017, distributed to 3.15 million cards for both the public and private sectors, in addition to 58,000 accounts.

Furthering our objectives of transforming Egyptian society into a cashless one, Banque Misr launched the BM Wallet service in February 2017, aiming to boost financial inclusion by offering all banking customers and walk-in customers with a mobile payment application, which facilitates their lives with a variety of services. The service allows users to instantly transfer money to other wallet holders, pay their bills, receive international remittances in the safest and most convenient method, and send as well as receive money 24/7 directly from their mobile phones anywhere in the world.

Furthermore, Banque Misr's firm belief in the importance of financial planning for the prosperity of the people and the development of the economy has led us to work on ingraining the concept of saving and investing. Thus, the bank has participated in the Central Bank of Egypt's initiative, "Ashan Bokra" (For Tomorrow in Arabic), with the aim of spreading financial awareness among the youth with educational bulletins and bank tours. In this respect, the bank has also reached out to youth by holding several symposiums and organizing school trips to BM's different branches and to the museum of Mohamed Talaat Harb, the bank's founder.

CBE Mortgage Initiative

EGP 2.17 billion

Supporting Home Ownership:

Banque Misr believes that the best way to support the safety of the bank's financial system, and to widen and enhance its services and outlook is to include new segments of society. The bank further seeks to strengthen its positive impact on the overall economic activity of the country, as it has already increased the amount of people's savings and investments, 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.

BM also took part in the Central Bank of Egypt's (CBE) initiative offering long-term loans to low, middle, and upper middle-income housing projects. These projects are considered very promising for the banking sector because they are highly encouraged and supported by the government. These projects manage to attract new local and foreign investments, which is why the government supports and encourages their establishment.

The CBE announced that it allocated EGP 20 billion instead of EGP 10 billion in February 2014 to finance low, middle, and upper middle-income citizens so that they could buy houses at a low yearly interest rate of 5% to 10.5%. BM has so far contributed EGP 4 billion to the CBE's initiative. The value of the CBE initiative portfolio at Banque Misr reached EGP 1.48 billion on June 30th, 2017, later increasing to EGP 2.17 billion in December 2017. This marked a surge from EGP 574 million in June 2016, marking an EGP 907 million increase and a growth of 158%.

Supporting Local Community Projects:

In collaboration with the Ministry of Finance, BM joined the national campaign to replace old taxis in Egypt, as a means of improving the transportation sector and minimizing the pollution caused by the old taxi vehicles, which negatively impacted tourism and the community in general.

Supporting Customers and Data Protection

In order for the bank to sustain its profits while maintaining the highest degree of customer satisfaction possible, the bank works on providing and updating its wide range of products and services. Banque Misr was ranked the number one Egyptian bank to meet the requirements of PCI DSS compliant systems; ensuring its clients' security from any possible e-piracy risks. The bank has also held the top position in Egypt for 12 consecutive years in terms of automating government workers' salaries, while also maintaining its number one ranking with regards to the total number of operations conducted through the Debit Card Scheme and Shared Cash Network, "123".

Updating its systems with the latest technologies in internet banking, BM is expected to launch improved, more secure and convenient internet banking services within 2018. The new service will considerably decrease paper use in offline transactions.

Gaining Strong Foothold:

Banque Misr is currently the leader of electronic delivery channels and operates the largest network of branches, ATMs and point of sales (POS) terminals across Egypt. In line with its development strategy, the bank has opened new branches throughout the country and expanded its sophisticated network of ATMs, reaching a total of 2,154 machines as of December 2017.

The value of the retail-banking portfolio at Banque Misr recorded EGP 18.1 billion on June 30th, 2017, surging from EGP 14.5 billion in the same period of 2016, marking a EGP 3.6 billion increase and a growth of 24.8%. BM acquires 48% of the market of governmental employees' salary transfers. It also serves 1,634 public and private companies on employees' salary transfers.

SMEs AND Microfinance

We at Banque Misr believe that sustainable economic development cannot occur without empowering small and medium enterprises. SMEs have been the focus of the bank since its inception, providing all the necessary support to develop businesses, encourage employment, reduce poverty, and achieve social development and economic growth. With the largest network of branches in Egypt, Banque Misr ensures accessibility to all segments of society, catering to all entrepreneurship and start-up needs. Supporting and encouraging economic and social development in every possible way, Banque Misr actively provides SMEs with multiple financing programs and services. This is consolidated through a wide range of products aiming to finance SMEs with short-term working capital, long-term investment opportunities, and the expansion of financing units.

SME Portfolio

EGP 4.5 billion

We believe financing SMEs has a major social impact, in addition to being a solid business opportunity. As such, Banque Misr has underwritten loans to more than 5,000 microfinancing customers every month. Delivering on our promise, Banque Misr has provided about EGP 929 million in funding to more than 60,000 clients. During 2017, Banque Misr's SMEs portfolio increased to record EGP 4.5 billion, having provided funding to 29,000 new customers worth EGP 1.3 billion. Banque Misr's funding accounts for more than 50% of the portfolio for the "Mashrouak" initiative with the Ministry of Local Development, alongside four other banks, since the launch of the initiative in April 2015.

Training and Development Opportunities for Clients:

In addition to the provision of a comprehensive range of financial services, we also encourage SMEs to adopt sustainable business practices in order for them to grow and develop self-reliance. We consistently provide our SME clients with development programs, business advice, and support through training workshops in collaboration with multiple local and multinational entities, including the European Bank for Reconstruction and Development (EBRD) and the Frankfurt School of Finance and Management.

These workshops come in line with our vision that development training is a major requirement for effective financial inclusion, as it teaches enterprises and enables them to make sound business decisions, deal with day-to-day financial complexities, and take effective action to improve their financial situations, welfare, and avoid financial distress. The bank is conducting ongoing research and studies, and aligning forces with local and global professionals to get the latest up-to-date products, programs, channels, and services needed to further enhance our capabilities in keeping with a dynamic on-going changing environment.

Capital Markets Group

Banque Misr's Capital Markets Group aims to maintain the bank's leading position in Egypt, targeting the continuous dependability that is associated with Banque Misr as the most obvious choice for retail and corporate banking in the field of financial management and specialized investment services. At the same time, the group also focuses on creating favorable value for the bank's various stakeholders. In fiscal year 2016/2017, EGP 6.9 billion of total revenues generated from the group's activities, marking a year-on-year increase of EGP 4.8 billion, which accounts for a 222.8% growth.

Accordingly, the compound annual growth rate (CAGR) generated from the group activities' income over the past five years stood at 44%, whereas the fair value reserve of assets managed by the group reached EGP 8.5 billion on June 30th, 2017, compared to EGP 3.3 billion the previous year, marking a 158% growth.

Pool of Expertise:

A diversified group of in-house experts are entrusted by the Capital Markets Group to lead and provide a wide spectrum of integrated financial services, including managing the proprietary, listed equities and bonds portfolio of the bank. They are also equipped to 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

Established in 1994, Banque Misr's Mutual Funds business is one of the largest and oldest in the Middle East, and the bank currently manages eight mutual funds. Moreover, 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. These funds are specialized to cater to clients' need, whether on the individual or 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 the years 2016 and 2017.

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 was created with the purpose of supporting all efforts exerted to develop the Egyptian economy and continues to fulfill its purpose, acting as one of the largest and most active private equity investors in Egypt with direct shareholding in companies across a number of vital economic sectors.

Holding 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's Capital Markets Group holds equity stakes in 158 companies, with a total capitalization of EGP 427 billion as of June 30th, 2017.

The bank injected EGP 11.6 billion into the capital structure of six companies within its direct equity portfolio, as an endeavor to solidify them. Meanwhile, the capital gains realized from the divestment of equity stakes in some companies amounted to EGP 64 million in 2016/2017, while on the other hand, the gains of foreign exchange transactions amounted to EGP 2.7 billion on June 30th, 2017.

Investment Banking Services

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, while also funding the state's investments and activating its efforts to offer a one-stop-shop for investors.

Working within a holistic and detailed framework in the Egyptian state, Banque Misr is a foundational player both on the macro and microeconomic levels. 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.

Capital Markets
Total Revenues
EGP 6.9 billion
222.8% y-o-y growth

Equity Stakes
in 158 Companies
with a Total Cap. of
EGP 427 billion

Capital Market Group's services in that domain also encompass mergers and acquisitions, transitions, bonds (both corporate and securitized), privatization deals, initial public offerings (IPOs), and divestitures, as well as acting as a financial consultancy for corporate restructuring.

Since our institution thrives on integration and cooperation as a whole, Capital Markets Group also works alongside 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 fundraising basic fixed income securities. By relying primarily on our large underwriting capabilities and widely distributed network, we also offer securitized products for our corporate and institutional clients. The bank has promoted and guaranteed four securitized bond issuances during the year, totaling EGP 2.4 billion, of which the bank's, share underwritten was EGP 1.2 billion.

Promoting and
Guaranteeing
Four Securitized
Bond Issuances
Worth EGP 2.4 billion

Real Estate Services

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

The bank generated capital gains of EGP 479 million from the sale of its non-earning assets during fiscal year 2016/2017, compared to EGP 1.2 billion a year earlier.

Custody and Trustees Services

Banque Misr's Capital Markets Group custodian offers a range of services to meet customers' every need and objective. The group provides services such as 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:

We not only aim to lead the market in Egypt, we are also working to gain a significant standing abroad. With an extensive network of around 297 correspondent banks covering 59 countries, Banque Misr can easily 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 managed to provide funding sources for foreign currency through short-term loans and business operations funding schemes exceeding \$639 million for fiscal year 2016/2017.

Furthermore, we backed the government and private institutions when they were importing strategic goods such as petroleum and food goods. The bank has also raised a further \$300 million from global syndicated and bilateral term loans in its favor.

Short-Term Loans and
Business Operations

Over \$639 million

Treasury:

The Treasury Department is one of our key departments; it holds a very important role within our banking system because it is the provider of sufficient liquidity, which 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 ensuring a continuous flow of liquidity by 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.

Global Syndicated and
Bilateral Term Loans

\$300 million

As a leading institution in the country, 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. Banque Misr played a vital role in

helping the economy to overcome several financial and political crises, including the 2008 global financial crisis and Egypt's 2011 popular uprising which ousted the state's former president and was followed by a long period of economic recession and a sharp drop in the country's strategic foreign reserves and currency value.

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 worth around \$3.4 billion during fiscal year 2016/2017, in addition to a currency exchange service that recorded \$2.1 billion.

Foreign-Currency Letters of Credit and Documents

\$3.4 billion

Offering Creative Solutions:

The Treasury Department's multiple responsibilities include having our team of professionals work to offer 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.

The dollar loans between banks on the local market are considered an important component in any successful free exchange rate system, which is why we were also the first to join the Dollar Interbank mechanism, established in 2004. The interbank in dollars also ensures that the foreign exchange market in Egypt functions properly, as it is already battling difficult political and economic conditions.

Contributing further to the government's efforts to stabilize the economy, the bank purchased treasury bills and government securities with an average balance of treasury bills, bonds and money market assets of EGP 256.6 billion on June 30th, 2017, marking a 30% increase compared to the closing figures of June 30th, 2016, and achieving a total revenue of EGP 40.9 billion.

Banque Misr's Money Market Desk also introduced new investment tools for the dollar and euro treasury bills, which successfully provided high liquidity and high returns. Notably, BM's treasury bills portfolio reached \$3.336 billion and €200 million respectively by the end of June 2017.

Currency Exchange Service

\$2.1 billion

Islamic Banking

In line with its namesake, Banque Misr's Islamic banking unit adopts a sustainable framework built on 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:

Taking into consideration our diverse society and client base, 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. The funds of such branches are separated from others at Banque Misr; the branches that handle the Islamic transactions are supervised by the Shariah Committee, which encompasses uniquely qualified professors of Al Azhar and Dar Al-Ifta.

Credit Portfolio

EGP 5.7 billion

BM has maintained its status as a leading Shariah compliant bank in Egypt through combining its unique heritage and tradition while at the same time adopting modern banking techniques underscored by technology and innovation.

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. This has led to our acknowledgment as pioneers in the development of the Islamic financial industry in Egypt; BM offers Islamic banking services through a network of 37 branches and offices across Egypt. With respect to the Islamic banking sector, the credit portfolio directed to this sector rose to EGP 5.7 billion on June 30th, 2017, up from EGP 3.9 billion on June 30th of the previous year.

Living Up to Customers Expectations:

To accommodate customers' needs, the bank teamed up with one of the biggest Egyptian insurance companies, Egyptian Life Takaful Company, to launch bancassurance service. Bancassurance provides a variety of insurance and investment products throughout BM's Islamic branches, including life insurance products, which are fully integrated in the bank's range of savings and investment products. Additionally, banks can earn additional revenue by launching bancassurance services to their clients at the same time.

Committed to the principles of Islamic Shariah to the maximum, Banque Misr has integrated those principles in its retail activity.

The bank's Islamic retail package continued to use the Islamic Murabaha concept to finance some clients' pilgrimage and tourism visits in addition to some alternative products, such as Education Murabaha. The Islamic Banking Unit, "Kenana", offers a diverse range of products, including Islamic credit cards, Auto Murabaha, and Durable Murabaha, according to the Islamic concept of Murabaha.

Islamic concepts were integrated down to the core. Even credit cards are now Shariah-compliant. The bank issued the Shariah-compliant Kenana Islamic credit card based on Murabaha through the Islamic Wekala concept. In addition, BM launched an emergency cash withdrawal option for the Kenana Islamic credit card.

Furthermore, with the aim of meeting various customers' needs, we developed a new type of investment products named "The Islamic Treasury Products" in collaboration with the Islamic banking sector and under the provisions of Islamic Shariah. In terms of bank portfolio for the government treasury bills, BM succeeded in achieving EGP 10.3 billion by the end of June 2017, compared to EGP 9.5 billion by the end of June 2016.

The bank finances, under Islamic provisions, small- and medium-sized enterprises, i.e. any enterprise with annual sales revenues worth up to EGP 200 million, according to the Central Bank of Egypt's definition. In line with Banque Misr's initiative to finance the SMEs sector, the bank also offers other microfinancing products.

Islamic banking has seven products: Micro Financing Murabaha, Small Financing Murabaha, Small Financing Murabaha (checklist), Medical Equipment and Machinery Financing Murabaha, Factory Machinery and Equipment Financing Murabaha, Private School and University Financing Murabaha, and Transportation for Business Activity Financing Murabaha.

We are also innovating new products for small and medium enterprises in order to enhance the SMEs portfolio and support the country's strategic objective and BM's national role in boosting the Egyptian economy. These new products include SMEs Financing Murabaha for Working Capital for Companies and Factories up to EGP 5 million, and Small Financing Murabaha for Working Capital up to EGP 2 million.

Portfolio of the
Government Treasury Bills
EGP 10.3 billion

Supporting the National Economy:

With deep devotion to consolidating and reinforcing the national economy, the Islamic banking sector led, during fiscal year 2016/2017, a consortium of Egyptian banks to finance the following sectors:

I- Building materials sector: through a Mudarbah financial facility of EGP 300 million, in addition to providing a bridge finance of EGP 150 million for four steel plants in Beni Suef, Alexandria, Port Said, and Ain Sokhna.

II- Real estate development sector by participating in the following projects:

- Cooperating with financial leasing companies, through the first Islamic syndicated financial facility created between a bank and a financial leasing company, with a total amount of EGP 450 million in the form of Musharakah to finance a mega real estate development project.

- Leading a consortium of Egyptian banks to provide a bridge finance of EGP 900 million with a share of EGP 500 million in the form of Musharakah to construct two residential and commercial compounds in New Cairo with an initial expected cost of about EGP 18.50 billion. It is planned that the project will be developed through five phases with an expected total construction period of 7.5 years starting in 2018. We are also participating in building the Egyptian economy and national projects in fiscal year 2016/2017 such as:

- Bridges and roads, with total financial limits of EGP 600 million
- Land reclamation, with total financial limits of \$15 million and EGP 130 million
- Egypt's New Administrative Capital, with total financial limits of EGP 100 million

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

- IFN Dubai Awards for Al Sharqiya Sugar Manufacturing Infrastructure & Project Finance Deal of the Year 2014
- The IJ Global Award for MENA Metals & Mining: Ain Sokhna Steel Plant Deal of the Year 2015

[illegible][illegible]

Talat Harab did not take much time to make his decision and he immediately chose the survival of Banque Misr and left the bank with his famous unforgettable phrase: "May thousands of Talat Harb begone, so Banque Misr can continue."

Chapter Five

Our Financial Performance



Message From The Chairman

Our institution strongly believes that outstanding financial results are the best testimony to the hard work and commitment made by the board members and all our employees, and as such, I am immensely pleased to place before you Banque Misr's distinguished performance for fiscal year 2016/2017. We are extremely proud of our employees who have exerted all efforts to enable the bank to continue generating competitive returns; ours is an exceptional institution with an extraordinary heritage and a promising future.

While witnessing a period of profound political and economic change around the world, our bank has maintained its steadfast dedication to our clients, community and country. We can easily say that 2017 was another breakthrough year for Banque Misr. Customers' deposits registered an increase of approximately EGP 191 billion, amounting to over EGP 532 billion, compared to EGP 341 billion at the end of fiscal year 2015/2016, and thus marking a 56% growth. The bank currently accounts for 17.6% of the Egyptian banking sector's total customer deposits.

The bank's total assets recorded a total of EGP 787 billion at the end of fiscal year 2016/2017, compared to EGP 430 billion the previous year, marking a EGP 357 billion increase, in other words an 83% growth.

Moreover, Banque Misr's net loans and advances to customers have risen to about EGP 179.137 billion, marking a year-on-year rise of EGP 51.2 billion, representing 12.56% of the total loans and advances to customers in the Egyptian-banking sector. Non-performing loans (NPLs) stood at 3.71% only of the total loans and advances to customers.

In keeping with the Central Bank of Egypt's regulations, the NPLs coverage ratio and capital adequacy ratio recorded 115.52% and 15.11%, respectively. Moreover, the bank's diversified funds are meant to meet different corporate needs, both in the public and private sectors. Our Corporate Banking and Syndicated Loans portfolio has reached EGP 142 billion, registering a 39% growth on June 30th, 2017.

Furthermore, our financial results also revealed that we have achieved a huge leap; our net interest income has registered close to EGP 15.5 billion, reflecting a year-on-year increase of EGP 4.2 billion. The net profit also increased to EGP 8.2 billion, that is after deducting the bank's paid income tax of EGP 5.9 billion. Shareholders' equity more than doubled to record approximately EGP 65 billion.

Banque Misr has also provided different financing schemes covering various economic needs. The value of the retail banking portfolio, including the Islamic retail portfolio at Banque Misr, surged to EGP 18.1 billion on June 30th, 2017, marking a 24.8% growth rate.

The bank continued updating its Islamic banking unit, which is fully compliant with the principles of Islamic Shariah, to widen the bank's investment activities in its Islamic branches, which reached a volume of EGP 5.7 billion in 2017.

The bank's portfolio of treasury bills in dollars recorded \$3.31 billion, marking a decline of 1.2% compared to last year. Similarly, the bank's treasury bills in euros have amounted to €175 million. In addition, the bank 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 dedicated to 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 offerings (IPOs), divestitures, in addition to acting as a financial advisory for corporate restructuring.

The Capital Markets Group has generated more than EGP 6.9 billion in total revenues (included EGP 1.1 billion revaluation differences and EGP 2.66 billion gains from foreign currencies) during fiscal year 2016/2017, compared to EGP 2.1 billion in the previous year, marking a leap of 222.8%.

Financial Statements

FOR THE YEAR ENDED - JUNE 30th, 2017

Wahid Abd ElGhaffar

Baker Tilly Wahid Abdel Ghaffar & CO.

Public Accountants and consultants

Sameh Saad Mohamed Abd El-megeed

Accountability State Authority (ASA)

AUDITOR'S REPORT

ON THE SUMMARIZED FINANCIAL STATEMENTS OF BANQUE MISR FOR THE YEAR ENDED June 30th, 2017

TRANSLATION OF AUDITOR'S REPORT
ORIGINALLY ISSUED IN ARABIC

Contents	Page
Auditors' Report	165
Separate Balance Sheet	166
Separate Income Statement	167
Separate Statement of Changes in Shareholders' Equity	168
Summarized Separate Statement of Cash Flows	170
Summarized Notes to the Separate Financial Statements	172

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 ended June 30th, 2017 from which the accompanying summarized separate financial statements were derived in accordance with Egyptian Standards on Auditing and in the light of provision of applicable Egyptian laws and regulations. In our report dated February 4th, 2018 we expressed an unqualified opinion on the bank's financial statements as of June 30th, 2017 from which the accompanying summarized separate financial statements were derived.

In our opinion, the accompanying summarized separate financial statements are consistent, in all material respects, with the financial statements from which they were derived as of and for the year ended June 30th, 2017.

For the better understanding of the bank's financial position as of June 30th, 2017 and the results of its operations for the year then ended, and the scope of our audit, the summarized separate financial statements should be read in conjunction with the bank's completed financial statements as of June 30th, 2017 and our audit report thereon.

June 11, 2018
BAKER TILLY
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's separate financial statements extracted from
Banque Misr's financial statements for the year ending on June 30th, 2017

Separate balance sheet as of June 30th, 2017

Translated from Arabic
Amounts in EGP Thousands

	Note no	June 30 th , 2017	June 30 th , 2016
Assets			
Cash and balances with central banks		28,562,842	23,097,741
Due from banks		286,437,010	52,532,597
Treasury bills		111,219,953	72,047,855
Financial assets held for trading	(5)	4,213,138	2,212,211
Loans and advances to banks	(6)	608,629	434,897
Loans and advances to customers	(7)	179,137,131	127,946,188
Financial investments			
Available for sale investments	(8)	37,163,514	130,801,137
Investments held to maturity	(8)	99,041,285	496,186
Investments in subsidiaries and associates		17,299,797	4,224,966
Intangible assets		542	-
Other assets		21,941,241	15,437,862
Property, Plant, and Equipment		1,318,525	971,917
Total Assets		786,943,607	430,203,557
Liabilities and Shareholders' Equity			
Liabilities			
Due to banks		141,821,870	41,775,462
Customers' deposits	(9)	532,462,756	341,306,939
Other loans	(10)	29,862,619	8,997,510
Other liabilities		13,023,009	7,976,603
Other provisions	(11)	1,210,032	927,655
Deferred tax liabilities		798,154	415,704
Post-retirement benefits liabilities	(12)	2,819,973	2,217,231
Total Liabilities		721,998,413	403,617,104
Shareholders' Equity			
Paid in capital	(13)	15,000,000	15,000,000
Reserves	(14)	41,768,244	6,079,597
Retained earnings		8,176,950	5,506,856
Total shareholders' equity		64,945,194	26,586,453
Total Liabilities and Shareholders' Equity		786,943,607	430,203,557
Contingent Liabilities and Commitments			
Liabilities for letters of guarantee, letters of credit and other commitments		67,176,707	25,760,044

The accompanying notes are an integral part of these financial statements

Chief Executive Officer: Mohamed Elmaghrabi
Chairman: Mohamed Elmaghrabi
Chief Financial Officer: Mohamed Elmaghrabi
Chief Risk Officer: Mohamed Elmaghrabi
Chief Compliance Officer: Mohamed Elmaghrabi
Chief Information Officer: Mohamed Elmaghrabi
Chief Legal Officer: Mohamed Elmaghrabi
Chief Sustainability Officer: Mohamed Elmaghrabi
Chief Human Resources Officer: Mohamed Elmaghrabi
Chief Marketing Officer: Mohamed Elmaghrabi
Chief Operations Officer: Mohamed Elmaghrabi
Chief Technology Officer: Mohamed Elmaghrabi
Chief Security Officer: Mohamed Elmaghrabi
Chief Procurement Officer: Mohamed Elmaghrabi
Chief Administrative Officer: Mohamed Elmaghrabi
Chief Environmental Officer: Mohamed Elmaghrabi
Chief Social Officer: Mohamed Elmaghrabi
Chief Governance Officer: Mohamed Elmaghrabi
Chief Ethics Officer: Mohamed Elmaghrabi
Chief Diversity Officer: Mohamed Elmaghrabi
Chief Inclusion Officer: Mohamed Elmaghrabi
Chief Accessibility Officer: Mohamed Elmaghrabi
Chief Privacy Officer: Mohamed Elmaghrabi
Chief Data Officer: Mohamed Elmaghrabi
Chief Analytics Officer: Mohamed Elmaghrabi
Chief Innovation Officer: Mohamed Elmaghrabi
Chief Research Officer: Mohamed Elmaghrabi
Chief Development Officer: Mohamed Elmaghrabi
Chief Testing Officer: Mohamed Elmaghrabi
Chief Deployment Officer: Mohamed Elmaghrabi
Chief Support Officer: Mohamed Elmaghrabi
Chief Training Officer: Mohamed Elmaghrabi
Chief Learning Officer: Mohamed Elmaghrabi
Chief Career Officer: Mohamed Elmaghrabi
Chief Compensation Officer: Mohamed Elmaghrabi
Chief Benefits Officer: Mohamed Elmaghrabi
Chief Wellness Officer: Mohamed Elmaghrabi
Chief Safety Officer: Mohamed Elmaghrabi
Chief Security Officer: Mohamed Elmaghrabi
Chief Compliance Officer: Mohamed Elmaghrabi
Chief Risk Officer: Mohamed Elmaghrabi
Chief Financial Officer: Mohamed Elmaghrabi
Chief Executive Officer: Mohamed Elmaghrabi

Banque Misr
Separate Income Statement

For the financial year ending on June 30th, 2017

Translated from Arabic
Amounts in EGP Thousands

	Note no	June 30 th , 2017	June 30 th , 2016
Interest on loans and similar income		54,889,952	32,583,821
Interest on deposits and similar expense		(39,343,416)	(21,260,161)
Net interest income		15,546,536	11,323,660
Fee and commission income		3,481,638	2,231,641
Fee and commission expense		(200,240)	(66,410)
Net fee and commission income		3,281,398	2,165,231
Dividend income		652,727	465,341
Net trading income		600,160	106,992
Gains from financial investments		2,633,684	279,452
Impairment charge for credit losses		(1,268,857)	(331,592)
Administrative expenses		(6,078,953)	(4,381,362)
Other operating income (expenses)		(1,267,111)	562,318
Profit before income tax		14,099,584	10,190,040
Income tax (expense)		(5,922,634)	(4,683,184)
Net Profit for the year		8,176,950	5,506,856
Earnings per share (EGP/Share)	(15)	2.53	1.69

Banque Misr
Separate Statement of Changes in Shareholders' Equity
For the financial year ending on June 30th, 2017

Translated from Arabic
Amounts in EGP Thousands

	Note no	Paid in Capital	Legal Reserve	General Reserve	Capital Reserve		Fair Value Reserve	Special Reserve	Banking Risks Reserve	Supportive Reserve	Differences between nominal value and fair value of subordinated Deposits	F.S Translation Difference Reserve	Retained Earnings	Total
Balance as of July 1 st , 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	327,262	237,396		-	-	277,448	1,870,359	-	-	(3,106,917)	-
Foreign currency translation differences		-	-	-	-		-	-	-	-	-	253,956	-	253,956
Net change in fair value of available for sale investments (net of tax)		-	-	-	-		(1,365,426)	-	-	-	-	-	-	(1,365,426)
Net profit for the year		-	-	-	-		-	-	-	-	-	-	5,506,856	5,506,856
Balance as of June 30 th , 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
Balance as of July 1 st , 2016		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
Dividends Paid		-	-	-	-		-	-	-	-	-	-	(1,337,500)	(1,337,500)
Transferred To Reserves		-	477,613	348,345	730,726		-	-	815,070	1,797,602	-	-	(4,169,356)	-
Net change in fair value of available for sale investments (net of tax)		-	-	-	-		5,140,114	-	-	-	-	-	-	5,140,114
Foreign currency translation differences		-	-	-	-		-	-	-	-	-	1,095,773	-	1,095,773
Additions		-	-	-	-		-	-	-	-	25,283,404	-	-	25,283,404
Net profit of the year		-	-	-	-		-	-	-	-	-	-	8,176,950	8,176,950
Balance as of June 30 th , 2017	13,14	15,000,000	915,142	675,607	968,122		7,052,731	6,927	1,682,920	3,710,839	25,283,404	1,472,552	8,176,950	64,945,194

Banque Misr

Summarized Separate Statement of Cash Flows
For the financial year ending on June 30th, 2017

Translated from Arabic
Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Net cash flows provided from operating activities	151,040,220	38,825,608
Net cash (used in) investing activities	(844,386)	(21,136,195)
Net cash provided from financing activities	47,276,461	4,318,561
Net increase (decrease) in cash and cash equivalents during the year	197,472,295	22,007,974
Cash and cash equivalents at the beginning of the year	51,743,182	29,735,208
Cash and cash equivalents at the end of the year	249,215,477	51,743,182
Cash and cash equivalents are represented in:		
Cash and balances with central banks	28,562,842	23,097,741
Due from banks	286,437,010	52,532,597
Treasury bills	111,219,953	72,047,855
Balances with central banks (within the mandatory reserve percentage)	(20,464,662)	(18,624,689)
Due from banks (more than three months maturity)	(53,179,690)	(5,441,120)
Treasury bills and other government securities (more than three months maturity)	(103,359,976)	(71,869,202)
Cash and cash equivalents	249,215,477	51,743,182

Banque Misr

Summarized Statement of Approved Separate Profit Appropriation
For the financial year ending on June 30th, 2017
According to the General Assembly Decision on March 11th, 2018

Translated from Arabic
Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Net Profit for the year	8,176,950	5,506,856
Add (Deduct)		
Losses (Gains) on sale of property, plant, and equipment transferred to capital reserve	127,458	(730,726)
General banking risk reserve	(852,863)	(815,070)
Net Distributable Profit	7,451,545	3,961,060
Distributed as follows		
Legal Reserve	830,441	477,613
General Reserve	662,110	348,345
Supportive Reserve	3,868,237	1,797,602
State Share in Profit	1,494,858	900,000
Employees' Share in Profit	595,899	437,500
Total Distributable Profit	7,451,545	3,961,060

BANQUE MISR - S.A.E

Summarized notes to the separate financial statements for the year ended June 30th, 2017

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 588 branches in Arab Republic of Egypt, five branches in U.A.E. and one branch in City of Paris in the French republic. The number of employees at the balance sheet date is 14,497 employees.

These financial statements were approved by the general assembly meeting on March 11th, 2018.

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

These separate financial statements have been prepared in accordance with Egyptian financial accounting standards issued in 2006 and their amendments and in accordance with the Central Bank of Egypt's regulations approved by the Board of Directors on December 16th, 2008 under the historical cost, 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 July 1st and ends on June 30th and the financial statements are presented close to the nearest thousand pounds.

B. Foreign Currency Translation

B/1 Functional and Presentation Currency

The separate financial statements are presented in Egyptian pound. 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 on 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 on 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 on 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 the Egyptian pound, 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 the Egyptian pound 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. Also, valuation differences resulting from valuation of net investment in foreign branches, loans, financial instruments in foreign currency for net investment hedge for that item retained to equity caption. These valuation differences are recognized as (other operating income (loss)) in the income statement when these net investments are disposed.

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 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 and syndicated loan fees received by the bank are recognized when the syndication has been completed and the bank does not hold any portion of it or holds a part at the same effective interest rate used for the other participants' portions.

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 on 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 it 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 may be lent or sold subject to a commitment to repurchase (repos) are reclassified in the financial statements and deducted from treasury bills balance. Securities borrowed or purchased subject to a commitment to resell them (reverse repos) are reclassified in the financial statements and added to treasury bills balance. The difference between 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 for assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized, these assets 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 classified 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 extended if it continues for a period of more than nine months. If the aforementioned evidence becomes available then the accumulated loss is to be posted 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 (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 amount higher or lower than the nominal value (taking into consideration deducting the implicit interest that may be a part of acquisition cost from the period prior to the acquisition date that the seller did not receive).

- In case of bonds purchased in foreign currency, these are valued using the prevailing exchange rates and the inclusion of valuation differences in the income statement in other operating revenues (expenses) prior to conducting adjustments relating to premium, discount, or determined impairment losses.

Banque Misr mutual funds certificates, which the bank is required by law to hold until fund liquidation, are included in held to maturity investments according to Central Bank of Egypt rules 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 it carrying value greater than original cost.

K. Investments in Subsidiaries and Associates

Subsidiaries are entities (including special purpose entities) over which Banque Misr exercises direct or indirect control over their financial and operating policies and in

which the bank usually has an ownership share of more than half of their 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, or/and asset given or/and equity instruments issued and loans assumed at the date of exchange, plus 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 bank's share fair value 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 recorded at cost of acquisition, including goodwill if any 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 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. Intangible Assets

Intangible Assets represent the cost of acquiring computer software and the licenses of using it. Intangible assets appear with historical cost after deducting accumulated amortization and provision of impairment losses. Intangible Assets are amortized by straight-line method and using amortization rate from 25% to 100%.

N. Fixed Assets and 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 and constructions	5%	Vehicles	From 20% To 25%
Equipment	12.5%	Furniture	From 10% To 100%
IT equipment	From 25% To 100%	Fixtures	From 12.5% To 33.5%

O. Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash and balances due from Central Bank of Egypt, current accounts with banks, and treasury bills maturing within three months from the acquisition date.

P. Post-retirement Benefits Liabilities

Banque Misr granted its employees who work in local branches some benefits after they retired. These benefits are considered among other benefits that have been charged to expenses through employees' years of service and recognized in the liabilities according to the Egyptian Accounting Standards prevailing in 2006 and the Central Bank of Egypt regulations prevailing in 2008.

Liabilities resulting from specified system benefits which employees have obtained at the end of financial year are calculated on the basis of the present value of expected future cash flows by the actuarial using "projected unit credit method" which contains assumptions related to population sciences, employees turn over, interest rate, and inflation rate.

These benefits are:

Post-retirement benefit (loyalty benefit) which is granted to employees at the end of their service to honor their role in serving the bank. It is granted to employees who retired or completed their fixed-term contract with comprehensive monthly rewards. It is paid according to regulatory rules.

It amounts to 12 times the gross annual salary (without allowances), at up to a maximum of EGP 500,000 or 100 times the basic monthly salary on July 1st, 2016.

The bank bore healthcare benefits for retirees and their unemployed spouses. Such benefits are conditional on the employee's continuation in service until the age of retirement and the completion of minimum period of service.

Banque Misr granted its employees in the UAE branches post-retirement benefit according to UAE labor law with a maximum of 24 times of last basic salary. Moreover, according to the directives from the Banque de France, employees in the Paris office are provided benefits of up to six times the basic monthly salary, depending on the period of service.

Q. 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 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 financial statement date using the appropriate rate in accordance with the terms of settlement 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.

R. Income Tax

Income tax on the profit or loss for the year and deferred tax are recognized in the income statement except for income tax relating to items of equity that are recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable at the date of the balance sheet in addition to tax adjustments for previous years.

Deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and value according to the foundations of the tax. This determines the value of deferred tax on the expected manner of realizing or settling the values of assets and liabilities, using tax rates applicable at the date of the balance sheet. Deferred tax assets of the bank are recognized when there is likelihood to achieve profits subject to tax in the future to be possible through to use that asset, and reducing the value of deferred tax assets with part of that to come from tax benefits expected during the following years. 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 core to the financial business, and the operational risks are an inevitable consequence of being in business. The bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the bank's financial performance. And the most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also market risk includes exchange rate risk, rate of return risk, and other prices risks.

The bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by 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 level of 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 countries where they operate.

The bank has complied with all local capital requirements and in countries where its overseas branches work during the last two years. The board meeting of the Central Bank of Egypt held on December 18th, 2012 decided to approve 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 for the financial statements of the bank as of June 30th, 2017 and compared against the previous year according to CBE regulations issued on the Basel II applications:

	June 30 th , 2017	June 30 th , 2016
<u>Capital</u>		
Tier 1 Capital	42,436,566	14,747,544
Tier 2 Capital	19,634,092	4,169,058
Total Capital	62,070,658	18,916,602
Total risk weighted assets and contingent liabilities	410,699,666	243,802,352
Capital adequacy ratio	15.11%	7.76%

The Financial Leverage Ratio according to the financial statements of the bank as of June 30th, 2017 is 4.31%

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, at least on a quarterly basis 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 with 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

Translated from Arabic
Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
<u>Debt instruments</u>		
Other debt securities	4,029,485	2,126,616
Total debt instruments	4,029,485	2,126,616
<u>Equity instruments</u>		
Local shares	174,788	79,761
Mutual fund certificates	8,865	5,834
Total equity instruments	183,653	85,595
Total financial assets held for trading	4,213,138	2,212,211

6- Loans and Advances to Banks

Translated from Arabic
Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Term loans	631,890	446,707
Deduct : provision for loan losses	(23,261)	(11,810)
Total	608,629	434,897

7- Loans and Advances to Customers

Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
(1)Retail		
Overdraft	1,377,529	1,528,415
Credit card loans	319,739	223,609
Personal loans	18,045,181	13,522,069
Mortgage loans	1,904,617	806,935
Total retail	21,647,066	16,081,028
(2)Corporate Loans (including loans to small businesses)		
Overdraft	51,782,362	27,485,571
Direct loans	86,427,114	68,790,992
Syndicated loans	25,156,175	18,488,837
Other loans	2,138,813	1,882,278
Total Corporate	165,504,464	116,647,678
Total loans and advances to customers (1+2)	187,151,530	132,728,706
Deduct: provision for loan losses	(7,757,560)	(4,646,795)
Deduct: unearned discount and interest in suspense	(256,839)	(135,723)
Net loans and advances to customers	179,137,131	127,946,188
Gross loans distributed to:		
Current	55,266,487	42,263,784
Non-Current	131,885,043	90,464,922
	187,151,530	132,728,706

Impairment from Loans Provision for Customers

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

Amounts in EGP Thousands

	June 30 th , 2017			June 30 th , 2016		
	Non-Performing Loans	Performing Loans	Total	Non-Performing Loans	Performing Loans	Total
Balance at beginning of the year	3,509,005	1,137,790	4,646,795	4,032,813	976,317	5,009,130
Transfers	7,258	2,921	10,179	-	-	-
Charge (release) of impairment from loans	1,088,572	(8,474)	1,080,098	264,742	69,588	334,330
Recoveries of loans previously written off	830,109	-	830,109	423,498	-	423,498
Foreign currency revaluation differences	1,227,099	680,046	1,907,145	166,605	91,885	258,490
Write-offs during the year	(716,766)	-	(716,766)	(1,378,653)	-	(1,378,653)
Balance at the end of the year	5,945,277	1,812,283	7,757,560	3,509,005	1,137,790	4,646,795

Analysis of the impairment provision of loans and advances for individuals: -

Item	Individual				
	Overdrafts	Credit Cards	Personal Loans	Mortgages	Total
June 30 th , 2017	81,485	2,810	340,191	32,876	457,362
June 30 th , 2016	98,433	959	69,498	8,382	177,272

Analysis of the impairment provision of loans and advances for corporates:-

Item	Corporate				
	Overdrafts	Direct Loans	Syndicated Loans	Other Loans	Total
June 30 th , 2017	2,033,485	1,434,012	3,121,687	711,014	7,300,198
June 30 th , 2016	2,075,579	1,005,124	1,312,149	76,671	4,469,523

8- Financial Investments

Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
(A) Available for sale investments		
Debt instruments - Listed	2,917,100	109,699,162
Equity instruments - Listed	10,098,810	7,963,292
Debt instruments - Unlisted	16,281,990	8,780,000
Equity instruments - Unlisted	7,865,614	4,358,683
Total available for sale investments (1)	37,163,514	130,801,137
B) Held to maturity investment		
Debt instruments - Listed	98,756,416	137,007
Debt instruments - Unlisted	71,384	71,384
Equity instruments - Unlisted	213,485	287,795
Total held to maturity investments (2)	99,041,285	496,186
Total financial investments (1+2)	136,204,799	131,297,323
Current	13,389,342	38,260,399
Non-current	122,815,457	93,036,924
Total financial investments (1+2)	136,204,799	131,297,323

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

	Available for sale investments	Held to maturity investments
Beginning balance on July 1 st , 2016	130,801,137	496,186
Additions	21,970,964	20,800,645
Deductions	(41,091,053)	(11,261,159)
Transfers	(89,470,835)	88,993,259
Revaluation differences resulting from monetary foreign currency assets	9,531,288	-
Gains (losses) from fair value difference	5,522,564	
Impairment charges	(100,551)	12,354
Balance at end of year June 30 th , 2017	37,163,514	99,041,285
Beginning balance on July 1 st , 2015	109,334,663	363,914
Addition	46,130,742	169,509
Deduction	(24,489,041)	(30,801)
Transfers		
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 30 th , 2016	130,801,137	496,186

9- Customers' Deposits

Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Demand deposits	62,460,003	39,738,025
Call and time deposits	112,623,696	59,637,162
Saving certificates	218,758,023	127,076,600
Saving deposits	130,341,148	104,867,796
Other deposits	8,279,886	9,987,356
Total	532,462,756	341,306,939

Corporate deposits	155,189,486	92,004,225
Retail deposits	377,273,270	249,302,714
Total	532,462,756	341,306,939

Non-interest bearing balances	70,739,889	22,081,166
Variable interest rate balances	135,344,770	141,078,651
Fixed interest rate balances	326,378,097	178,147,122
Total	532,462,756	341,306,939

Current	393,919,650	230,139,149
Non-current	138,543,106	111,167,790
Total	532,462,756	341,306,939

10- Other Loans

Amounts in EGP Thousands

Items	Interest Rate	Matured Through Current Year	Balance as at June 30 th , 2017	Balance as at June 30 th , 2016
Denmark International Development Loan of Egyptian Holding Co. Silos and Storage - Fayoum	Nil	4,349	4,349	6,196
Denmark International Development Loan of Egyptian Holding Co. Silos and Storage - Qena / Menia / Beni Swef Silos Complex	Nil	25,577	25,578	24,667
Contract for the development of poultry	4%	-	-	108
CBE Local Supportive Loan	Nil	-	-	1,569,445
CBE Local Supportive Loan (Five years)	Nil	-	-	896,003
Subordinated Deposit	Nil	-	9,716,596	-
Long-term loans for financing SMEs- future step	7%		-	17,000
Social fund loans-Bright Future	8.50%	16,875	25,313	42,188
Long-term loans - Egyptian Company for Refinancing	10.25%	2,806	14,778	16,111
Social fund loans - Enterprise Development Project	8.50%	10,000	20,000	30,000
Social fund loans - Agriculture projects support	8.50%	28,000	61,000	89,000
Social fund loans - Bedaia SMEs Loan	8.50%	7,500	18,750	26,250
Social fund loans - Bedayti	7.75%	40,000	300,074	-
Long-term loans from foreign banks	with interest	-	13,658,780	3,994,900
Short-term loans from foreign banks	with interest	6,017,401	6,017,401	2,285,642
Total Other Loans			29,862,619	8,997,510
Current			6,152,508	2,384,719
Non-current			23,710,111	6,612,791
Total Other Loans			29,862,619	8,997,510

11- Other Provisions

Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Provision for legal claims and taxes	683,810	569,078
Provision for contingent liabilities	513,250	348,952
Other	12,972	9,625
Total	1,210,032	927,655

12- Post-retirement Benefits Liabilities

Amounts recognized in the balance sheet

	June 30 th , 2017	June 30 th , 2016
Post-retirement medical benefits	2,294,877	1,989,352
End of service benefits	525,096	227,879
Total	2,819,973	2,217,231

Amounts recognized in the income statement

Liabilities for post-retirement medical benefits	426,589	539,820
Liabilities for end of service benefits	132,672	67,788
Balances at the end of the year	559,261	607,608

The main actuarial assumptions used by the bank are outlined below

Discount rate	16.25%	11%
Long-term inflation rate	12.5%	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 regulations, the use of special reserves balances is prohibited except with the Central Bank's approval.

Amounts in EGP Thousands

	June 30 th , 2017	June 30 th , 2016
Legal reserve	915,142	437,529
General reserve	675,607	327,262
Capital reserve	968,122	237,396
Supportive reserve	3,710,839	1,913,237
Fair value reserve	7,052,731	1,912,617
Special reserve	6,927	6,927
General banking risk reserve	1,682,920	867,850
Financial statements translation differences reserve	1,472,552	376,779
Differences between nominal value and fair value of subordinated deposits	25,283,404	-
Total reserves	41,768,244	6,079,597

15- Earnings per share

	June 30 th , 2017	June 30 th , 2016
Net profit attributable to the shareholder (EGP thousand) (1)	7,581,051	5,069,356
Divided by weighted average number of shares (thousands of shares) (2)	3,000,000	3,000,000
Earnings per share (EGP) (1:2)	2.53	1.69

16- Comparative figures

Comparative figures were reclassified for the year ending on June 30th, 2016, to be consistent with current year presentation.

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