

The United Bank
Sustainability Report
2023



Paving the Way for
a Sustainable Future

About The Report

Scope of the Report

This Report is The United Bank's first baseline Sustainability Report, representing a key step in the Bank's journey towards the integration of sustainability into its business. Throughout the Report, the terms "The United Bank," "UB," "the Bank," "we," and "our" are used to refer to The United Bank.

Reporting Guidelines

The Report is developed in accordance with GRI 2021 Standards. Additionally, the Report highlights the Bank's contributions to relevant United Nations Sustainable Development Goals (SDGs) and Egypt Vision 2030.

Reporting Period

This Report covers the period from January 1, 2023, to December 31, 2023. It showcases The United Bank's sustainability practices and performance during this period and any other efforts undertaken beyond this time frame that may be significant in any of the sections in the Report.

Reporting Cycle

The reporting cycle is annual to comply with the Central Bank of Egypt's regulations.

Forward-Looking Statement

The United Bank's Sustainability Report 2023 incorporates forward-looking statements that apply to future developments.

These statements are based on the Bank's current estimates and forecasts.

It is important to note that actual outcomes, future developments, and performance may undergo significant changes due to predictable and unpredictable risks and challenges.

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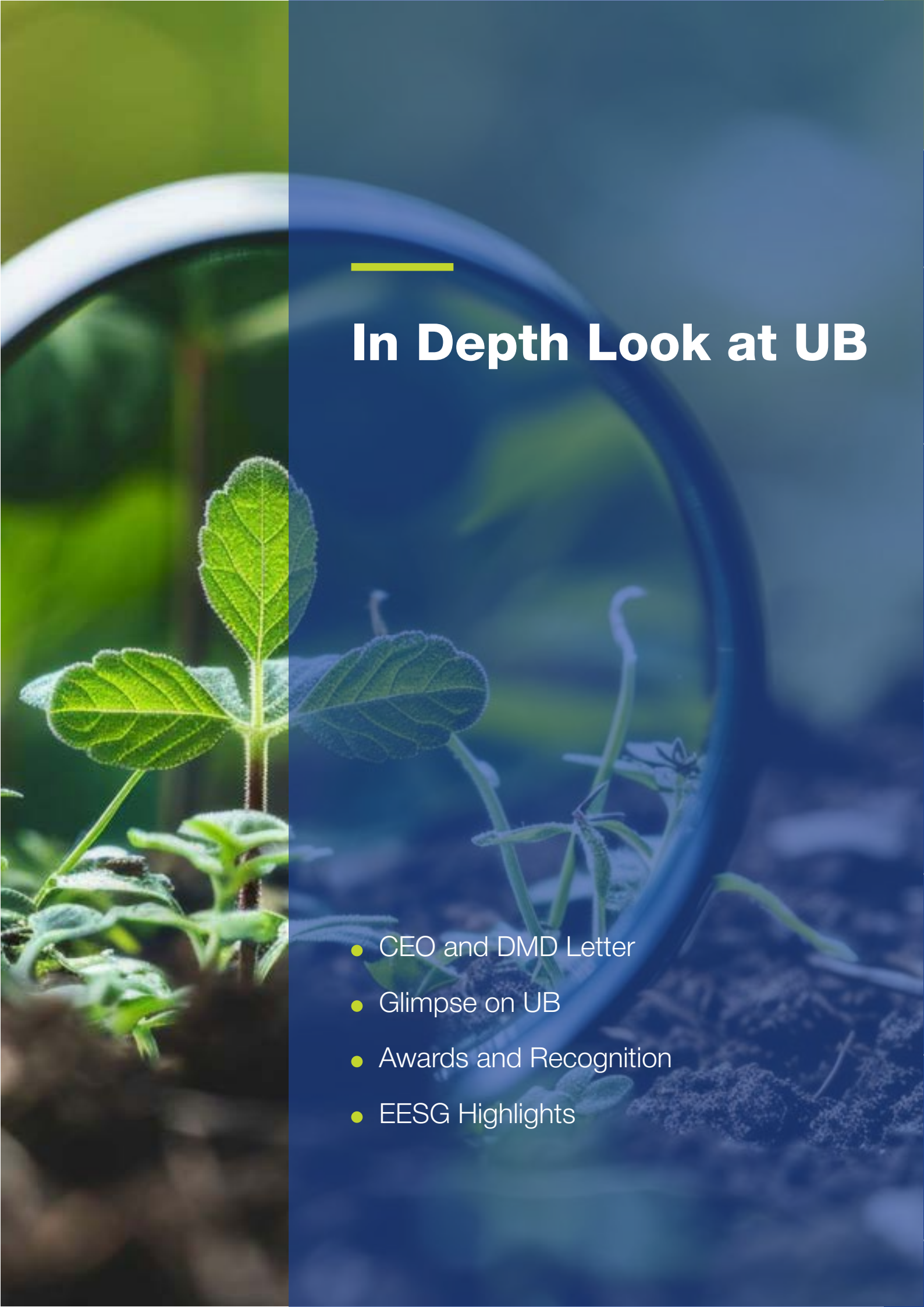
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Abbreviations

Abbreviations	Meaning
AAOIFI	Accounting and Auditing Organization for Islamic Financial Institutions
AML	Anti-money Laundering
ATM	Automatic Teller Machines
BCM	Business Continuity Management
BDS	Business Development Service
BMS	Building Management Systems
BOD	Board of Directors
CBE	Central Bank of Egypt
CICA	Canadian Institute of Chartered Accountants
COP	Conference of the Parties
CSR	Corporate Social Responsibility
DRPs	Disaster Recovery Plans
EBI	Egyptian Banking Institute
ERMF	Enterprise Risk Management Framework
ESG	Environmental, Social, and Governance
FATCA	Foreign Account Tax Compliance Act
FATF	Financial Action Task Force
FI	Financial Inclusion
IBAN	International Bank Account Numbers
ICAAP	Internal Capital Adequacy Assessment Process
IDA	Industrial Development Authority
IIA	Institute of Internal Auditors
IIAS	International Internal Audit Standards
KPIs	Key Performance Indicators
KYC	Know Your Customer
OECD	Organisation for Economic Co-operation and Development
PCI DSS	Payment Card Industry Data Security Standard
RAF	Risk Appetite Framework
RMs	Relationship Managers
SLAs	Service Level Agreements
SMEs	Small and Medium Enterprises
SOPs	Standard Operating Procedures
TAT	Turnaround Time
UB	United Bank
UN SDGs	United Nations Sustainable Development Goals
WTT	Well-to-Tank
WYF	World Youth Forum



In Depth Look at UB

- CEO and DMD Letter
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CEO and Managing Director Letter



It is with immense pride and excitement that I present to you The United Bank's first Sustainability Report. This report signifies a pivotal milestone in our journey to embed sustainability into our core business operations. As the CEO of The United Bank, I am honored to share the progress we have made and reaffirm our unwavering commitment to forging a sustainable future, despite any challenges we may face.

Our journey began on June 29, 2006, when the Central Bank of Egypt acquired the United Bank of Egypt. This strategic move was part of the banking reform program led by the Central Bank of Egypt, which has been praised by international institutions. Since then, we have continuously grown and evolved.

In 2016, we embarked on a new strategy focused on restructuring the Bank across all sectors, developing comprehensive transformation plans, and refining our financing structure. This included continuous support for our capital base in line with the Basel Committee on Banking Supervision's decisions and the Central Bank of Egypt's guidelines.

Our goal is to be among the top Egyptian banks, offering innovative and professional banking solutions that meet the contemporary needs and future expectations of all customer segments. To this end, we established the Sharia Compliance Supervisory Board consisting of esteemed scholars from Al-Azhar Al-Sharif, specializing in jurisprudence, Sharia, and Islamic transactions.

Over the years, The United Bank has secured a distinguished position in the Egyptian banking sector, delivering a high level of professional performance and innovative banking digital channels tailored to all segments of Egyptian society. We are pioneers in digital services, offering online banking, electronic wallets, and electronic payments. Our strategy places great importance on the human element, with significant investments in continuous training and development for all our employees to ensure we confidently embrace the future.

The United Bank remains integral to the national project financing system, supporting infrastructure projects, intermediate industries, and medium, small, and micro enterprises. We are continuously expanding our offerings to better serve these segments, directly contributing to reducing unemployment and boosting national economic growth. Additionally, we are committed to social responsibility, particularly in remote and low-income areas.

This Report aims to be a comprehensive resource for investors and stakeholders, offering a clear overview of The United Bank's extensive efforts in sustainability. As we move forward, we are confident that we are on a promising path toward a bright future for The United Bank, its shareholders, customers, employees, and the wider community.

Sincerely,
Ashraf ElKady

Chief Executive Officer and Managing Director

Deputy Managing Director and Executive Board Member Letter



It is with great enthusiasm that I share The United Bank's progress in our steadfast commitment to sustainability and excellence. As we navigate the pivotal role financial institutions play in advancing societal welfare and environmental stewardship, this report showcases our dedication to creating lasting value for all stakeholders.

At The United Bank, sustainability is now seamlessly embedded into our core business strategy and operations. We are acutely aware of the need to incorporate environmental, social, and governance (ESG) factors into our decision-making processes to foster long-term value and drive sustainable development. Our approach to sustainability is underscored by a dedicated department, comprehensive policies, and the integration of ESG principles into our credit policies.

In 2023, we proudly established the Sustainability and Sustainable Finance Department, which is key in embedding sustainability into every aspect of our business. The Department is charged with leading sustainability initiatives, monitoring performance, and ensuring alignment with regulatory requirements and applying international best practices. By centralizing our sustainability efforts, we aim to cultivate a culture of sustainability throughout the Bank and enhance our ability to manage ESG risks and opportunities effectively.

Additionally, we have begun formulating a comprehensive sustainability and sustainable finance policy that defines our commitment to responsible banking and sustainable practices. This Policy reflects our efforts to uphold ethical standards, minimize environmental impact, promote social inclusivity, and contribute meaningfully to the communities we serve.

As we continue this journey, our commitment to delivering sustainable value and fostering trust among our stakeholders remains unwavering. Together, we aim to shape a path toward a sustainable future, ensuring that The United Bank remains a pillar of strength and reliability in the financial sector.

Sincerely,
Nevine Kashmiry
Deputy Managing Director and Executive Board Member



Sustainability and Sustainable Finance Department Letter

At The United Bank, we have embarked on a sustainable growth journey, committed to fostering sustainability and embracing the principles of sustainable finance. The United Bank recognizes our actions today have a profound impact on the well-being of future generations. The United Bank aims to embrace a future-oriented perspective, conscious of the profound influence we have in shaping the society around us.

Therefore, we are committed to aligning with the Central Bank of Egypt’s guidelines, standards, and regulations regarding sustainability, in accordance with Egypt Vision 2030, international agreements, and the UN SDGs.

I take this opportunity to thank our stakeholders and our employees for their dedication and continued efforts toward The United Bank’s sustainability journey. Finally, I extend my sincerest appreciation to the Chairman, the CEO, and the members of the Board of Directors for their guidance and support as we pave the way for a sustainable future.

Dina Anan
Head of Sustainability and Sustainable Finance Department

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Glimpse on The United Bank

The United Bank (UB) underwent ownership changes in 2006 initiated by the Central Bank of Egypt. Since then, the Bank has seen significant capital growth and implemented a new strategy focusing on restructuring and international banking standards compliance. Currently, the Central Bank of Egypt (CBE) holds a 99.99% stake in the Bank. Additionally, UB is a member of the Federation of Egyptian Banks, further contributing to its role in the national banking sector.

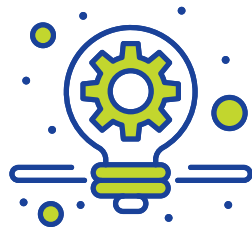
UB operates as a commercial bank, providing diverse services across various sectors. Through its Retail Banking Division, it offers tailored solutions including accounts, deposits, loans, cards, electronic payment programs, and safe deposit boxes. The Microfinance Division supports underserved communities, while Corporate and SME banking delivers financial solutions to business clients.

Additionally, UB demonstrates a strong commitment to Islamic banking through its Sharia Compliance Supervisory Board. The Bank also excels in Treasury services, effectively managing and optimizing financial assets and investments according to Islamic finance principles.



Central to UB's approach to banking is building lasting client relationships, with services delivered through our branches, automatic teller machines (ATMs), and electronic channels. The Bank actively forms partnerships, tailoring innovative products based on clients' requirements while ensuring compliance with Sharia provisions.

UB ensures accessibility and convenience for its clients through various Ways-to-Bank channels, including online and mobile banking, digital wallets, phone banking, SMS services, e-payroll, and instant payment networks. This comprehensive suite of offerings reflects UB's commitment to delivering financial services and contributing to the holistic development of the communities it serves.



Vision

To be one of the leading financial service providers in Egypt, recognizable for its staff, strong core values, outstanding performance and sustainable growth.



Mission

Maximize UB shareholders' value through satisfying clients' financial needs.

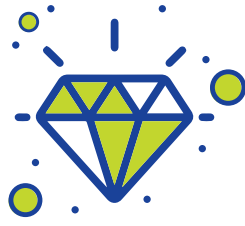
Capitalize on UB unique products and services, Shariaa compliant, digital banking solutions, and operational excellence.

We deeply believe in investing in human capital development.

Engage with our society utilizing UB CSR activities is one of our core principles.

Contribute and support national initiatives and major and selective projects aiming to add value towards a sustainable, growing economy.

Financial inclusion will be in the core of UB Strategy.



Core Values:

Client focus

UB clients' satisfaction is in the core of UB goals.

Integrity

We hold ourselves to the highest standards of banking services under UB "Code of Ethics".

Accountability

We take ownership for personal and collective high quality performance.

Teamwork

We work as one unit with closer collaboration

Will to win

We truly believe in doing what others believe we can't do

Add value to our society

We focus on our society, contributing to and enhancing the people we operate with.

Awards and Recognition

UB received 55 local and international awards and recognitions over 17 years of professional banking excellence, with 10 awards and recognitions received in 2023.

- In January 2023, Global Economics awarded UB “The Most Sustainable Islamic Bank 2022.”
- In February 2023 and November 2023, UB, compliant with the Sharia monetary fund Rakhaa, came on top of the Islamic cash investing funds’ performance in the market by the end of December 2022. CI Capital Company manages the fund.
- In June 2023, EMEA Finance awarded UB 2 awards for “The Best Project Finance Award 2022”.
 - The first award was for participating in financing the best cross-joint loan to finance agricultural and industrial activities in Africa, the Middle East, Russia, and Turkey.
 - The second award was for participating in financing the best cross-joint loan for industrial activity.
- In July 2023, UB was awarded the Payment Card Industry Data Security Standard (PCI DSS) for complying with international standards.
- In October 2023, UB won first place in the Egyptian Banking Institute competition The Future of Virtual Currencies.
- In November 2023, UB led the economic indicator Business News in the IT expenditure CAPEX.
- In November 2023, UB led the indicator classification Business News in the media and communication channels for the year 2022.
- In November 2023, UB achieved second place among commercial banks for providing Islamic financial services per the report of the Egyptian Assembly for Islamic finance.

To read more about all of UB's awards and recognitions, please [Click here](#)

EESG Highlights



Economic

- Achieved a notable 38.6% growth in the corporate lending portfolio from 2021 to 2023.
- Expanded total retail lending volume by 65% between 2021 and 2023.
- Digital banking services continue to evolve.
- Focused on growing SME assets and liabilities, meeting the CBE's 25% MSMEs mandate.
- Introduced innovative financial products such as the Fast Track Lending Program and Supply Chain Finance.
- Maintained steady growth in microfinance clients, with a portfolio exposure of EGP 182M in 2023.



Environmental

- Conducted a comprehensive Water Efficiency Audit across all facilities.
- Installed infrared faucets and valves at HQ to enhance water management.
- Partnered with various companies for effective waste recycling.
- Implemented Building Management Systems to boost energy efficiency.
- Invested EGP 92.535M in seven initiatives dedicated to reducing our ecological footprint and promoting sustainable development.
- Allocated EGP 5.465M to five waste management projects focused on recycling and reuse.
- Developed an industrial wastewater treatment plant with EGP 40.073M investment to improve wastewater management and environmental protection.

Social



- Promoted financial awareness and education across governorates.
- Engaged in impactful CSR initiatives.
- Established a pension fund with an 11% employee salary contribution, ensuring future financial stability.
- Employees completed a total of 94,230 training hours, with female employees averaging 28 hours and male employees 20 hours.
- Collaborated with EBI and UNIDO for specialized training in renewable energy, green finance, and sustainable finance.
- Offered occupational health and safety training programs, including firefighting, evacuation procedures, and defensive driving.
- Maintained a transparent and effective grievance mechanism.

Governance



- Developed and implemented the Sustainability and Sustainable Finance Policy.
- Integrated ESG considerations into the Bank's credit policies.
- Board composition includes 4 women, 2 independent members, and 8 non-executive members.
- Launched the Legal Digital System: Electronic Litigation Initiative.



Strategic Focus

- Our Business Strategy and Priorities
- Our Sustainability Approach
- Stakeholder Engagement and Materiality Assessment

Our Business Strategy and Priorities

At UB, we are dedicated to leading the transition toward a sustainable economy through our commitment to responsible banking practices. As a prominent financial institution in Egypt, UB recognizes the key role of sustainability in fostering societal, economic, and environmental well-being.

Strategic Plan 2021–2023: UB’s Business Priorities

Building on our vision statement, which delineates our strategic business priorities, UB outlined a set of strategic priorities for the short-term strategic plan (2021–2023). These priorities reflect our aim to drive transformational leadership, leverage our strengths in Islamic banking, and embrace sustainable growth opportunities across Egypt’s financial landscape.

- Drive Transformation Leadership to Align Strategy, People, Finance, and Processes with Vision and Business Goals:

UB aims to ensure that all aspects of the Bank, from strategic planning to human resources, financial management, and operational processes, are fully aligned with UB’s overarching vision and business goals, fostering a unified and effective approach to achieving success.

- Leverage UB’s Strong Position in Islamic Banking:

UB aims to capitalize on current expertise to deliver innovative Islamic financial solutions, deepen customer relationships, and drive sustainable growth in Islamic banking; building on the Bank’s presence in Islamic banking.

- Achieve Selective Geographic Expansion Across Egypt:

UB aims to pursue strategic geographic expansion initiatives across Egypt with a commitment to deliver tailored financial solutions that address the unique needs of diverse customer segments.

- Focus on Retail and Mortgage Finance Products:

UB aims to prioritize the development and distribution of retail and mortgage finance products tailored to meet the evolving needs of our target market segments; in alignment with the CBE’s initiative to support low-to-medium-income clients.

- Enhance the Role of Treasury and Investment:

UB aims to strengthen the capabilities of its treasury and investment functions.

- Develop Cross-Selling Capabilities:

UB aims to invest in developing cross-selling capabilities, leveraging data analytics, and fostering a customer-centric culture to enhance cross-selling across the Bank’s product portfolio.

- **Participate in Financing Egypt’s Mega Projects:**

UB aims to actively participate in financing Egypt’s mega projects, contributing to the country’s economic development.

- **Digitize the Bank and Simplify End-to-End Processes:**

UB aims to digitize the Bank’s operations and simplify end-to-end processes to enhance efficiency, agility, and customer experience.

- **Maintain a Disciplined Approach to Efficiency Management:**

UB aims to maintain a disciplined approach to enhancing operational efficiency across all its functions.

- **Develop a Position in the Finance Lease Market:**

UB aims to strategically develop the Bank’s position in the finance lease market through the Bank’s financial arm, United Lease.

- **Phase Out the Legacy Loan Portfolio:**

UB aims to continue phasing out our legacy loan portfolio.

Our Sustainability Approach

At UB, we aim to embed sustainability in the core of our business strategy and operations. We recognize the importance of integrating ESG factors into our decision-making processes to drive long-term value creation and promote sustainable development. Our sustainability approach is characterized by establishing a dedicated department, developing policies, and the incorporation of ESG principles into our credit policies.

1.Establishment of a Dedicated Sustainability and Sustainable Finance Department

UB established a dedicated Sustainability and Sustainable Finance Department tasked with overseeing the integration of sustainability principles into the Bank’s business practices and operations. This Department is responsible for driving sustainability initiatives, monitoring performance, and ensuring alignment with international best practices and regulatory requirements. By centralizing our sustainability efforts, we aim to foster a culture of sustainability across the Bank and enhance our ability to effectively manage ESG risks and opportunities.

2. Sustainability and Sustainable Finance Policy

In 2023, UB started formulating a comprehensive sustainability and sustainable finance policy that outlines the Bank’s commitment to responsible banking and sustainable business practices. This Policy includes both operational and portfolio aspects, emphasizing on our commitment to upholding ethical standards, minimizing environmental impact, promoting social inclusivity, and contributing to the communities we serve.

3. Incorporation of ESG in Credit Policies

In 2023, UB began integrating ESG criteria into the Bank's credit policies to systematically evaluate the environmental and social risks associated with potential borrowers and projects. By incorporating ESG considerations into the Bank's credit analysis, UB aims to mitigate risks, identify opportunities for sustainable investment, and promote responsible lending practices.

4. Internal and External ESG Training

In 2023, efforts were made to promote sustainability and sustainable finance through comprehensive training programs for both internal and external stakeholders.

Internally, a detailed training plan was developed and approved in coordination with the HR Department. This plan was then implemented to ensure that employees across various administrative levels were well-versed in sustainability principles.

As part of the internal training initiatives, content tailored to sustainability and sustainable finance was prepared. This content was used to train 70 employees from business lines, branches, and credit departments through direct, in-person sessions conducted by the Sustainability and Sustainable Finance Department. Additionally, remote training was provided to 906 employees from various departments via the Phish Road program.



To further enhance internal capacity, 269 Bank employees received training in collaboration with the Egyptian Banking Institute and other relevant organizations.

Moreover, induction training for the GRI report was offered, along with an awareness seminar for representatives from all related sectors, ensuring a broad understanding of sustainability reporting.

In-person training sessions were also held in the training hall at the Cairo Center building, providing employees from various sectors with direct instruction in sustainability and sustainable finance.

For those unable to attend in person, remote training was available via WebEx, ensuring accessibility and convenience. Furthermore, direct training seminars were organized for branch representatives and credit management colleagues in several provinces, including Alexandria, Cairo, Tanta, and Mansoura.

From January to March 2023, several foundational programs were implemented:

- **Corporate Finance and Marketing Departments:**

Targeting the executive and senior levels, the attendees were trained on climate change and the transition to sustainability by the Union of Arab Banks.

- **Direct Business Lines and Call Center:**

Targeting the executive, supervisory, middle, senior levels, the attendees were trained on sustainability and sustainable finance.

The training was provided internally by the Sustainability and Sustainable Finance Department, covering topics such as the dimensions and goals of sustainable development, carbon footprint, climate conferences, the importance and principles of sustainable finance, related risks, key disclosures and standards, and the role of financial institutions in promoting sustainable finance.

- **Business Sectors, Regulatory Departments, Administrative and Real Estate Affairs, Systems and Procedures, and Strategic Planning Departments:**

Targeting the executive, supervisory, middle, senior levels, and employees, the attendees were trained on sustainability bundles by the Egyptian Banking Institute, covering sustainable finance and an introduction to ESG.

Externally, the Bank extended its sustainability training efforts to educational institutions. In collaboration with the Yalla agricultural initiative, a training seminar on sustainability and sustainable finance was delivered to agricultural college students benefiting from the initiative's programs.

Similarly, a training session was provided to Delta University students in collaboration with Nilepreneurs in Mansoura, reinforcing the importance of sustainability among future professionals.

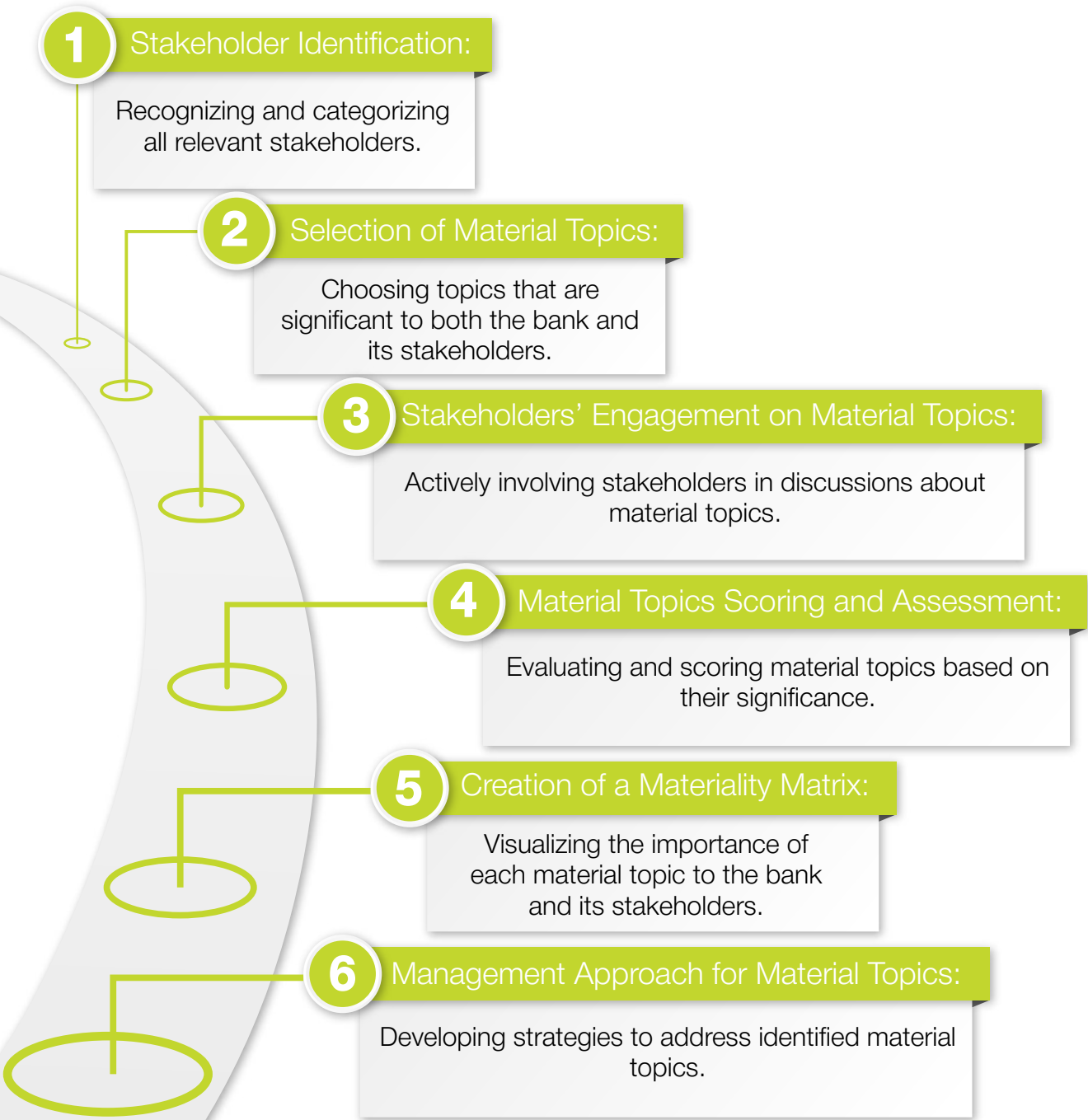
Additionally, a two-day training program was conducted in partnership with Horus University to enhance the sustainability knowledge and skills of university students.

This program, part of the Nilepreneurs and entrepreneurship initiatives, covered topics such as sustainable development, the green economy, principles of entrepreneurship, and digital banking services.

The training, which took place at Horus University and was sponsored by Injaz Egypt, further highlights the Bank's commitment to building capacity and fostering a culture of sustainability and innovation.

Stakeholder Engagement and Materiality Assessment

To set our sustainability priorities and align with the GRI Double Materiality Standards, we conducted a comprehensive assessment to identify the most relevant material topics for our bank. The following steps were taken to ensure a thorough materiality assessment:



By following these steps, we ensure a robust and comprehensive materiality assessment, aligning our sustainability priorities with stakeholder expectations and regulatory standards.

Stakeholder Engagement

Stakeholder Group	Expectations	Engagement Method
INTERNAL STAKEHOLDERS		
Employees	Career growth, job security, fair compensation, safe working environment, development opportunities	Regular training programs, performance reviews, internal newsletters, employee surveys
Board of Directors	Strategic direction, risk management, regulatory compliance, financial performance	Board meetings, Reports, Email
Management	Operational efficiency, strategic execution, performance recognition	Meetings, Reports, Emails
EXTERNAL STAKEHOLDERS		
Customers	High-quality products/services, customer support, data privacy, fair pricing	Customer surveys, feedback forms, customer service, social media and website, branches
Regulators	Compliance with laws and regulations, transparency, timely reporting	Reports, Meetings
Shareholders and Investors	Return on investment, financial transparency, corporate governance	Reports, Website
Suppliers	Fair contracts, timely payments, long-term partnerships, ethical business practices	Emails, Phone calls, RFP, Meetings
Community	Community development, environmental sustainability, ethical practices	Community engagement programs, sponsorships, CSR initiatives
Rating Agencies	Financial performance, risk management, transparency	Website, Published Reports

Materiality Assessment

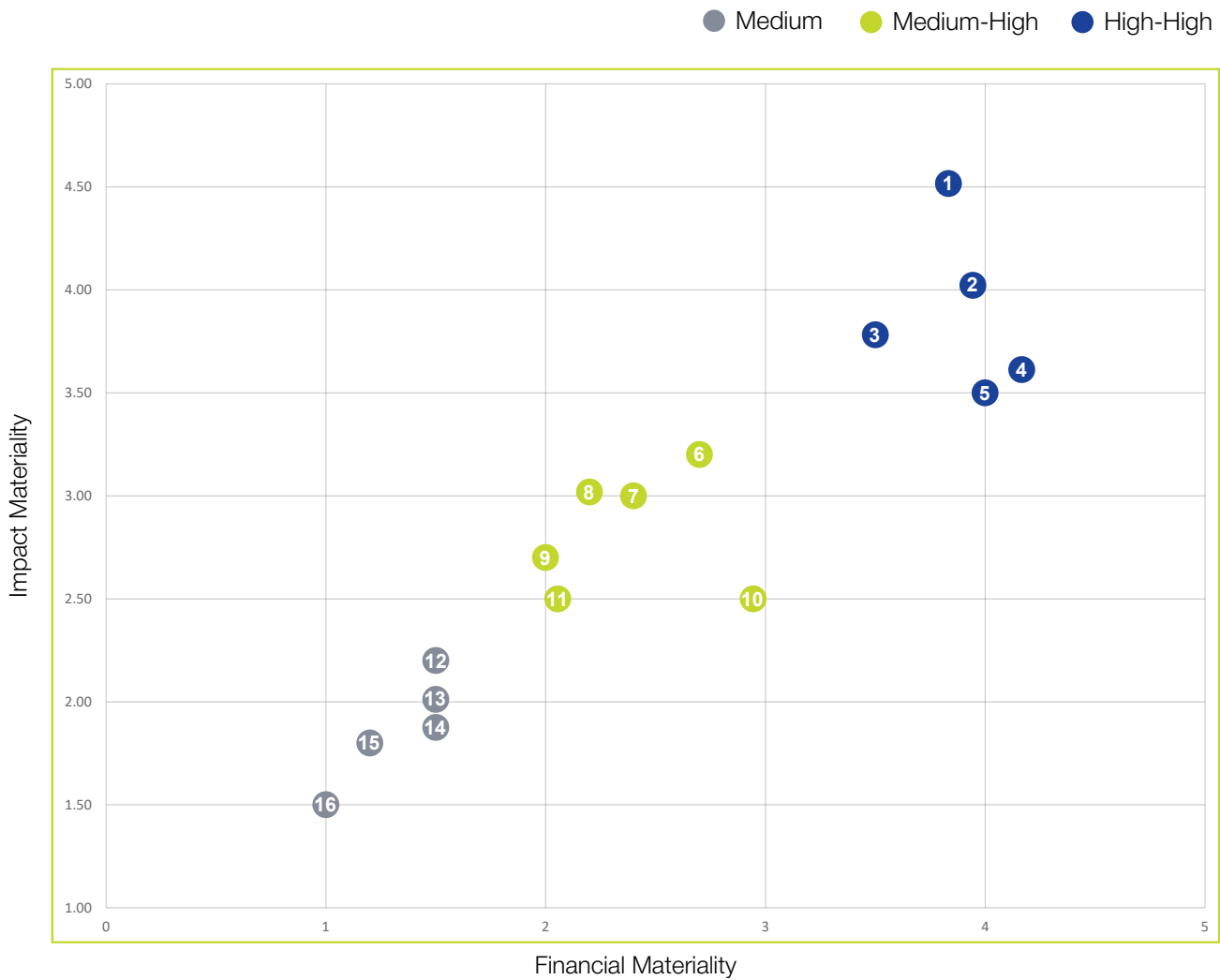
UB conducted its first ESG materiality assessment using the double materiality assessment framework as per the GRI framework. This assessment aimed to identify and prioritize ESG topics important to the Bank and the identified stakeholders. The double materiality approach allowed UB to focus on topics most relevant to our business and those with the greatest impact on the economy, environment, and society, enabling effective management. This process helped the Bank understand our most significant impacts, risks, and opportunities, thereby enhancing our business decision-making. Through comprehensive analysis, we identified 16 material topics for UB.

Material Topics Management Approach

Material Topics	Management Approach
Governance, Compliance, and Business Ethics	Implement robust governance frameworks, ensure compliance with regulations, and uphold high standards of business ethics
Risk Management	Develop and implement risk assessment and mitigation strategies to identify and manage potential risks, supported by an Enterprise Risk Management Framework (ERMF)
Data Privacy and Cybersecurity	Implement comprehensive data protection policies, conduct regular cybersecurity audits, and ensure compliance with data privacy regulations
ESG Related Risks	Assess and manage ESG risks, and integrate ESG considerations into business strategies with the support of a dedicated Sustainability Department
Financial Performance	Monitor and report on financial performance, implement financial controls, and ensure transparency in financial reporting through a Capital Management Framework and Stress Testing Framework
Human Rights	Promote and protect human rights within the Bank and across the supply chain, adhering to labor standards and preventing forced labor

Material Topics	Management Approach
Financial Inclusion	Enhance access to financial services for underserved communities and promote financial literacy through training programs and microfinance initiatives
Employee's Training and Development	Invest in employee training and development programs to enhance skills and foster career growth, including comprehensive training on sustainability topics
Diversity and Inclusion	Promote diversity and inclusion through equitable hiring practices and create an inclusive workplace culture, supported by diversity and inclusion policies
Community Engagement and Development	Engage with local communities through development programs and initiatives that address community needs, guided by a CSR Policy
Digitalization / Digital Transformation	Drive digital transformation initiatives to enhance operational efficiency and customer experience, such as the Workflow System and online banking services
Ethical Procurement	Adopt ethical procurement practices, ensure supplier compliance with ethical standards, and promote sustainability in the supply chain
Customer Centricity	Focus on customer needs and preferences to enhance customer satisfaction and loyalty, supported by a Customer Rights and Protection Unit
Resource Efficiency	Implement resource-efficient practices to minimize waste and optimize the use of resources, including energy efficiency measures
Carbon Footprint	Measure and reduce the Bank's carbon footprint through sustainable practices and initiatives, guided by a comprehensive decarbonization plan
Sustainable Finance	Promote sustainable finance initiatives, including green and social financing

UB Materiality Matrix



Ranking	Material Topics
1	Governance, Compliance, and Business Ethics
2	Risk Management
3	Data Privacy and Cybersecurity
4	ESG Related Risks
5	Financial Performance
6	Human Rights
7	Financial Inclusion and literacy
8	Employee's Training and Development
9	Diversity and Inclusion
10	Community Engagement and Development
11	Digitalization /Digital Transformation
12	Ethical Procurement
13	Customer Centricity
14	Resource Efficiency
15	Carbon Footprint
16	Sustainable Finance

A person in a dark suit is holding a small, clear plastic pot containing a young plant with green leaves and moss. The background is a blurred image of a person in a suit, creating a professional and focused atmosphere.

Governance and Ethics: Guiding Our Journey

- Corporate Governance Structure
- Building Integrity, Trust, and Cybersecurity
- Risk Management

Corporate Governance Structure

Corporate Governance Overview

UB established and developed its governance system in a manner commensurate with the size of its business, its policies, its ability to absorb risks, and in accordance with the requirements of applicable laws and regulations from the CBE, such as Law No. 194 of September 2020.

UB seeks to apply the best local and international practices in the field of corporate governance, following the guiding principles of governance issued by the Organization for Economic Co-operation and Development (OECD) and the rules issued by the Basel Committee on Banking Supervision. This approach is consistent with UB’s strategy, vision, and mission, with a clear and professional methodology for performing its operations and managing its business.

UB was a pioneer when it decided in April 2019 to segregate the Corporate Governance Unit from the Compliance Division, similar to what was done in international banks, which encouraged local banks to do the same.

UB strictly complies with governance principles, which are the set of rules and procedures that guarantee the Bank’s credibility, transparency, and integrity. These rules also define the responsibilities and duties of all parties in the Bank, such as the Board of Directors (BOD), executive management, employees, customers, and other related parties.

Implementing proper governance principles enables the Bank to establish an effective decision-making process which in turn, allows the Bank to establish its strategies and goals through the BOD, the Board Committees, and executive management. This is done while protecting shareholders’ rights and adhering to prevailing laws, regulations, and directives, as well as the laws of the CBE regarding effective governance to support the Egyptian banking system. Moreover as per the CBE regulations, the BOD is involved in sustainability, including sustainability reporting.

Board of Directors

UB’s Board comprises of highly qualified professionals with the necessary banking experience, knowledge, abilities, and skills.

The main responsibilities of the Board include defining the strategies and objectives of the Bank and ensuring their implementation. In addition, it oversees the executive management of the Bank and establishes proper internal controls to guarantee smooth, profitable, and successful daily operations across the Bank.

Board Composition and Diversity

Comprising of 10 distinguished members, UB’s BOD represents a pool of expert members with diverse leadership and management skills and extensive knowledge of their respective fields that make them suitable for their positions. UB’s diverse BOD consists of two executive officers and eight non-executive members, with two independent members and four women. The high percentage of non-executive members demonstrates UB’s commitment to Board independence, which is associated with good governance as it facilitates more balanced oversight and strategic decision-making.



Mr. Mohamed Yehia Saim Anwar Ozalp
Chairman (non-executive) independent



Mr. Ashraf Abdel Fattah Taher ElKady
CEO and Managing Director



Ms. Nevine Kamal Aly Kashmiry
DMD and CBO, executive Board member



Ms. Amany Ahmed Shamseldin Abdelazim
Non-executive Board member



Mr. Tarek Mohamed Aly Fahmy
Non-executive Board member



Ms. Rania Mahmoud Samir Hassan Toubar
Non-executive Board member



Mr. Mohamed Hossam Ahmed Ali Abdelrehim
Non-executive Board member



Mr. Amr Mohamed Tawfik Mostafa Bakir
Non-executive Board member



Ms. Zakeya Mohsen Hassan Mohamed
Non-executive Board member



Mr. Akram Youssef Abdelkarim Tenawy
Non-executive Board member (independent)
Board member, resigned from his position in 2024 to join
as a non-executive chairman in another financial institution.

Ashraf ElKady

CEO and Managing Director

A professional banker with over 36 years of comprehensive experience in all facets of banking, specializing in strategy development and leading organizational transformation.

Demonstrated expertise in banking products, credit and operational risk, market risk, Basel Accords (I, II, and III), and IFRS.

Managed a balance sheet of approximately USD 3B and led a workforce of over 1,750 employees.

Known for strong governance and compliance, having worked with multinational institutions.

Holds certifications from IFC and EBI, has earned an MBA from Maastricht University and a Diploma in Credit and Housing Finance from Wharton Business School.

Additionally, has completed executive training at Harvard Business School and courses at London Business School.

Career Highlights:

- Bank of America, Cairo (1983): Began in the Finance Division, gaining experience across all operations. Promoted to CFO and assistant to the operations officer and deputy CEO.
- American Express Bank, Egypt (1995): Joined as deputy COO, then became CFO. Led the merger with Egyptian American Bank in 2005.
- Mortgage Finance Authority (2005): Appointed deputy chairman and CEO of the Guaranty and Mortgage Finance Subsidy Fund.

Tasked with restructuring and activating the mortgage finance industry in Egypt. Also served as deputy chairman of the Mortgage Liquidity Facility Institution.

- Citi Bank, Egypt (2007): Joined as senior vice president and CFO.
- Al-Watany Bank of Egypt (2008): Appointed GM and COO following the acquisition by the National Bank of Kuwait. Successfully transformed and integrated the local bank.
- National Bank of Kuwait (2011): Seconded as regional CFO for international branches in Kuwait.

Elected as a board member of the Egyptian Credit Bureau (I-Score) in 2012. Later served as the COO of international branches and a Board member of NBK-Egypt.

- Suez Canal Bank (2015): Appointed assistant deputy chairman.
- The United Bank (2016): Appointed chairman by the Central Bank of Egypt.

Led a successful transformation, achieving outstanding results.

Reappointed as CEO and managing director in April 2023.

Nevine Kashmiry

DMD and CBO executive Board member

A professional banker with broad experience, Nevine Kashmiry is a highly driven and successful chief business officer with 40 years of experience in both local and international markets.

She excels in driving successful business operations and enhancing business line productivity, possessing a wide range of knowledge and expertise in all banking activities, specializing in corporate and retail business.

Career Highlights:

- Gained local and international experience through her work at four banks (MIBANK, Piraeus Bank, EG Bank, and The United Bank).
- Appointed in 2016 at The United Bank as assistant chairman.
- In 2017, promoted to deputy managing director and chief business officer.
- In May 2023, became an executive Board member at The United Bank.

Current Roles:

- Member of the UB Executive Committee, Steering Committee, Senior Credit Committee, and ALCO Committee, and head of the Product Committee.
- Board member at one of the largest pharmaceutical companies.

Expertise:

- Expertise in participating in the Bank's strategy among the top management and setting business line strategies, driving banking development efforts, staff development, and leadership to expand shareholder value and achieve organizational goals by applying approved bank strategy.
- Adept at overseeing a wide variety of operational and fiscal responsibilities in both local and international banks to ensure optimal business performance and realize substantial revenue enhancements.
- High-level communication skills in the corporate market with a prime clientele base and governmental entities.

Achievements:

- Participated as part of the senior management team in the transformation plan, restructuring, and reforming the Corporate and Retail Banking Divisions in accordance with the newest international banking systems.

This was achieved through the establishment of specialized departments (Large Corporate, Syndicated Loans, SMEs, Islamic Finance, and Retail Banking - branches), as well as the new departments for financial inclusion, sustainability, entrepreneurs, and cash management.

- Represented the Bank in various local and international conferences and seminars by giving speeches and lectures.

Evaluation of the Board of Directors

The BOD employs a self-assessment system to evaluate its performance and that of its committees, measuring the commitment and effectiveness of each Board member in fulfilling their duties and responsibilities.

Board Committees

The Board is assisted in performing its duties by committees composed of members from the Board and senior Bank employees. These Committees are responsible for specific tasks and functions as defined by the CBE, Law No. 194 of 2021, and in accordance with the governance guidelines issued by the CBE in August 2011. These Committees include the Audit Committee, Risk Committee, Compensation and Ruminaton Committee, and Governance Committee.

1.The Audit Committee

The Audit Committee is one of the committees affiliated with the BOD. It consists of three non-executive Board members selected by the Board. The Committee selects a chairman from among its members and submits its minutes of meetings to the Board, either during its next session or by circulation when necessary. The Committee also prepares an annual report on its activities and recommendations, which is presented to the BOD.

Objectives of the Audit Committee:

- 1. Ensure the accuracy and clarity of the Bank’s financial statements.
- 2. Ensure the Bank’s compliance with laws and regulatory rules.
- 3. Ensure the efficiency and independence of external auditors.
- 4. Monitor the performance of the Bank’s internal audit.

2. The Risk Committee

The Risk Committee comprises three non-executive Board members and one executive member; the chairman is non-executive. The Committee may invite relevant individuals to join if needed.

The Risk Committee is dedicated to performing its expanding role and achieving its objectives, ensuring compliance with the CBE Law No. 194 of 2020 and the regulatory guidelines issued by the CBE. The Committee assists the Board in reviewing and monitoring all risks (enterprise risk management) according to the strategy and risk framework approved by the Board, ensuring effective risk management across the Bank’s branches and departments, and establishing mechanisms to ensure efficient risk management.

Objectives of the Risk Committee:

- 1. Review and make recommendations regarding policies related to the Bank’s Risk Division, including policies related to capital adequacy, liquidity management, credit and market risks, operational risks, and any other risks to which the Bank may be exposed. These are updated periodically and presented to the BOD for approval.

2. Submit recommendations to the BOD regarding all existing risk limits, updating them periodically, identifying violations of these limits, identifying their causes, and following up on compliance with corrective actions.
3. Review the report on the internal capital adequacy assessment process (ICAAP) that is sent to the CBE annually.

3. Governance and Nominations Committee

The Governance and Nominations Committee is one of the committees emerging from the Board of Directors and consists of three non-executive members.

Objectives of the Governance and Nominations Committee:

1. Establish governance standards appropriate for the size and type of operations of UB.
2. Regularly evaluate governance within the Bank and make necessary changes to the corporate governance policy and the Committee’s charter.
3. Review and consider any observations from the CBE regarding the Bank’s governance structure.
4. Review and approve the annual governance report and the Bank’s annual report before presenting them to the Board, especially the disclosure and transparency sections.
5. Address all conflicts of interest presented to the Committee and identify potential conflicts of interest.
6. Propose nominations for independent Board members.

4.Compensation and Rumination Committee

It is one of the committees emanating from the BOD and consists of four non-executive members. Preferably, its chairman should be an independent member.

Objectives of the Compensation and Rumination Committee:

1. Develop rewards policies and programs that include the total financial packages for the executive management of the Bank. These policies are approved by the BOD.
2. Annually review and make recommendations for the remuneration of non-executive Board members, including committee attendance allowances, taking into consideration their level of participation in the Board.
3. Review the market survey to evaluate the Bank’s competitive position with regard to senior managers’ financial packages to ensure the Bank can attract and retain the best and most qualified workers.

In addition to the four committees formed according to CBE regulations, UB formed two other committees to support the BOD in performing its duties: the Legal Committee and the Sharia Compliance Supervisory Board.

- Legal Committee

This committee was formed in February 2020 to oversee critical legal cases, monitor the registering of Bank assets acquired through the settlement of debts of defaulting customers, follow up on court rulings in favor of the Bank, and ensure the integrity of the Bank’s legal records.

The Committee consists of three members: two non-executive Board members and the head of the Bank Legal Division.

- **Sharia Compliance Supervisory Board**

As the Bank seeks to expand its banking activities in accordance with Islamic Sharia, it was keen to form this committee and show more support for this strategic aim. It sought to attract religious public figures who are known for their achievements in the field of religious Fatwa.

This committee consists of five members: three senior scholars in Islamic jurisprudence and two Bank staff who have extensive experience with Islamic banking products.

Building Integrity, Trust, and Cyber-security

At UB, we strictly adhere to a comprehensive set of policies and procedures designed to establish and reinforce trust in our system. These measures are instrumental in ensuring the resilience and continuity of our operations by effectively mitigating potential risks.



Compliance

UB’s compliance responsibilities extend beyond assessing the impact of external changes on the Bank’s activities. Our compliance function is dedicated to verifying the alignment of new products and procedures with the currently applicable legal environment.

The core tasks of the compliance function encompass:

- 1

Fostering a Compliance Culture:
Promoting a culture of compliance within the work environment.
- 2

Continuous Monitoring:
Continuously monitoring compliance with relevant laws and instructions from the CBE.
- 3

Promoting Responsibility:
Encouraging individual and collective responsibility for reporting illegal or unethical practices in the work area.
- 4

International Regulatory Compliance:
Ensuring the Bank’s policies and procedures regarding anti-money laundering (AML), combating terrorism, and know your customer (KYC) comply with international regulations.
- 5

Branch Implementation:
Ensuring the implementation of AML, combating terrorism, and KYC procedures across all branches.

By upholding these stringent measures, UB strives to create a secure and compliant financial environment while actively mitigating the risks associated with financial crimes.



Anti-Money Laundering

At UB, our commitment to combating financial crime is underscored by a dedicated team and a robust AML and combating terrorism policy. This Policy serves as a cornerstone in our financial control framework, aligning with the standards and recommendations set by the Financial Action Task Force (FATF). Additionally, we maintain full compliance with the Foreign Account Tax Compliance Act (FATCA).

Our adherence to KYC standards and AML measures encompasses a comprehensive customer acceptance policy and identification program. This program includes enhanced due diligence for higher-risk accounts and ongoing account monitoring to detect suspicious activities.

A key component of our AML, combating terrorism, and KYC policies is the reporting of suspicious and unusual transactions. This approach is instrumental in preventing and detecting any involvement of the Bank in criminal money laundering activities and establishing essential minimum standards for prudent risk management.

The AML Division plays a pivotal role in performing periodic and risk-based compliance testing on unusual transactions and activities in the Bank. This includes activities related to account opening, cash deposits and withdrawals, and bank transfers, among others.

It is crucial to note that The United Bank categorically rejects anonymous relationships for any purpose across all lines of business. For all banking relationships, accounts, and transactions, compliance with beneficial owner information is mandatory, including filtering names against sanction lists, following our established policies and procedures. Relations with shell banks are not permitted by our policies and procedures.



Conflict of Interest Policy

At UB, safeguarding the interests of the Bank and all parties involved is our top priority. Our conflict-of-interest policy is designed to ensure that all decision-making processes remain neutral, objective, and in harmony with ethical standards, justice, and integrity. This Policy is applied to our employees and Board members through comprehensive procedures.

For our employees, strict guidelines are in place to prevent conflicts of interest. Employees are required to refrain from situations where their personal or family interests conflict with those of the Bank or its clients.

Full disclosure of any potential conflict must be made to the Compliance Division, and prior approval, including legal consultation, if necessary, is mandatory before engaging in activities that may be deemed a potential conflict of interest. Personal or business-related financial transactions with colleagues, clients, or suppliers are strictly prohibited, as is participation in competitive activities conflicting with the Bank's interests.

Board members, in both personal and representative capacities, are prohibited from concurrently holding Board memberships in other banks or credit-granting companies. Additionally, they are not allowed to engage in any management or consultancy roles in such entities.

Board members and executives must avoid making decisions influenced by personal material or moral interests and refrain from receiving gifts or valuable items from the Bank or their relatives. They must also abstain from having a direct or indirect interest in contracts, projects,

or commitments undertaken by the Bank or others for their benefit, except with specific annual approval from the general assembly, in adherence to laws and regulations, subject to yearly renewal.

To ensure transparency, Board members, executives, and employees must complete an annual conflict-of-interest disclosure form or update it in case of any changes. All concerned parties are obligated to disclose conflicts of interest before Board and general assembly meetings.

The conflict-of-interest policy is overseen by the Board of Directors to ensure adherence to ethical standards and transparency in the Bank.

As part of this policy, all BOD members are required to sign a conflict-of-interest form, thereby affirming their commitment to disclose any potential conflicts of interest that may arise in the course of their duties.

Objectives of the Policy

- Establish rules and principles to address any potential conflicts of interest in the Bank's management.
- Develop effective frameworks for managing, organizing, and supervising any potential conflicts of interest involving the Bank's management, Board members, shareholders, and employees, including the misuse of the Bank's assets and abuse of related party transactions.
- Always work toward the benefit of the Bank, its shareholders, employees, depositors, and other stakeholders.
- Define the general framework for procedures and controls to ensure that transactions with related parties are conducted in accordance with the Central Bank of Egypt and Banking Division Law No. 194 of 2020.
- Protect the interests of the Bank and all parties dealing with it.
- Ensure all decision-making processes are neutral and objective.
- Regulate the use of the Bank's resources and assets to achieve its mission and goals.
- Maintain ethical standards, fairness, and integrity.

Areas of Conflict of Interest

- Conflicts of interest arise when the Bank intends to engage in financial or commercial transactions or make important decisions with or through a related party, including:
- Members of the Bank's BOD, any subsidiaries or sister companies, external auditors, consultants, the Bank's executive management, or their relatives up to the fourth degree.
 - Any natural or legal person who directly or indirectly holds a significant stake in the Bank or has clear control and influence over the voting results of shareholders.
 - Counterparties (credit, outsourcing, service providers) with close relations or common business interests with any decision-making employees regarding the nature of the counterparties' relationship with the Bank (e.g., a credit officer granting facilities to a client they are related to).

Policies Related to Conflict-of-Interest Management

1. Policy for reporting unlawful and unethical practices in the workplace

This has the following objectives:

- Provide a work environment with the highest standards of values and ethics by promoting the values of integrity, accountability, and transparency.
- Strengthen the mechanisms for reporting illegal or unethical practices for employees when they believe that any of them may do something that violates the Bank’s employee code of conduct, instructions, and regulations, or what is considered a crime or violation in accordance with the laws and regulations in force, by providing a safe, confidential and effective means to help them dispel any fears they may have in the event that they report such violations.
- Provide protection to the whistleblower in the event of reporting any practices that are not consistent with our Code of Professional and Ethical Conduct to help detect any illegal or unethical behavior.
- Whistleblowing is different from filing complaints in terms of the interest that the whistleblower aims to achieve, where the reporting is motivated by maintaining the public interest of the Bank, ethical standards, and professional conduct without having a personal interest. This option is available in the event of a complaint.

2. Code of Professional Conduct and Banking Ethics:

The code of conduct sets out the standards of behavior and ethics expected from all staff, including the following:

- Compliance with the relevant laws and controls.
- Work impartially and with high professional integrity to gain the confidence of customers.
- Equality of all customers without preference or discrimination.
- Work confidentially and privately with the information available to customers and the Bank.
- Commitment to a decent personal appearance in all Bank branches and departments.
- Not to send malicious or false complaints to colleagues or superiors or to accuse them of lying.
- Not to engage in political or religious discussions with colleagues in the workplace.
- Respect colleagues and superiors; deal with them professionally and respect their views.
- Deal fairly and impartially with all customers and suppliers dealing with The United Bank.
- Good treatment of inquiry and complaint applicants, with due diligence to respond to them.

- Abide by all applicable anti-bribery and corruption laws and regulations in the Bank's framework of transparency and integrity. It is the responsibility of all employees of the Bank to prevent, detect, and report bribery in any form (direct or indirect) that may be observed by them when carrying out any of the Bank's work entrusted to them.

Policy Updates

- The Compliance Division is responsible for updating the policy every two years or as needed based on banking requirements or new directives from the CBE. The Audit Committee reviews the Policy, and the BOD approves the Policy and its amendments.
- The Policy is published on the Bank's internal website for all employees to access and adhere to.



Whistleblowing Policy

At UB, we uphold a robust whistleblowing policy that extends to all employees in the Bank's sectors, branches, and departments, as well as individuals providing services to UB, including consultants, suppliers, and contracted parties.

UB actively encourages the reporting of unacceptable behavior through various communication channels including by email, telephone, and in-person interviews. The Compliance Department, overseen by the compliance officer, ensures independent, professional, and confidential reporting while safeguarding whistleblowers. If a whistleblower faces retaliatory actions or harm due to reporting, they must contact the compliance officer, who will take measures to prevent further harm and address any damage suffered.

All reports of unlawful or unethical practices are treated with the utmost confidentiality, preserving both the identity of the whistleblower and the nature of the information. In some cases, external investigation may be necessary with the involvement of relevant state authorities.

The violations and unacceptable behaviors identified in our policy include the following:

Engaging in actions that are unethical, illegal, dishonest, fraudulent, or corrupt.

Violating the code of conduct and accepted banking practices.

Manipulating product sales figures to meet targets or obtain incentives or bonuses.

Receiving compensation from any party, inside or outside the Bank, in exchange for work.

Engaging in harassment, discrimination, harm, bullying, or any form of violation.

Practicing unsafe workplace habits or causing environmental or health risks.

Engaging in practices that may result in financial or non-financial loss for the Bank or conflict with its interests.

Violating laws or instructions issued by regulatory authorities.

Concealing any of the aforementioned behaviors.

Deliberate and unauthorized disclosure of the Bank's confidential information.



Customer Rights Protection

At UB, our commitment to customer rights and protection is evident through a robust policy overseen by the Customer Rights and Protection Unit, an independent entity reporting to the chief compliance officer. This unit operates across all Bank sectors and branches, ensuring the application and monitoring of principles that safeguard customer rights per CBE regulations.

The Customer Rights and Protection Unit plays a crucial role in managing customer complaints by employing a systematic approach that includes:

Establishing a unified model for tracking customer complaints.

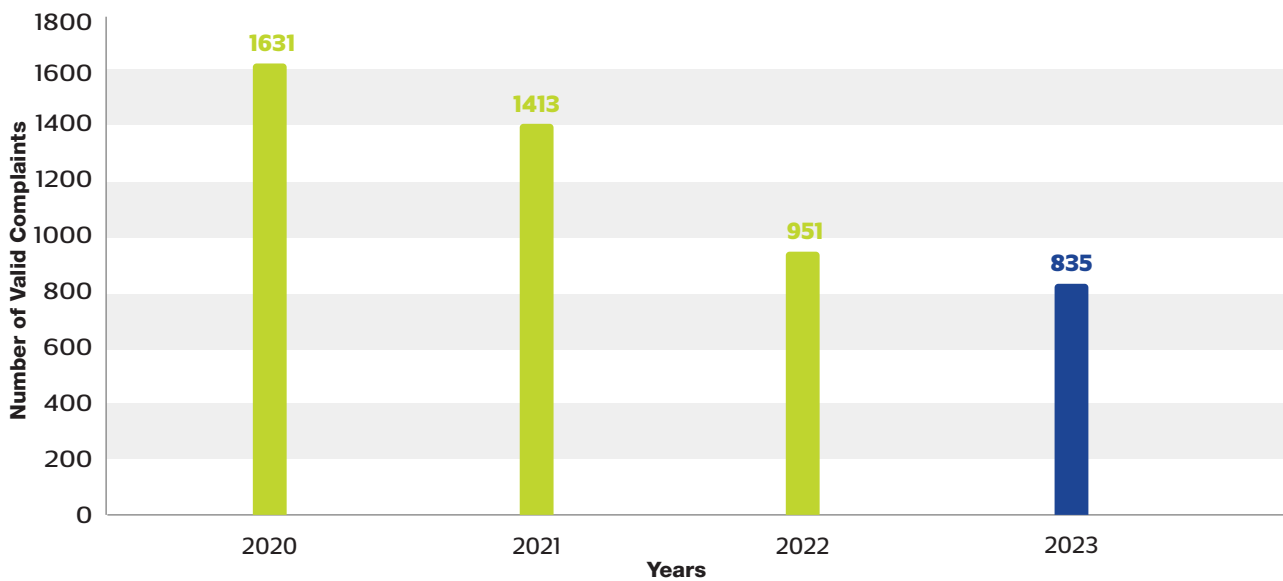
Investigating and resolving complaints in coordination with relevant departments, ensuring timely responses.

Analyzing complaint reports, identifying root causes, recommending measures, and maintaining records for at least five years.

The Customer Rights and Protection Unit upholds the highest standards of customer satisfaction, transparency, and compliance. Regular reviews and updates ensure ongoing effectiveness. Our dedicated approach is reflected in the declining number of valid complaints over time between 2020 and 2023.



FIGURE 01 | Total Number of Valid Complaints



In our pursuit of ensuring a high level of customer satisfaction and protection, the Unit is responsible for ensuring that all the Bank's sectors and branches apply the below customer rights principles per CBE regulations:

- Upholding fairness and justice principles in all customer transactions.
- Properly segmenting customers based on various criteria and addressing the financial needs of marginalized groups.
- Ensuring non-discriminatory treatment of all customers, applying principles of justice, equality, and credibility.

- Assisting customers in selecting suitable products and services transparently and professionally.
- Reviewing operational procedures, forms, and product policies to ensure full disclosure in line with CBE principles.
- Disclosing annual return rates, service terms, conditions, and banking service rates through various channels.
- Using simple and understandable language in marketing and advertising banking products.
- Disseminating financial and banking education through multiple channels.
- Ensuring mechanisms to protect customer financial and personal data by applicable laws.

The Customer Rights Protection Unit is also responsible for the following reporting tasks:

- Submitting monthly reports on customer complaints to the chief compliance officer and concerned division heads.
- Presenting quarterly reports to the chief compliance officer for review and subsequent presentation to the Audit Committee and the BOD.



Operational Efficiency through our Manuals and Procedures

One of the key roles of the Manual and Procedures Division is to ensure that the standard operating procedures (SOPs) contribute to the efficient and effective execution of operations. This division is responsible for various key functions, including researching, business process reengineering, and preparing procedures and processes for all divisions in the Bank. Additionally, it oversees the monitoring and updating of policies and regulations, designing customer application forms, reviewing contract templates, and conducting customer satisfaction surveys.

UB has defined a comprehensive range of SOPs covering various departments and functions to ensure standardized processes across the Bank. These SOPs provide detailed instructions on tasks, duties, and financial transactions after approval from concerned divisions, like the Risk, Compliance, and Legal Divisions. By adhering to these SOPs, UB ensures consistency, efficiency, and compliance with regulatory requirements and the Bank’s policies, ultimately contributing to the smooth operation of the Bank and the delivery of high-quality services to its customers.

The Regulation Division at UB operates in close collaboration with other divisions to maintain operational efficiency and regulatory compliance. SOP preparation and concurrence involve collaboration with relevant divisions to ensure comprehensive guidelines for standardized processes and activate all features of the computer system. This division reviews risk scopes with the Risk Division, ensures coordination with the Compliance Division, and seeks approval from the Legal Division to ensure the legality of all forms and procedures.

Additionally, the Division collaborates with the IT Division to activate system features. This collaborative approach, characterized by regular communication, annual updates, and proactive engagement with emerging regulatory changes, ensures alignment with regulatory requirements.

This includes regularly discussing updates in CBE regulations to enable timely amendments

to procedures and manuals. Moreover, through reviewing audit and risk reports from each division, critical areas for improvement in SOPs are identified, leading to enhanced operational efficiency and regulatory compliance across the Bank.

The Regulation Division has made significant progress based on its key performance indicators (KPIs).

The progress against the identified KPIs includes the following highlights:

- Research, Business Process Reengineering, and Preparing Procedures and Processes for Business Divisions, Central Operations Division, and Support Divisions: this area recorded a remarkable growth of 24% from 2021 to 2023.
- Monitoring and Updating Policies: there was a growth of 13%.
- Monitoring and Updating Regulations: this was 7%.
- Preparing Service Level Agreements (SLAs) and obtaining Approvals from Divisions: this was 9%.
- Preparing Client Application Forms and Contracts: this was 2.6%.

The Regulation Division sends satisfaction questionnaires to all divisions to collect their opinions on the efficiency, effectiveness, and clarity of SOPs, including their impact on performance accuracy and speed. The findings are considered when updating SOPs. This process highlights the Division’s commitment to continuous improvement and adherence to high standards.

Recognizing the need for continuous improvement, the Division has introduced new KPIs to further streamline processes. Initiatives such as simplifying information and enhancing control measures demonstrate UB’s commitment to efficiency and risk management.

In managing policies, procedures, and manuals, the Regulation Division adheres to a structured process to maintain accuracy, integrity, and accessibility. This process involves meticulous preparation and presentation of manuals, followed by a rigorous approval process involving the Compliance, Risk, and InfoSec Departments. The circulation of finalized processes to all staff via email and uploading onto the UB portal ensures widespread accessibility. Utilizing the Laserfiche system for document storage further enhances accessibility while maintaining document integrity. All manuals and documentation are readily accessible to employees through the UB portal.

The Regulation Division employs robust monitoring and reporting mechanisms to track the progress of procedures and ensure compliance. Annual update plans and quarterly reports are prepared, providing insights to the BOD and enabling strategic decision-making.

Sustainability Practices and Regulatory Alignment

In alignment with sustainability goals and regulatory standards, the Regulation Division implements various measures to minimize environmental effects and promote efficiency. By reducing paper usage, embracing electronic documentation, and engaging stakeholders through digital platforms, UB demonstrates its commitment to sustainability. Additionally, feedback from the Sustainability and Sustainable Finance Department and reports from the internal audit contribute to continuous improvement in sustainability practices and regulatory alignment.



Audit

The Internal Audit Division at UB is tasked with ensuring the efficiency of internal controls and adherence to regulatory requirements. Its responsibilities encompass conducting regular assessments, identifying risks, and implementing measures to mitigate them.

This Division monitors compliance with policies, procedures, and regulations, investigates instances of non-compliance and fraud, and recommends corrective actions as necessary.

Additionally, it provides guidance and training to employees on internal control procedures and reports its findings to management for improvement.

In determining the scope and frequency of internal control assessments, various factors are considered, such as risk levels, regulatory mandates, and the complexity of business processes.

Audit planning criteria include transaction volumes, historical deficiencies, policy existence, and risk levels. UB employs a structured audit methodology that includes audit planning, risk assessment, audit program establishment, fieldwork execution, communication with auditees, and comprehensive reporting of findings. Independence and objectivity are maintained by reporting directly to the Audit Committee and adhering to established policies and charters.

The Internal Audit conducts an annual review of SOPs, policies, and the internal audit charter to ensure compliance with the latest international internal audit standards (IIAS) set by the Institute of Internal Auditors (IIA). All updates and amendments are approved by the Bank's Internal Audit Committee.

In accordance with CBE instructions from July 29, 2017, regarding the implementation of Standard No. 1312 of the International Standards for the Professional Practice of Internal Auditing issued by the IIA, the Division conducted the 2023 evaluation in collaboration with an external quality assurance entity and received the evaluation "Generally conformed with IIA standards". The Internal Audit Division follows a three-year audit plan that is reviewed annually by the Internal Audit Committee for necessary adjustments.

The current audit plan will end in 2024, with 98% of the approved audit plan for 2023 already executed. Referring to CBE instructions dated August 4, 2022, the Division prepared the 2023 report on applying internal controls, guided by the CoCo Committee and using the CoCo criteria of control framework which was originally developed by the Canadian Institute of Chartered Accountants (CICA) and now recognized as an international standard as of 2023.

This Report was approved by the Internal Audit Committee and submitted to the Bank's auditors. Considering CBE instructions issued on September 2, 2021, regarding the preparation of a



recovery plan, the Division reviewed the 2023 recovery plan, which was presented to and approved by the Audit and other BOD Committees.

Regular risk assessments, staying informed about industry trends, continuous training, leveraging data analytics, and maintaining open communication with stakeholders are key focuses to ensure we address emerging risks.

Anticipated challenges include technology risks, cybersecurity concerns, regulatory changes, remote audit effectiveness, and economic uncertainties, which are also taken into consideration.

In most cases, to enhance operational efficiency and ensure regulatory compliance, some of the recommendations cover areas such as employee training programs, compliance with regulatory changes, and disaster recovery planning.

Mechanisms for tracking and verifying the implementation of audit recommendations include clear communication, action plans, systematic follow-up, management involvement, and documented evidence. Overdue issues are escalated to top management and the Audit Committee for resolution.

Collaboration with external auditors and regulatory bodies involves sharing information, coordinating audit plans, addressing inquiries promptly, and ensuring transparency. Interactions with regulators are characterized by open communication, staying informed about regulatory changes, establishing strong relationships, and adhering to auditing standards to ensure compliance.



Electronic Litigation via UB’s Legal Office

Recognizing the need to streamline legal operations and champion sustainable practices, UB has embarked on an innovative journey toward electronic litigation.

This initiative represents a transformative shift in how legal proceedings are conducted, leveraging cutting-edge technology and strategic partnerships to overcome traditional challenges and achieve greater efficiency, cost-effectiveness, and environmental sustainability.

This initiative lies in a commitment to develop the way legal procedures are executed, addressing key issues such as time wastage, legal procedure delays, high paper consumption, transportation costs, and the impact on individual well-being.

By embracing digital transformation and fostering collaboration with key stakeholders, including the Egyptian Ministry of Justice and academic institutions like Ain Shams University, UB is not only enhancing its internal processes but also contributing to doing so externally.

This includes holding free workshops and training courses conducted by UB to share its expertise on implementing the electronic litigation system in collaboration with Ain Shams University, the Bar Association, and the Egyptian Association for Political Economy, Statistics and Legislation.

UB's proactive approach to electronic litigation encompasses a series of strategic initiatives:

1

Collaboration with the Egyptian Ministry of Justice: By registering the Bank as the inaugural member in the economic court portal, the Bank establishes a pioneering presence in digital legal proceedings.

2

Implementation of Electronic Signatures: Partnering with licensed companies to facilitate electronic signatures for lawyers enhances security and expedites document processing.

3

Establishment of an Electronic Litigation Unit: Through digital transformation, the Bank modernizes the legal sector, paving the way for efficient, paperless workflows.

4

Training Programs and Academic Partnerships: An integrated training program for lawyers, in collaboration with Ain Shams University's Faculty of Law, ensures widespread adoption and proficiency in electronic litigation methods.

5

Comprehensive Digitalization: From case filing to attending sessions and final judgments, all procedures are seamlessly conducted through the court's website, eliminating queues and waiting times.

The benefits and impacts of electronic litigation include:

- Saving Time and Enhancing Efficiency:** By avoiding traditional bottlenecks, electronic litigation accelerates legal procedures, enabling swift resolution of cases.
- Environmental Efforts:** The transition to paperless operations not only reduces paper consumption and pollution but also conserves natural resources and protects water sources.
- Cost Reduction:** Elimination of transportation costs and decreased reliance on printers translate into substantial financial savings for the Bank and its employees.
- Improving Health and Well-Being:** Minimized exposure to stressful court environments and reduced time constraints contribute to enhanced physical and mental well-being among employees.



Cybersecurity: Fortifying Governance and Trust

The importance of cybersecurity in the financial sector cannot be overstated. As cyber threats grow more sophisticated, robust cybersecurity measures become critical to ensure the protection of sensitive data and maintain trust in banking systems. UB recognizes this imperative and has positioned cybersecurity at the heart of its governance framework.

Our strategic approach to cybersecurity encompasses a blend of international certifications, strong employee awareness campaigns, and adherence to global best practices, each designed to fortify our defenses and safeguard our stakeholders.

UB has adopted security policies, procedures, and standards in line with national and international security standards and benchmarks such as PCI-DSS, ISO27001, NIST, and COBIT, ensuring comprehensive protection for all stakeholders. These frameworks are crucial for safeguarding stakeholders through various models, processes, and technological solutions designed to analyze and mitigate risk scenarios.

The Bank has updated guidelines clarifying the roles and responsibilities of corporate structures in cybersecurity and incident handling, involving the BOD and the Training and Development Departments. Emphasis is placed



on raising employee cybersecurity awareness, ensuring compliance, and maintaining robust cybersecurity measures.

In response to the rapidly evolving cyber threat landscape, UB’s cybersecurity strategy focuses on customer protection, banking security, and compliance with cyber regulations. This strategy, central to the Cyber 2023–2025 Business Plan, aims to enhance digital trust with UB customers. The Cybersecurity Resilience program focuses on tools, technology, procedures, processes, and human resources. This program has significantly boosted UB’s cybersecurity posture, ensuring that critical systems and operations remain robust and resilient against emerging threats.

Strengthening Cybersecurity Measures

To enhance our defense against cyber threats, UB has updated security measures across the lifecycle of its systems and applications. This ensures continuous adherence to information security pillars throughout the designing, development, testing, production deployment, and disposal phases. The Security Operation Center’s activities and workflows, including technical security tests and phishing analysis, have been documented and updated to ensure a robust response to cybersecurity incidents.

Identifying and Mitigating Cybersecurity Risks

UB employs solidified measures for configuration and change management, ensuring robust controls for managing and monitoring configurations and changes, as well as asset registration. Utilizing the latest technologies, UB safeguards its infrastructure from known cyberattacks, including zero-day attacks. Regular updates to the Security Operation Center’s activities enhance the Bank’s ability to respond to and mitigate cyber threats effectively.

Strategic Response to Digital Challenges

UB addresses digital challenges by adhering to high-security standards required for SWIFT communication and implementing PCI-DSS standards. These measures ensure secure financial transactions and validate the security readiness of UB’s infrastructure. The Bank’s incident response process and crisis management model have been enhanced to manage system fraud scenarios, emphasizing rules for mitigating fraud risks.

UB uses various advanced systems and technologies as a layered defense against cyber threats, complemented by comprehensive disaster recovery plans (DRPs) and business continuity management (BCM) plans tested periodically. These technologies ensure robust protection and quick recovery from potential cyber incidents.

Employee Training and Awareness of Information Security

UB obtained the PCI-DSS certificate in July 2023 and conducts a comprehensive annual information security awareness program. Updated guidance for users on protecting the Bank’s information assets, including safe internet browsing, secure document management, and the use of technology tools, reinforces these measures.

Risk Management

Risk Governance

The BOD has ultimate responsibility for the Bank's strategy, governance, risk management, compliance, and financial soundness. The Board's designated Risk Management Committee has continuous oversight of risk management to ensure effective risk governance. The Committee establishes risk limits and effective control procedures for each type of risk.

The CBE has directed that the risk management function should be independent from other banking functions. Adequate separation of responsibilities is an integral element of effective risk management.

UB has established risk identification, measurement, monitoring, and control functions that have clearly defined responsibilities and are sufficiently independent of the risk-taking functions of the Bank. It is noted that there has been no significant risks identified through the risk assessment. Moreover, there has been no corruption incident reported related to operational risk during 2023.



Risk Management

The Bank's risks are determined through a risk management framework designed to provide ongoing analysis of our business context and risk assessments to identify potential sources of risk.

The probability of risk events is calculated as their potential impact on our business, and their ranking depends on the material priority. UB also has in place a robust governance structure to ensure effective risk management, anticipate risks, and take necessary proactive measures to minimize such risks.

Enterprise Risk Management Framework

Risk management lies at the heart of all UB's operations. The enterprise risk management framework (ERMF) enables UB to identify, measure, manage, and control risks in addition to relating the same with capital requirements to ensure sustainable capital adequacy.

Risk Appetite Framework

The Bank's risk appetite framework (RAF) is an integral component of the risk management framework and is embedded in the Bank's strategy and operating plans. The RAF establishes an overall approach through which the Bank ensures prudent risk-taking.

Strategic risk objectives, containing a full suite of risk appetite metrics and qualitative statements, are defined in the RAF for different risk types and monitored regularly by the oversight of the Risk Committee and the BOD .

The Bank also expresses risk appetite qualitatively in terms of policies, processes, procedures, and controls meant to manage risks that may or may not be quantifiable. Specific policies have been developed for all types of risks.

The risk profile, risk appetite, and risk exposure are reported regularly to the Board of Directors through the Risk Committee and reviewed periodically.

Capital Management Framework

The overarching purpose of the capital management framework is to ensure a strong capital base for the Bank. Effective capital management facilitates value creation for shareholders within the established risk appetite.

The Bank sets measurable capital targets to provide the foundation for maintaining its strong solvency position. UB's ICAAP links the Bank's strategy, future business plans, and related risks.

The Bank maintains an ICAAP to ensure the measurement and reporting of all material risks. In addition, the Risk Division periodically presents capital-related reports to the Risk Committee and the BOD , providing a comprehensive view of risks in relation to capital.

Stress Testing Framework

The Bank has adopted a holistic approach toward stress testing that aims to capture all exceptional but plausible events in the scenario selection process. The stress testing framework sets out the core principles and objectives for managing and conducting stress tests in the Bank.

UB relies on a set of frameworks and policies in conjunction with the RMF to manage stress testing. The Risk Committee and the BOD oversee the stress testing program.



Economic Landscape: Conventional and Islamic Banking Solutions

- Investment
- Corporate Banking
- Small and Medium Enterprises
- Microfinance
- Retail

Investment

The Investment Division of UB plays a key role in maximizing the Bank’s value and profits by strategically managing investments in various financial instruments, including debt, equity, and funds. This responsibility is aligned with UB’s investment policy, which outlines the framework for investment activities, including a list of prohibited investments. According to the Bank’s investment policy, the Bank may not invest in:

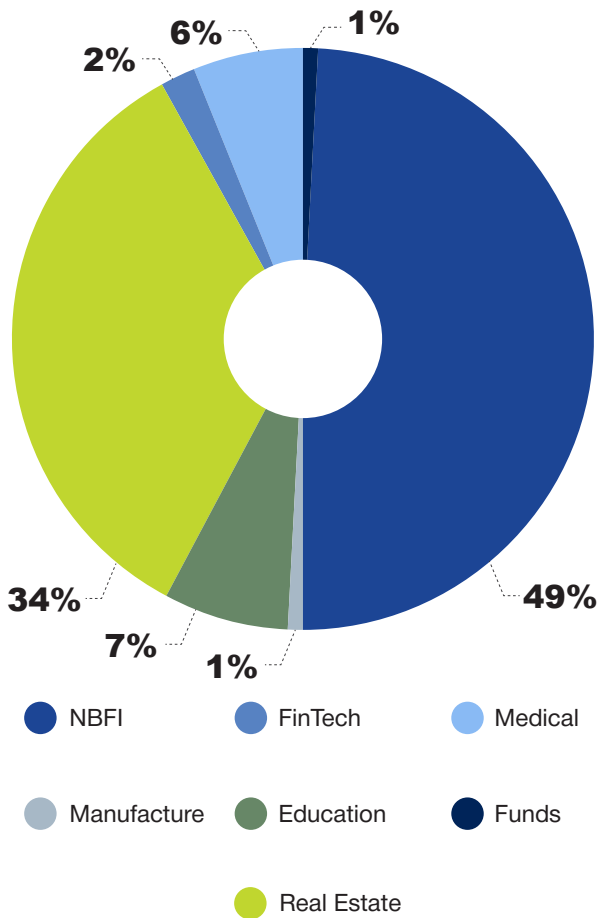
- Production or trade involving weapons and munitions.
- Entities engaged in the production or trade of alcoholic beverages.
- Production or trade of radioactive materials.
- Production, trade, storage, or transport of significant volumes of hazardous chemicals.
- Production or activities involving harmful or exploitative forms of forced labor or child labor.

Any other securities not permitted by the Bank’s investment policy or involving products or activities deemed illegal under Egyptian laws or regulations are also strictly prohibited. However, restricted products may be traded with appropriate approval from the Board, contingent upon considerations of risk appetite and available infrastructure. This adherence to ethical and legal standards ensures that UB’s investments contribute positively to societal well-being along with financial gains.

Over the past year, investment at UB showed significant growth, with total revenue increasing by an impressive 40% from 2022 to 2023. This growth underscores the Investment Division’s effectiveness in achieving its objectives and contributing to the Bank’s overall success.

The Investment Division is committed to seizing promising investment opportunities after conducting thorough feasibility studies. By carefully evaluating potential investments, UB aims to diversify its portfolio and maximize returns. This comprehensive approach ensures that UB’s investments align with its strategic goals and risk appetite.

FIGURE 02 | UB Investment Portfolio in 2023



Portfolio Management

To optimize the performance of UB's investment portfolio, the Investment Division has implemented several strategic initiatives:

- Review and Clean-up of Investee Companies:** The Division conducted a thorough review of investee companies to assess their performance and viability.
- Division Revamping:** The Division was revamped by incorporating advanced tools and methodologies. This includes the adoption of Moody's Analytics Module for financial assessment and monitoring and the appointment of consultancy firms to assist in articulating a new investment policy aligned with international best practices. Additionally, a new investment limits framework was issued to guide investment decisions, and an independent financial advisor was appointed for periodic portfolio valuation.



Strategic and Sustainable Investments

As part of UB's commitment to making strategic and sustainable investments, the Bank has focused on supporting key sectors such as education, small and medium enterprises (SMEs), and electronic payments:

- Investment in Education:** UB recognizes the importance of investing in the education sector to support the development of a skilled workforce and foster economic growth. Investments in education aim to bridge the gap between the number of schools and students, providing them with a nurturing environment to reach their full potential.
- Support for SMEs:** UB's investment efforts extend to supporting SMEs, aiming to create job opportunities and contribute to GDP growth. By investing in SMEs, UB seeks to stimulate economic development and sustainable growth.
- Electronic Payments:** UB invested in electronic payments to support governmental strategies of financial inclusion and enhance UB banking products and services.

Corporate Banking

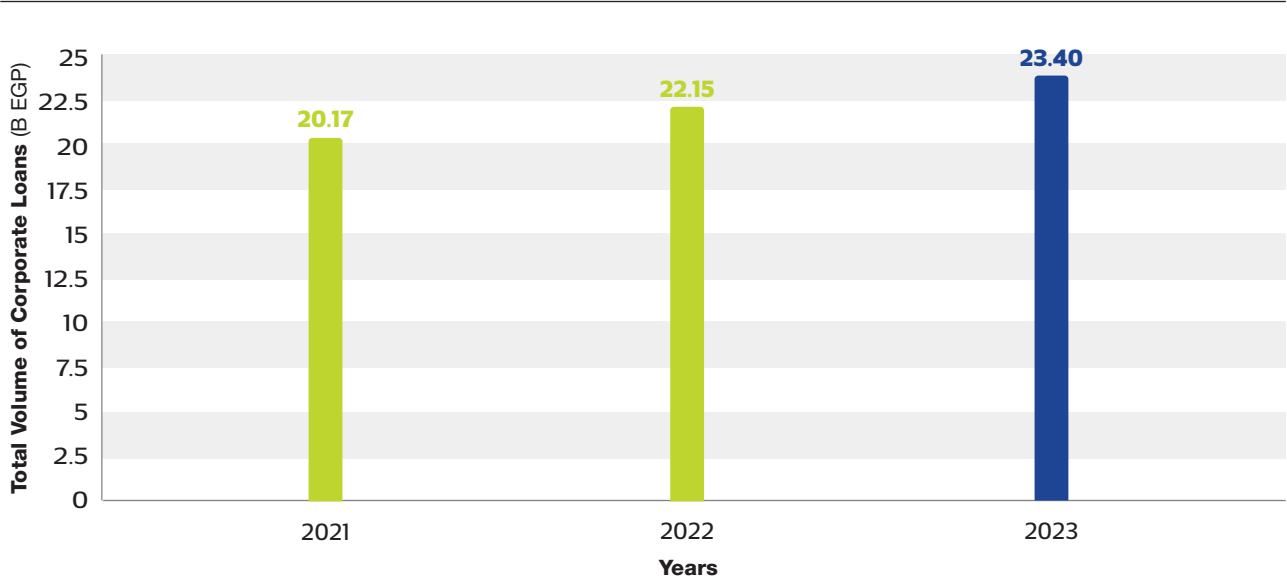
We have strategically positioned our Corporate Division as a prominent business line in our Bank, with a strong focus on contributing to our country’s development by supporting corporations in both public and private sectors.

Our extensive reach encompasses a wide array of industries, including petroleum extraction, natural gas, petroleum refining, manufacturing, electricity, water supply, food and beverage, wholesale and retail trade, construction, pharmaceuticals, chemicals, and plant products. We achieved a remarkable 38.6% growth in our lending portfolio between 2021 and 2023.

We are dedicated to serving a diverse range of clients, including large, small, and medium corporations. Our Corporate Division strives for excellence by tailoring services to meet each client’s unique financial needs. We achieve this through a well-designed process and a variety of products that address different aspects of corporate financial management. This includes providing corporate lending solutions like direct lending, trade finance, advisory, and syndication.

Corporate banking experienced significant and remarkable growth from 2016 to 2023, with the total portfolio volume increasing from EGP 11.10B in 2016 to EGP 23.40B in 2023. This consistent upward trajectory over the years reflects UB’s sustained progress in expanding the corporate banking portfolio.

FIGURE 03 | Total Volume of Corporate Portfolio



Corporate Banking Segments

The corporate banking segments served by UB encompass a diverse array of sectors and industries, each playing a key role in the economy. These include:

- Petroleum Extraction, Natural Gas, and Manufacture of Petroleum Refining Products:** These industries cover activities related to the exploration, extraction, and refining of petroleum and natural gas, including the manufacturing of petroleum refining products. UB provides financial services tailored to the unique needs and challenges of businesses operating in these energy-intensive industries.

- Manufacturing and Food and Beverage:** UB extends its corporate banking services to firms engaged in manufacturing and the food and beverage industry, supporting their growth and risk management strategies. Whether it is providing working capital financing or facilitating strategic investments, UB offers comprehensive financial solutions to meet the diverse needs of clients from these sectors.
- Electricity, Gas, and Water Supply:** These sectors encompass entities involved in the generation, distribution, and supply of utilities essential for daily life and industrial operations. UB collaborates with businesses in these sectors to finance infrastructure projects, upgrade facilities, and optimize operational efficiency.
- Food Products, Beverages, and Animal Feed:** UB recognizes the importance of the food and beverage industry in providing essential consumer goods. From food processing to beverage manufacturing and animal feed production, UB offers financial services to support businesses in this industry, including investment in technology, expansion projects, and working capital management.
- Trading:** This sector plays a vital role in the distribution and sale of goods to consumers. UB provides corporate banking solutions to wholesalers, retailers, and businesses involved in repair and maintenance services, helping them optimize inventory management, expand market reach, and enhance customer experience.
- Construction of Specialized Engineering Projects and Construction of Roads, Utilities, and Sewage:** UB supports businesses engaged in construction, including specialized engineering projects, road infrastructure development, and utilities and sewage construction. Whether it is project financing, equipment leasing, or performance guarantees, UB offers tailored financial solutions to facilitate the completion of infrastructure projects.
- Pharmaceutical, Chemical, Pharmaceutical, and Plant Products:** UB serves businesses operating in the pharmaceutical, chemical, and plant products industries, providing financing for research and development, manufacturing facilities, regulatory compliance, and market expansion.

Mega Projects and Syndicated Loans:

UB plays a key role in driving economic growth and development by actively participating in mega projects and syndicated loans. These initiatives represent significant endeavors aimed at propelling key sectors forward, fostering innovation, creating employment opportunities, and ultimately contributing to national prosperity. The syndicated loans portfolio stands at EGP 5.641B as of 2023.

Islamic Corporate Banking and Finance

Islamic corporate banking and finance, a key part of the Corporate Banking Division, offers a wide array of Sharia-compliant solutions and services. In 2021, we introduced and developed Ijara finance as one of our key innovative Islamic corporate solutions, reflecting our commitment to providing modern, ethical financial products. By 2023, the Ijara finance portfolio had grown to EGP 320M, showcasing its success and client adoption.

UB offers a comprehensive range of Islamic corporate solutions, including:

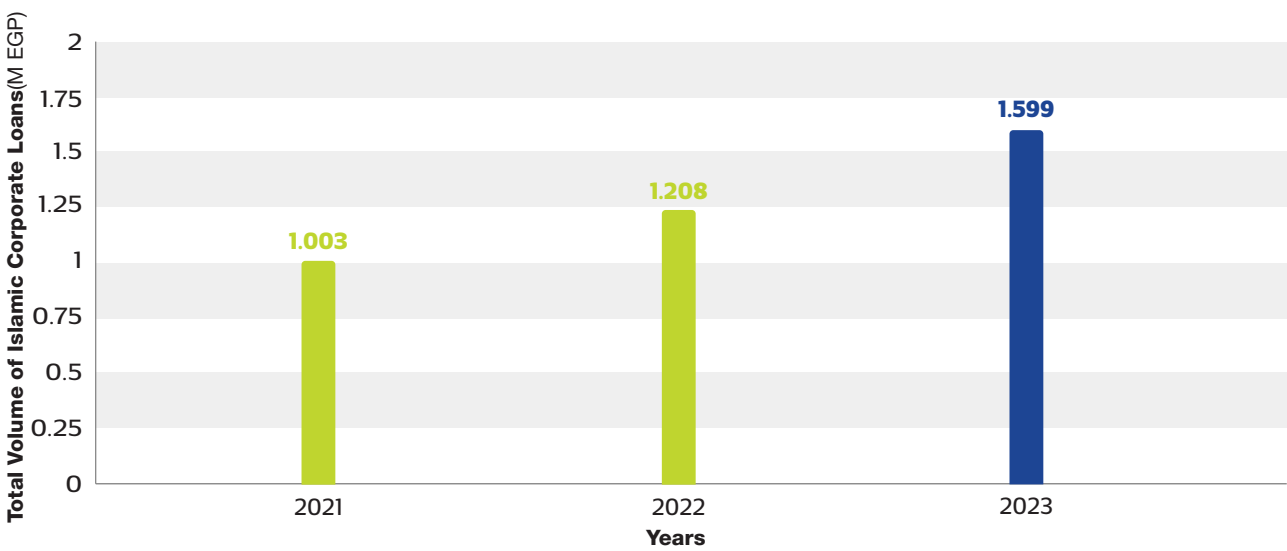
- Murabaha Finance
- Ijara Finance: Islamic leasing where the Bank purchases an asset and leases it to the client for an agreed rental fee.
- Mudaraba Finance
- Trade Finance Services
- Islamic Deposits: Mudaraba and Wakala investments.

The facility structure is built on the following core principles:

- **Asset-Backed Financing:** Transactions are tied to tangible underlying assets.
- **Risk Sharing:** Risks and rewards are shared between the Bank and the client.
- **Prohibition of Interest:** Instead of charging interest, we apply profit or rental payments, fully aligning with Islamic principles.
- **Ethical Investing:** Financing is strictly limited to Sharia-compliant business activities, ensuring all investments adhere to ethical standards.

Islamic corporate banking has experienced significant growth, with the portfolio increasing by 59% between 2021 and 2023. In 2021, the portfolio was valued at EGP 1.003M; this increased to EGP 1.599M by 2023, reflecting a growth of EGP 595,768K.

FIGURE 04 | Total Volume of Islamic Corporate Loans



Commercial Banking

Commercial Banking is a dedicated UB department within the Corporate Banking Division that caters to a clientele with sales volumes of EGP 200M–500M. This department’s responsibilities include driving the business plan and ensuring alignment with the Bank’s overarching strategy, adhering to policies and procedures, and meeting the annual budgets set by the chief business officer. It is also responsible for expanding the client base, boosting commissions and trade finance business volume, expediting service delivery, and ensuring compliance with SLAs with other departments. Its efforts contribute to sustainable and continuous growth in the lending portfolio in alignment with UB’s corporate banking strategy and risk matrix, simultaneously maximizing the Bank’s profitability and maintaining a healthy portfolio.

In 2023, the Commercial Banking loan portfolio amounted to EGP 2.21B. The portfolio is strategically diversified, encompassing clients from various sectors and segments including industrial, trading, financial institutions, services, and contracting.

In terms of Commercial Banking strengths, UB boasts a strategic geographical presence in various industrial areas, managing corporate hubs in Cairo in the 6th of October, the 10th of Ramadan, Mansoura, and Menya. This extensive footprint enhances accessibility to new prospective clients and ensures superior service for existing ones, providing UB with a competitive advantage over many competitors that maintain centralized commercial banking at their Cairo headquarters only.

In the face of economic instability, high interest rates hindering corporate finance and economic growth, and the risk of foreign currency squeeze impacting trade business volume and commissions, Commercial Banking demonstrated resilience. Despite these challenges, the department achieved an impressive 156.9% growth in its lending portfolio between 2021 and 2023. This expansion played a crucial role in maximizing UB’s profits, highlighting the department’s ability to navigate challenges and achieve sustained growth.



UB employs various strategies, including:

- **Time to Yes and Time to Cash:** The credit policy, SLAs, and regular Credit Committee meetings facilitate quick and accurate lending decisions.
- **Incentives:** Quarterly incentives are offered to employees who exceed targets.
- **Cross-Selling:** Referrals from branches and other corporate units encourage cross-selling, and employees undergo training to enhance their sales and cross-selling skills.
- **Cost of Credit, Fees, and Commissions:** Support in this area is on a case-by-case basis and decided by the Credit Committee, which may grant specific clients some discounts on UB tariffs, fees, and commissions to maintain competitiveness in the market.

Continuous Learning and Development

UB consistently fosters continuous learning and enhances the skills and expertise of its employees. This commitment is evident through strategic initiatives aimed at employee development in the Commercial Banking Department, including but not limited to the following.

2021 and 2023

Credit Courses: To catalyze the technical progress of the Commercial Department and enhance business performance, a credit course provided by ESLSCA Business School was provided to Commercial Banking employees in 2021 and 2023.

2022

Future Leaders Program: To prepare a second line of management, the Future Leaders Program was provided to some of the Department’s employees as part of their career development path. The program was provided by the Egyptian Banking Institute (EBI) and Institut d’Etudis Financers.

2023

Strengthening Access to Finance for Agribusinesses in Egypt Initiative: In 2023, the Bank maintained its commitment to learning and growth with the Strengthening Access to Finance for Agribusinesses in Egypt initiative. Facilitated by GIZ and the Frankfurt School of Finance and Management, this initiative aligns with the Bank’s strategy to increase its portion of sustainable finance. This training program aims to drive technical progress and contribute to the attainment of the Bank’s strategic objectives.

2024

Future Leaders Program: To prepare a second line of management and develop employees’ career paths, one of the Departments employees joined the Future Leaders Program in 2024. The program is provided by the EBI and other well-known international institutions, which is decided upon starting the international program.

The Commercial Banking Division's digital transformation journey is considered excellent and in alignment with UB's strategic goals to empower our team to reach their targets. In this regard, the Division implemented various digital tools and processes, including:

1

Workflow System Launch: In the fourth quarter of 2021, the Laserfiche workflow system was introduced as a key digitalization initiative. This system streamlines the credit process by fostering collaboration between different divisions, the Corporate and Credit Risk Committees, and CAD. It significantly reduced turnaround time (TAT) and minimized reliance on paper printing.

2

Operational Processes: UB continues to optimize its internal workflow system to enhance credit process efficiency, guide clients toward UB online banking for streamlined services, and implement soft archiving practices for the efficient management of client requests and files.

The Commercial Banking Division maintains a robust risk management approach as a result of its digital transformation, avoiding internal risks by extensively testing the Laserfiche platform before launch and by providing related staff training. External risks are managed by preparing clients for the digital shift through UB online banking team training and continuous support to address emerging issues.



Guiding our Clients Beyond Financial Services

Our responsibilities include the education, training, and provision of advisory services to our clients, ensuring that they are well-informed and empowered in their financial decisions. This comprehensive approach reflects our commitment to delivering value, fostering client success, and driving the growth and excellence of the Bank.

We have gone beyond traditional financial services by training some of our clients’ CFOs and Treasury managers on trade finance products, especially letters of credits, equipping them with the knowledge and expertise to leverage these instruments effectively.

Additionally, we actively engage with our clients in discussions on published economic reports, leveraging our expertise to help them make informed and positive business decisions. This advisory service further demonstrates our dedication to empowering our clients and contributing to their long-term success.



In alignment with the Bank’s commitment to environmental efforts, UB actively champions green finance initiatives, channeling efforts into different key strategies. For instance, the Bank actively participates in syndications that endorse and support sustainable development projects. This involvement not only underlines UB’s dedication to fostering eco-friendly practices but also contributes to the broader goal of promoting a sustainable and resilient economy.

UB’s Corporate E-Channels

At UB, our Corporate E-Channels Department is the cornerstone of our commitment to digital banking solutions. The Division analyzes ongoing enhancements and directs new e-channel initiatives to ensure that UB remains at the forefront of innovation. Through user acceptance testing and implementation processes, UB guarantees seamless execution, ensuring optimized cash positions for our customers and effective management of cash flows.

Our dedication to excellence is evident in our KPIs, which focus on increasing profitability, transaction volume, and transaction numbers. We saw a significant increase in both transaction numbers and volume from 2022 to 2023. Transaction numbers increased from 50M to 63M,

marking a growth rate of 26%. Transaction volume increased from 17B to 22B in 2023, representing a growth rate of 30%. Furthermore, our commitment to enhancing profitability is demonstrated by the remarkable 45% increase in the profitability of our e-channels from 2022 to 2023.

We have also introduced new KPIs to monitor our strategic objectives:

- Cross-Selling for Existing Customers:** This KPI focuses on promoting all active e-payment services to existing and non-subscribed customers. By enhancing the visibility and accessibility of our digital services, we aim to increase adoption and usage among our current customer base.
- Number of New Customers:** This KPI emphasizes the importance of acquiring new customers through coordinated efforts with relationship managers and branch managers.

By marketing all services provided, including our digital services, to new customers, we aim to expand our customer base and drive growth.

Our approach to growth extends beyond functionality as we proactively identify and seize business development opportunities, aiming to expand our digital footprint and drive the adoption of our digital services and products.

Collaboration is key: we work hand in hand with various divisions and external stakeholders to tailor solutions that cater to the diverse needs of our customer base.

In managing client support processes, documentation, communication, and control related to e-channel information delivery, professionalism and customer satisfaction are our guiding principles.

UB aims to deliver excellence at every touchpoint, ensuring that all client segments receive the services they need.

Project management is another key function of the Division. From defining business requirements to testing, error reporting and verification, and training, we aim for continuous improvement.

Through these efforts, we strive to enhance the ongoing development of our e-channels, driving value and growth for UB and our customers.

Digital transformation presents a growth opportunity by using new technologies to increase competitive edge. Conversely, economic reform poses risks; delays in economic reforms negatively affect digital transformation.

Understanding this dynamic, we remain committed to leveraging technological advancements while advocating for timely economic reforms to ensure seamless progress.

In 2023, our commitment to innovation and excellence was recognized through the completion of the Innovator Program by the Center for Finance, Technology and Entrepreneurship.

This certification, which requires extensive experience in the banking sector and the field of digital payments, highlights our team’s expertise and dedication to staying at the cutting edge of financial technology.

Small and Medium Enterprises

Our SMEs team plays a crucial role in driving the expansion of SMEs business at UB. We aim to foster the growth of assets and liabilities, ensure compliance with the CBE’s 25% MSMEs mandate, and maintain high portfolio quality while managing non-performing loan ratios. Our responsibility extends to launching innovative products tailored to SMEs’ needs, closely monitoring their performance, and spearheading new initiatives to bolster the growth of the SMEs assets book.

To achieve these objectives, UB has formulated a comprehensive SMEs roadmap. This strategy is built on four main pillars:



SMEs Overview

It is worth mentioning that the SMEs segment faced various external challenges that threatened the expansion of the SMEs assets portfolio.

This includes the rise in interest rates by 11% in 2022–2023, which led to a decrease in utilization by existing clients and hindered efforts to attract new customers.

The cancellation of the CBE initiative offering 8% interest for medium enterprises affected clients’ willingness to expand their businesses and seek lending from banks.

The scarcity of foreign currency and the devaluation of the Egyptian pound further exacerbated these issues, affecting SMEs’ sales growth and their ability to import raw materials.

In line with CBE mandates, the SMEs classification of companies is still capped at an annual sales turnover of EGP 200M.

Thus, any company with an annual turnover exceeding EGP 200M at the fiscal year-end is re-classified as a large corporation, affecting the SMEs asset balance sheet.

While this classification hinders SMEs assets growth, it offers opportunities to increase lending to large corporate clients and establish UB as the Bank of choice for these clients.

Despite all the above challenges, a remarkable growth rate was achieved in SMEs lending.

The KPI monitoring the progress toward the CBE’s 25% target indicates continuous improvement, standing at 14.11% in December 2021 and increasing to 15.56% in December 2023, representing a growth of 1.45%.

It is worth noting that this growth was impacted by upgrades of existing facilities and write-offs of the legacy portfolio totaling EGP 582M.

Notably, UB’s MSMEs business reached its highest-ever percentage at 17.16% in April 2023. Excluding the impact of upgrades and write-offs, SMEs CBE 25% stands at 19.52%, highlighting our commitment to fulfilling regulatory requirements and supporting SMEs’ growth endeavors.

The results of our ongoing efforts are evident in the dynamic nature of our SMEs portfolio.

Below are snapshots showing the growth and expansion in both the total volume and client base of our SMEs portfolio, along with our commitment to gender equality and the equitable geographical distribution of our services.

It is worth reiterating that the medium and small segments’ growth rates are impacted by the annual upgrades of clients from small to medium and from medium to large corporations based on their annual sales turnover.

In 2023, UB’s total volume of SMEs loans was EGP 2.062M with a diverse portfolio with loans distributed across various sectors including, agriculture, services, and trade.

This strategic diversification underscores the Bank’s commitment to supporting different sectors of the economy, thereby contributing to the cultivation of a resilient and robust economic landscape.

FIGURE 05 | Total Volume of Small Enterprises Loans by Sector in 2023

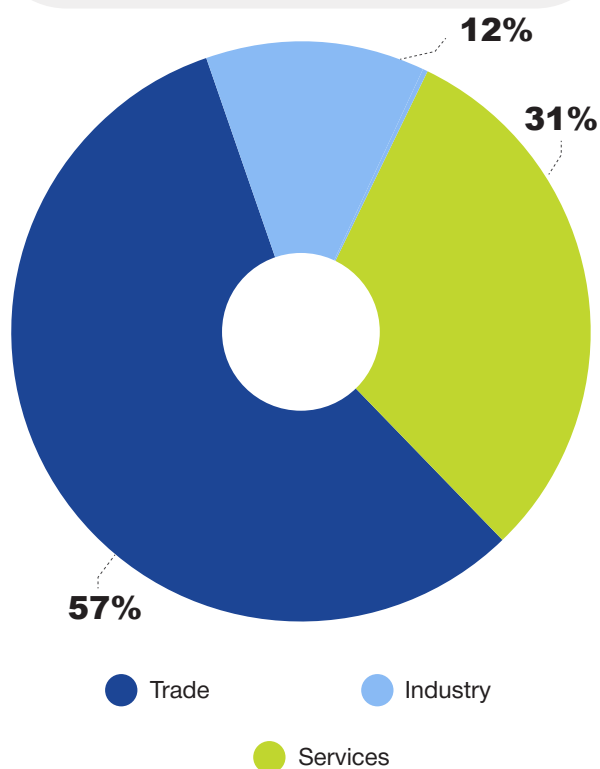
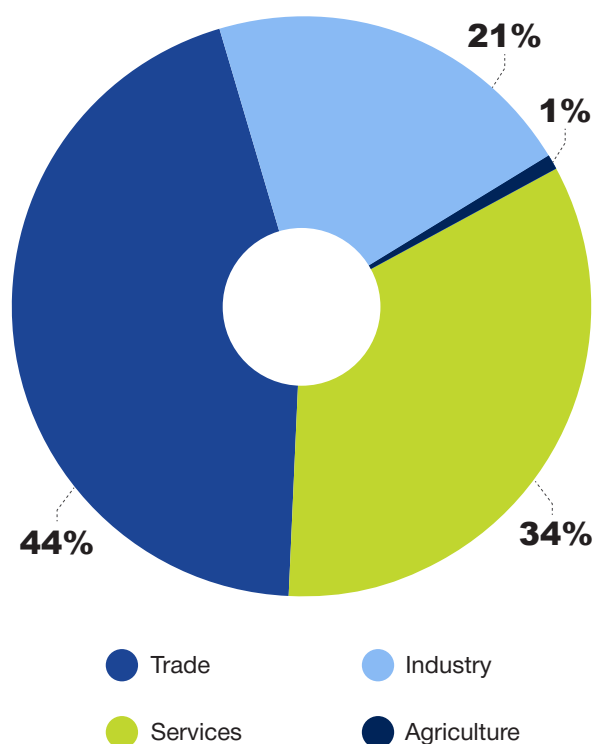


FIGURE 06 | Total Volume of Medium Enterprises Loans by Sector in 2023



Our services are strategically dispersed across several geographical regions to increase accessibility and support for SMEs across communities.

FIGURE 07 | Total Volume of Small Enterprises Loans by Geographical Location in 2023

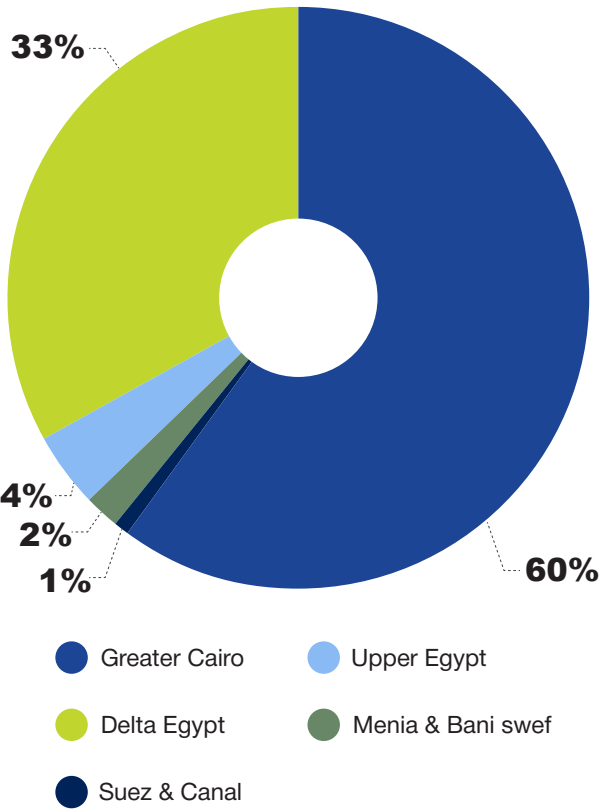
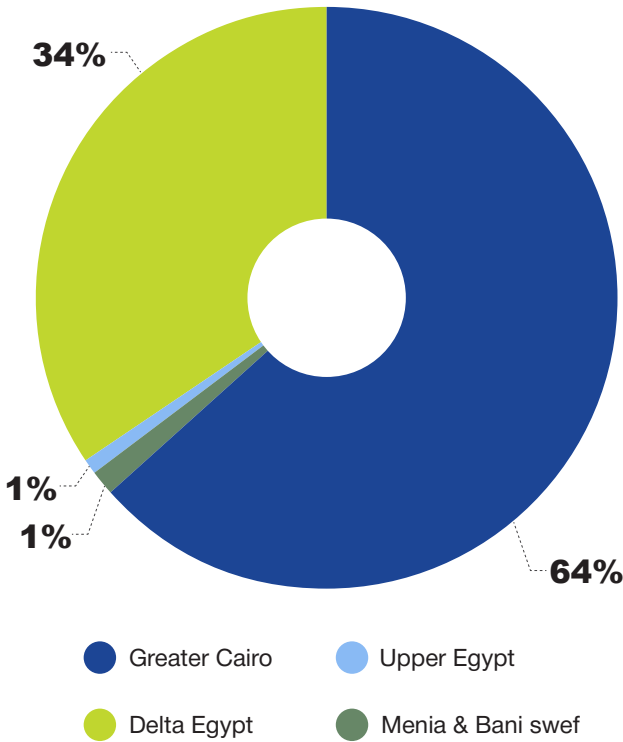
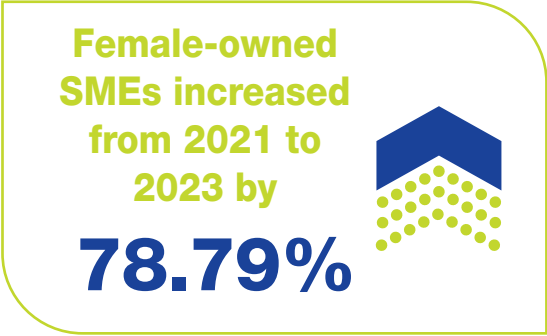


FIGURE 08 | Total Volume of Medium Enterprises Loans by Geographical Location in 2023



Moreover, UB experienced significant growth in female-owned SMEs from 2021 to 2023, with an increase of approximately 78.79%, reflecting an advancement in female entrepreneurship.



SMEs Partnerships

UB forged strategic partnerships with various stakeholders to expand and enhance opportunities for SMEs as a core business line. These partnerships aim to diversify our offerings and provide SMEs with access to a broader range of resources and support.

By collaborating with diverse partners, we aim to create a robust ecosystem that fosters innovation, growth, and sustainability for SMEs, thereby strengthening their position in the market and driving economic prosperity.

1. MSMEDA

MSMEDA facilitates access for SMEs to lower interest rates, currently reduced by 1%, through funds allocated to UB for providing subsidized facilities to the small segment. UB has successfully entered into 12 contracts with MSMEDA, totaling EGP 895M.

2. United Leasing

United Leasing serves as a security agent for CAPEX finance and oversees six facilities amounting to EGP 42M.

3. Industrial Development Authority

The Industrial Development Authority (IDA) refers SME clients to UB for financing the purchase of factories in industrial areas across Egypt. This is facilitated by a signed protocol between the Bank and IDA.

4. Nile University

Nile University, in collaboration with UB under the Rowad El Nile initiative, offers training and guidance to SME clients to enhance their value chain through the Value Chain Development Center, which was operational from 2019 to 2023.

NilePreneurs Initiative

The NilePreneurs hub at Nile University operates as a business development service (BDS) center, facilitating entrepreneurial activities and fostering financial inclusion. It provides non-financial services to SME clients, supporting them in establishing their companies and obtaining finance from banks. The hub extends its services to various cities across Egypt, notably Mansoura and Menia. Notably, the NilePreneurs hub assists clients in completing the documentation required for credit facilities approval from UB.



- **Activities at the BDS NilePreneurs Hub in Mansoura City**

The BDS NilePreneurs hub in Mansoura has been actively engaged in providing a range of services to clients, including general inquiry support, support for company registration, financial advisory for new projects, and training sessions.

Noteworthy collaborations include establishing protocols with the Zagazig, Tanta, and Menofia universities to conduct training sessions on banking products and services and provide non-financial services.

Training sessions were conducted at Mansoura University's Faculty of Computer Science and Faculty of Commerce, introducing e-banking services, entrepreneurship basics, and career development opportunities.

Collaborative efforts with Delta University involved frequent sessions for the faculties of business administration and engineering, alongside participation in employment fairs and sponsorship of events focused on digital services and entrepreneurship.

The hub also facilitated informative sessions for commerce students at Zagazig University and finalized a training program with Horas University in New Damietta City, focusing on financial inclusion and sustainability.



Product and Service Cross-Selling

The hub collaborated with the UB retail team to market banking products and services, including debit cards, credit cards, Meeza cards, current accounts, e-banking, e-wallets, and so on. In addition, it facilitated referrals to the MSMEs and Islamic banking teams for clients interested in obtaining loans from UB. These efforts resulted in substantial sales and transactions in 2023.

- **BDS NilePreneurs Hub in Menia City**

The hub in Menia City also provided a range of services to clients, including general inquiry support, support for company registration, financial advisory for new projects, and training sessions.

Collaborative efforts with UB resulted in the presentation and sale of various UB products and services, including debit cards, credit cards, Meeza cards, current accounts, e-banking, e-wallets, and so on. Additionally, the Menia hub referred several clients to the MSMEs and Islamic banking teams, increasing UB's market penetration and engagement in financial inclusion efforts.

Key outcomes of NilePreneurs:

- Conducted over 10,000 interactions, including answering general SMEs inquiries, assistance to companies to register their formation, financial advisory services for new projects, and training sessions.
- Partnership with several universities to provide non-financial service and awareness sessions on the banking industry, including electronic banking services and business models.
- Collaborated with the sustainable development departments of universities to conduct entrepreneurship sessions.
- Planned initiatives for 2023 included opening a new location in Suhag City, renewing agreements with universities, focusing on food export, embracing digital transformation, offering staff training sessions, and prioritizing sustainability and financial inclusion.
- An aim to increase the SMEs portfolio by up to EGP 50M by working on rejected cases and assisting clients in finalizing the required documents for UB facilities.

Training provided through the Value Chain Center:

1. Biodegradable Plastic Training:

This training concerns the adoption of new technologies regarding additives essential for producing biodegradable plastic, emphasizing the significance of replacing industrial plastics with biodegradables. The training addresses the types of raw materials needed for production and offers insights on converting plastic waste into fertilizer.

2. Value Chain Analysis:

This course was developed to align with global trends, shifting from using value chains solely for analysis to employing them as guiding instruments for achieving social development objectives sustainably. This course equips practitioners with tools to select appropriate sectors and design integrated, sustainable interventions.

3. Food Safety and Quality Standards:

This course presents policy, strategy, legislation, and regulatory roles, focusing on food safety and hazards.

4. Dairy Challenge:

This challenge aims to empower the youth by imparting knowledge to generate scientifically based solutions for issues in the dairy sector, providing technical assistance through specialized modules.

5. Optimize to Globalize Your Furniture Product:

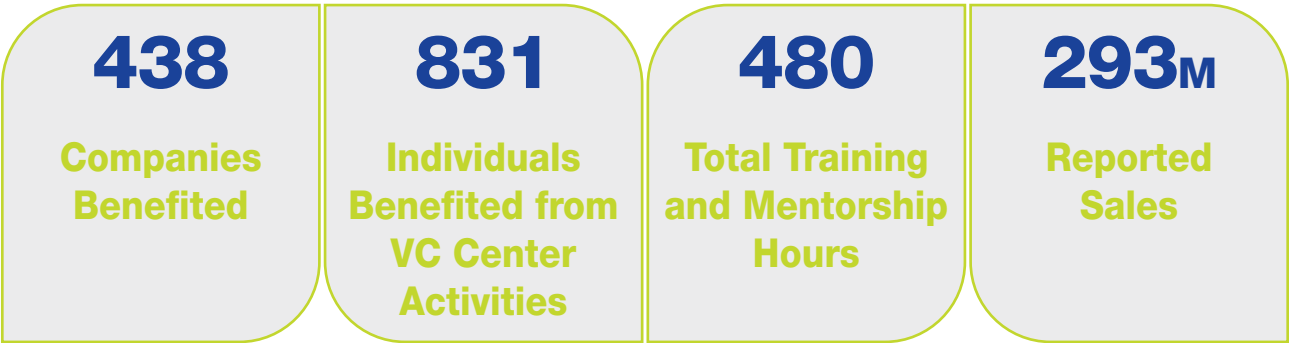
This initiative offers technical assistance and knowledge to SMEs in product development, quality enhancement, e-commerce, marketing, and mentorships.

6. Textile and RMG Program:

This program provides technical assistance and knowledge to SMEs in BMC and design thinking, business plan writing, e-commerce, export readiness, quality control, costing in the garment industry, reporting systems, and marketing plans.



Outcomes of training:



SME Digitalization Journey

Enhanced SME Digitalization Process

In our ongoing efforts to streamline operations and enhance efficiency, we are advancing the digitalization process for SMEs. [Credit Approval Workflow System \(Laserfiche\)](#)

Phase One:

All relationship managers (RMs) submit credit approval cases via the Laserfiche workflow system. This initial phase allows RMs to obtain risk approvals seamlessly.

Phase Two:

Our IT team is diligently working to incorporate all remaining approval processes into Laserfiche. This includes committee approval, documentation issuance, documentation review, and the activation of cases. Through these additional steps, we aim to identify and address any bottlenecks, thereby enhancing the TAT for approvals to SME clients.

Laserfiche has proven to be a valuable tool in reducing TAT for approvals and pinpointing areas where cases may be stopped for longer periods than in the agreed SLAs. Rigorous testing by both our IT and SME teams ensures seamless functionality and minimal risks associated with the workflow system.

- Internet Banking

The UB Internet banking platform continues to evolve as a user-friendly application, catering to the diverse needs of our clients. The positive feedback from UB clients underscores the utility and convenience of our Internet banking services, which provide seamless access to client accounts.

Strategic View and Future Outlook

UB’s strategic focus for SMEs in 2024 revolves around targeted initiatives to bolster segment growth and foster sustainable operations. Key highlights of our plan include:

1. Focus on Existing Clients:

With a heightened emphasis on existing clients, particularly following a 6% increase in corridor lending in 2024, our aim is to closely monitor client operations, identify potential risks, and implement effective mitigation strategies.

2. Focus on the Industrial Sector:

Recognizing the significance of the industrial sector in driving economic growth, we are directing our efforts toward serving the unique needs of industrial businesses, thereby contributing to sectoral development.

3. Attract New-to-Bank Clients:

We are actively seeking to attract new-to-bank clients, with a specific focus on the medium segment, leveraging tailored financial solutions to meet their requirements and foster long-term relationships.

4. Launch Key Initiatives:

To support segment growth and enhance operational efficiency, UB is launching the following initiatives:

- Standardized Terms and Conditions:**
Implementing standardized terms and conditions to provide clarity and consistency in our offerings, ensuring transparency and ease of understanding for our clients.
- Supply Chain Finance:**
Introducing Supply Chain Finance solutions in collaboration with external vendors (Cayesh) to facilitate smooth transactions between anchors and their suppliers and enhance liquidity for businesses across supply chains.
- Laserfiche Workflow System Phase 2:**
Building upon the success of Phase 1, we are launching Phase 2 of the Laserfiche workflow system in alignment with our IT roadmap, further streamlining approval processes and enhancing operational efficiency.

Microfinance

Promoting Microfinance

In alignment with our commitment to societal progress and our belief in the integral role we play in supporting the unbanked, we actively contribute to the national vision for financial inclusion by championing microfinance initiatives.

UB has a dedicated plan for microfinance as a tool for achieving financial inclusion. We recognize the importance of microfinance in providing access to financial services for individuals and small-scale entrepreneurs who may not have access to traditional banking services. Thus, we have created a specialized Microfinance Department to serve this segment.

Originally a retail product department in 2014, it became a separate UB department in 2020, realizing its importance and significance in supporting the economy of our country.

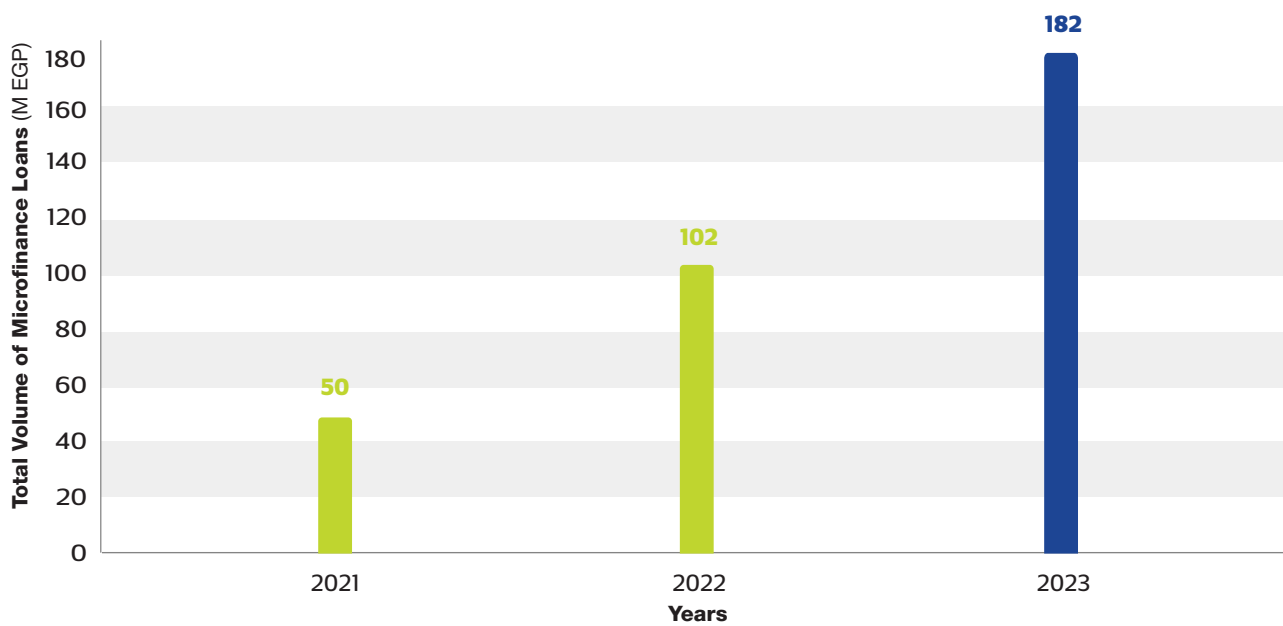
Since the establishment of the Department, there has been significant development and implementation of a range of tailored products, streamlined processes, and procedures, resulting in a portfolio exposure of EGP 182M in 2023.

Central to our microfinance endeavors is the seamless integration of services across various banking segments. By fostering collaboration between microfinance, SMEs, and retail banking, we aim to constantly expand our customer base through referrals and cross-selling initiatives.

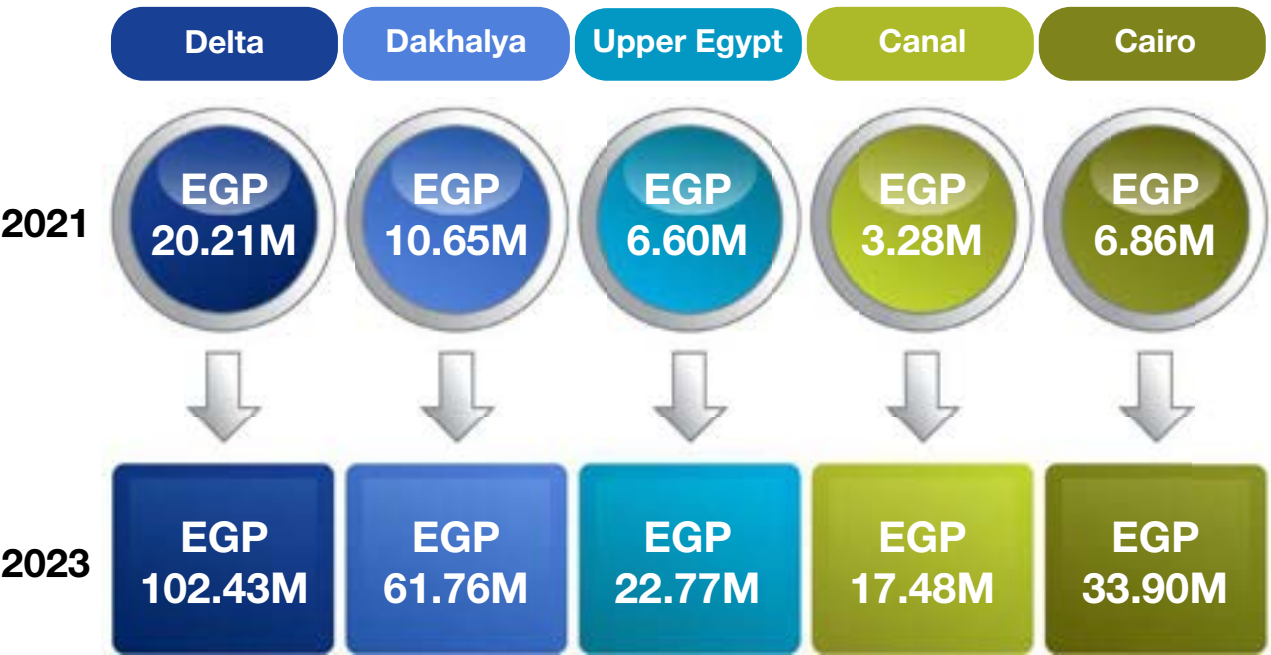
Our dedicated team, equipped with robust scoring models, conducts thorough risk assessments and field visits, expediting the underwriting process and facilitating increased client acquisition and loan volumes in the microfinance segment.

The remarkable growth in microfinance loans between 2021 and 2023, highlighting UB’s steadfast commitment to fostering micro-enterprises.

FIGURE 13 | Total Volume of Microfinance Loans



Governorate/Region Growth Volume from 2021 to 2023



Guiding our Clients Beyond Financial Services

Recognizing the significance of client success and ensuring the efficacy of our digital platform, we place a premium on customer awareness and engagement. Through a multifaceted approach involving awareness sessions, workshops, live training, and targeted marketing campaigns, we empower our clients with the necessary knowledge for feasibility studies, marketing strategies, and essential business documentation. In collaboration with our Financial Inclusion Department, we go beyond financial support, providing valuable insights to foster sustainable business practices.

The Bank is deeply committed to supporting micro-enterprises through a comprehensive approach that addresses their financial needs and challenges. Central to this support is the meticulous assessment of creditworthiness, ensuring that loans are extended to deserving borrowers while mitigating risks.

We have established a dedicated team tasked with conducting thorough studies and analyses, utilizing sophisticated scoring models and risk assessments to evaluate the creditworthiness of micro-enterprises. Additionally, our team conducts field visits to gain firsthand insights into the businesses, further enhancing the accuracy of our assessments.

This rigorous approach not only ensures responsible lending but also expedites the underwriting process, enabling swift decisions on loan approvals. Time is of the essence for micro-enterprises, and we understand the importance of providing timely financial assistance. Our team promptly reviews documents and processes loan disbursements, minimizing turnaround times and ensuring that micro-enterprises receive the funds they need.

Incentivizing responsible borrowing and financial discipline is integral to our microfinance strategy. To encourage positive behavior and reward timely repayments, we have implemented a microfinance incentive scheme. Furthermore, we leverage cross-selling opportunities to provide micro-enterprises with access to a broader range of financial products and services. Our microfinance team actively promotes and sells other banking products, such as but not limited to, debit cards, credit cards, special insurance policies, and Financial Inclusion (FI) accounts,

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Our microfinance team actively promotes and sells other banking products, such as but not limited to, debit cards, credit cards, special insurance policies, and Financial Inclusion (FI) accounts, to complement the financial needs of micro-enterprises. Moreover, we prioritize transparency and fairness in our fee structures to ensure affordability and accessibility for micro-enterprises. Our fee list is designed to be competitive and reasonable, with special considerations and exemptions in some cases.

Microfinance Digitalization Journey

To enhance efficiency, we introduced loan disbursement on the UB wallet in 2021, followed by loan origination on the Bank website in 2022. These efforts culminated in a fully digital granting process, including real-time I-score extraction, field investigations, and final approvals.

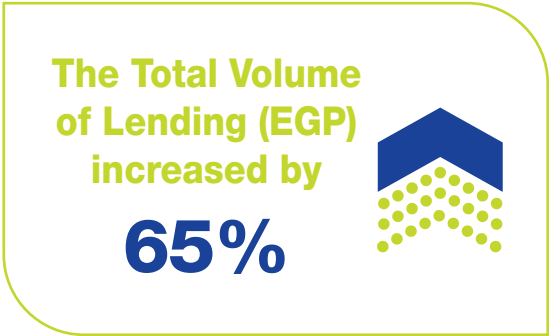
Dealing with Microfinance Defaulters

In addressing microfinance defaulters, UB adopts a clear and comprehensive collection strategy which is outlined in its microfinance policy. This strategy encompasses systematic follow-up procedures conducted by the Collection Department to mitigate risks and recover outstanding payments effectively.

The Bank is committed to ensuring fair treatment of borrowers facing payment difficulties, adhering to established guidelines and protocols to provide support and assistance where needed, and ensuring communication with borrowers to find mutually beneficial solutions and mitigate financial distress. UB maintains a healthy portfolio within an acceptable default ratio.

Retail

The Total Volume of Retail Lending (EGP) increased by 65% from 2021 to 2023.



Retail Products

UB’s Retail Banking offers a comprehensive range of financial products and services tailored to meet the diverse needs of its customers. From basic banking solutions to specialized investment options, Retail Banking strives to provide convenient and accessible financial solutions. Below is an overview of the accounts, investments, loans, cards, and other services offered.

Accounts

- Investment accounts
- Saving accounts
- Current accounts
- Deposits

Time Deposits

- Time deposit in advance
- Fixed-time deposit
- Certificates:
 - EGP certificates
 - USD certificates

Loans

- Educational Finance Easy Learn
- Car Finance UB Auto
- Mortgage loans
- Personal loans
- Intalaka microfinance

Cards

- Debit card
- Visa credit card
- Prepaid MasterCard
- U-Got-a-Gift pre-paid card
- Pre-paid cards in foreign currencies
- Meeza prepaid card
- MasterCard credit card
- Cashback
- Contactless card

Other Services

- Secure online service
- Electronic payments
- Safe deposit boxes
- Packages
- Remittance services

Retail Banking aims to empower customers with financial solutions that enable them to achieve their goals and aspirations while ensuring convenience, security, and reliability in every transaction.

Retail Lending Portfolio

The retail lending portfolio has shown remarkable growth over the period from 2021 to 2023, as evidenced by both the increase in the number of clients and the substantial rise in the total volume of lending.

The number of clients availing retail loans increased steadily from 23,377 in 2021 to 27,369 in 2023, reflecting a commendable growth rate of approximately 17% over the two years.

This surge in the client base indicates a growing demand for retail loans among individual consumers, suggesting an expanding market for lending products and effective marketing and outreach efforts by UB to attract clients.

The total volume of lending witnessed a significant increase from EGP 4.92B in 2021 to EGP 8.13B in 2023, marking a substantial growth rate of approximately 65%. This surge in lending volume underscores UB's robust lending activities and its ability to extend credit to a large pool of clients. It also suggests that UB has been successful in diversifying its lending products and capturing a large share of the retail lending market.

Overall, our retail lending portfolio has a positive trajectory characterized by significant growth in both the client base and lending volume. This growth highlights UB's capability to meet the evolving financial needs of individual consumers while maintaining prudent risk management practices. Looking ahead, continued focus on innovation, customer satisfaction, and risk management will be crucial for sustaining and further enhancing the performance of the retail lending portfolio.

Age Diversity

By analyzing the distribution of total loan values across age groups, we can gauge the Bank's outreach and engagement with various demographic segments. It is evident that the 30–50 age group represents the largest segment of borrowers in terms of total loan value over the three years.

While there were fluctuations in the percentages across age groups, the overall trend suggests a stable distribution of loans among age groups. In 2021, UB's retail loans were primarily distributed among individuals aged 30–50, constituting the majority share at 57% of the total loan value.

This indicates a significant focus on middle-aged consumers who are likely to be in their prime earning and spending years.

The above-50 age group accounted for a substantial portion of the loan portfolio at 32%, reflecting the Bank's attention to older clients and catering to their asset management and retirement financial needs.



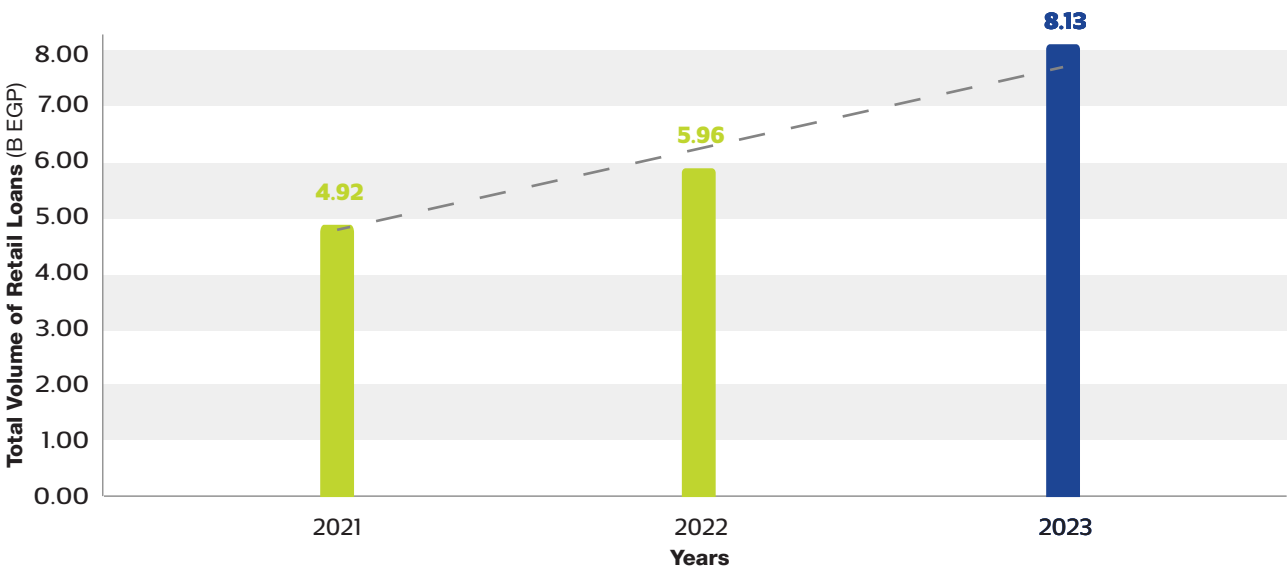
The under-30 age group represented 9% of the total loan value, indicating some engagement with younger borrowers, although to a lesser extent compared to the other age groups.

In 2022, the distribution of loans among age groups remained largely consistent with 2021. The 30–50 age group continued to dominate with 58% of the total loan value, indicating a sustained focus on this demographic segment.

Similarly, the above-50 age group maintained its share at 30%, reflecting our continued attention to older borrowers.

Interestingly, there was a slight increase in the under-30 age group’s share to 11%, indicating the efforts by the Bank to engage more with young customers.

FIGURE 09 | Total Volume of Retail Loans



In 2023, these trends persisted, with the 30–50 age group still representing the largest segment of borrowers, albeit with a slightly reduced share of 56%.

The above-50 age group saw a notable increase in its share to 32%, suggesting continued emphasis on serving the financial needs of older clients.

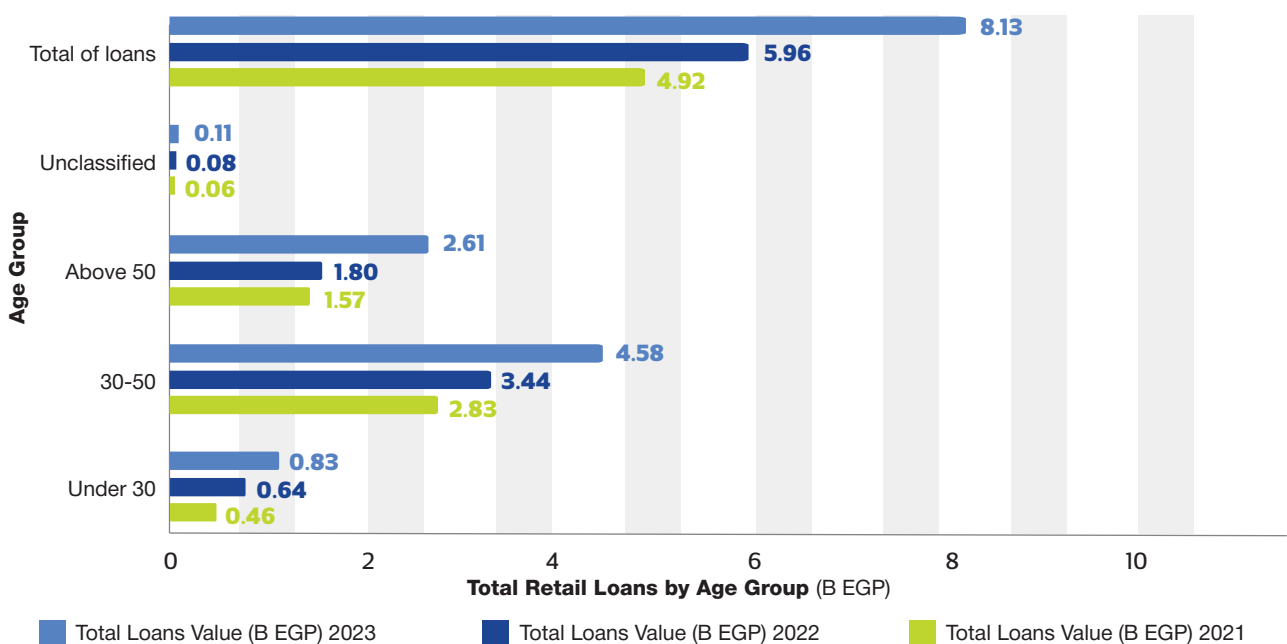
The under-30 age group’s share, which slightly decreased to 10%, still indicates the ongoing efforts by UB to attract and cater to young borrowers.

Overall, UB’s retail loan portfolio demonstrates a commitment to catering to a diverse range of age groups, with a significant focus on middle-aged and older consumers.

While the Bank maintains its stronghold in these segments, there are indications of efforts to engage more with young borrowers, as evidenced by the slight increase in their share of the loan portfolio in 2022.

This balanced approach to age diversity in lending reflects UB’s commitment to meeting the financial needs of a broad spectrum of customers across their life stages.

FIGURE 10 | Total Retail Loans by Age Group



Geographical Diversity

The provided figure illustrates the geographical diversity of UB’s retail loan portfolio across various regions of Egypt, specifically Greater Cairo, Alexandria, the Suez Canal region, the Delta region, Assiut, and Upper Egypt, in 2021–2023. In 2021, Greater Cairo accounted for the largest portion of the Bank’s retail loans at 57%, with a total loan value of EGP 2.826B.

This was followed by the Delta region at EGP 1.013B, or around 21% of the total loan value. Other regions, including Alexandria, the Suez Canal region, Assiut, and Upper Egypt, made up the remainder of the loan portfolio.

In 2022, the geographical distribution of retail loans remained relatively consistent with 2021, with Greater Cairo still holding the largest share at EGP 3.443B, representing approximately 58% of the total retail loans.

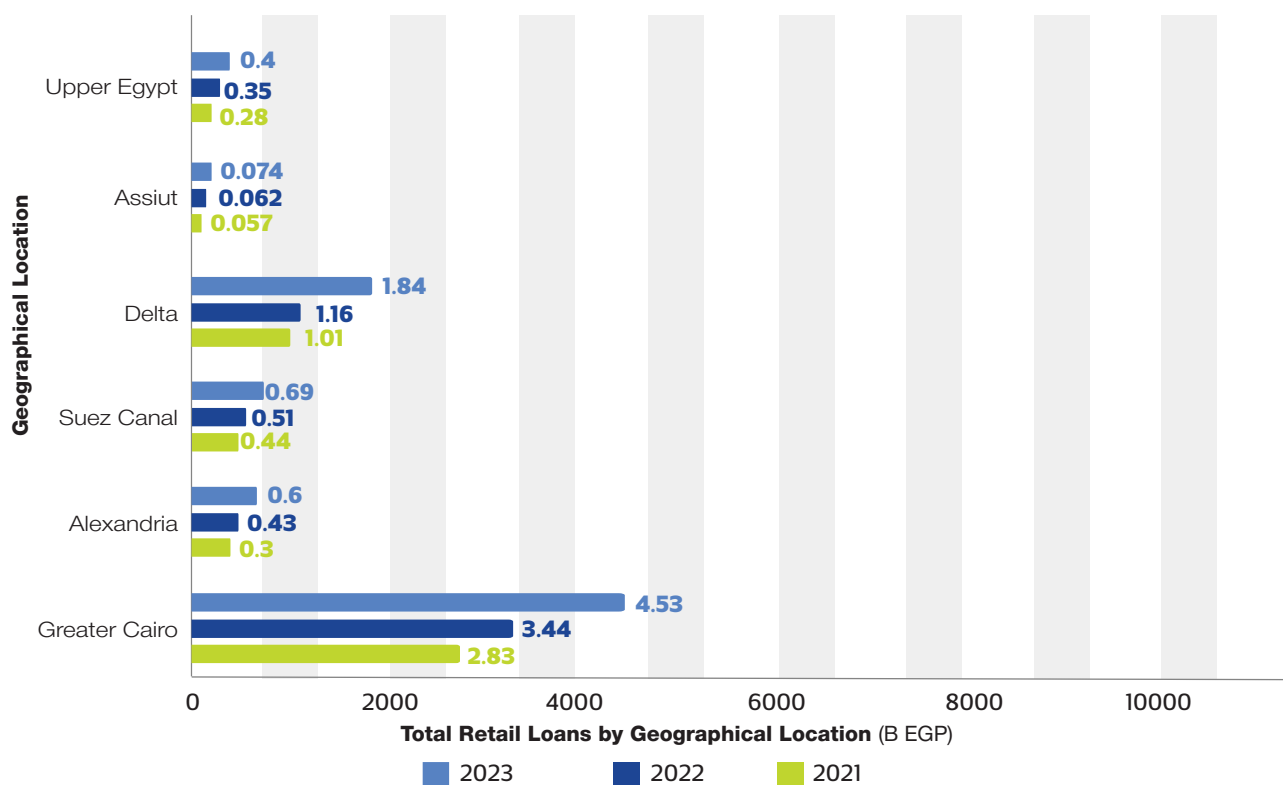
The Delta region maintained its second position with EGP 1.163B, or around 20% of the total loan value. Other regions, such as Alexandria, the Suez Canal region, Assiut, and Upper Egypt, also maintained stable contributions to the loan portfolio.

In 2023, the geographical distribution continued along similar lines. Greater Cairo remained the primary contributor with a total loan value of EGP 4.531B, accounting for approximately 56% of the total retail loans.

The Delta region saw significant growth, contributing EGP 1.84B, or around 23% of the total loan value. Other regions, including Alexandria, the Suez Canal region, Assiut, and Upper Egypt, maintained their respective contributions to the loan portfolio.

Overall, UB demonstrates geographical diversity in its retail loan portfolio. While Greater Cairo is the largest market for retail loans, the Delta region also accounts for a substantial share of the loan portfolio, indicating the Bank’s presence and success in serving customers in both urban and rural areas. The portfolio contributions from other regions further highlight the Bank’s efforts to reach and serve a diverse range of communities across Egypt.

FIGURE 11 | Total Retail Loans by Geographical Location



Gender Diversity

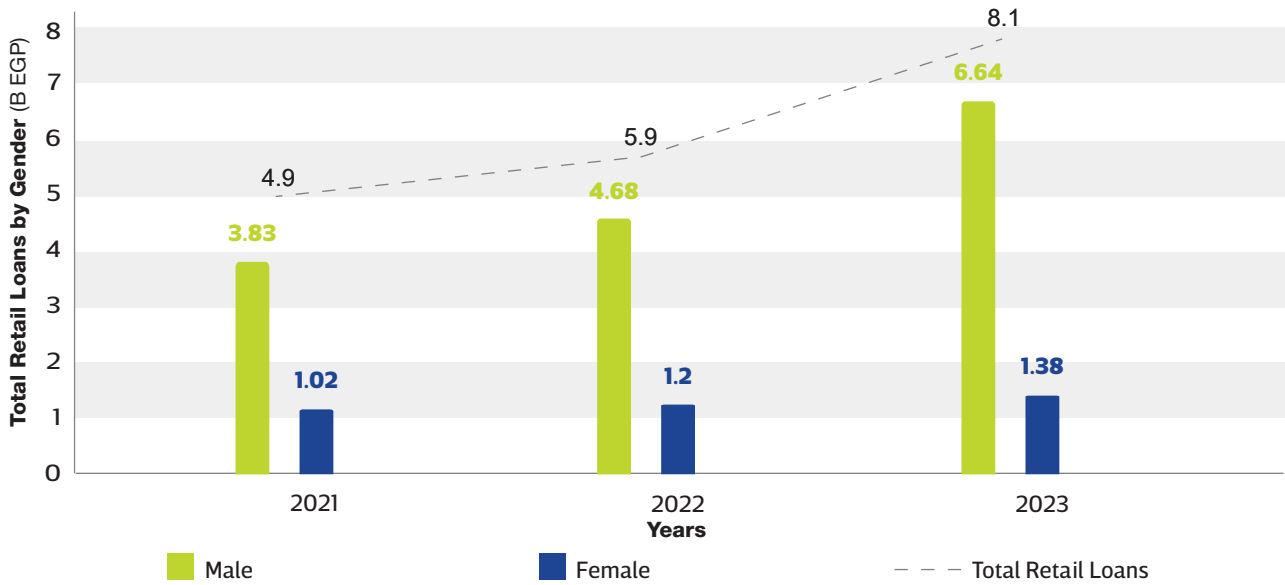
The figure below offers gender insights into UB’s retail loan portfolio for 2021–2023. In 2021, male borrowers dominated UB’s retail loan portfolio at around 78%, with a total loan value of EGP 3.83B. Female borrowers accounted for EGP 1.02B, or around 21% of the total loan value.

In 2022, the dominance of male borrowers persisted; their total loan value increased to EGP 4.68B, representing around 79% of the total retail loans. Female borrowers’ total loan value increased to EGP 1.20B, accounting for approximately 20% of the total loan value.

In 2023, male borrowers continued to dominate UB’s retail loan portfolio, with their total loan value rising to EGP 6.64B, representing around 82% of the total retail loans. Female borrowers’ total loan value increased to EGP 1.38B, yet their representation in the portfolio decreased to approximately 17%.

Overall, a significant gender disparity is clear in UB’s retail loan portfolio, with male borrowers consistently comprising the majority share of the portfolio in 2021–2023. While female borrowers’ total loan value increased slightly over the years, there remains a substantial gap between male and female borrowers in terms of both total loan value and percentage contribution to the portfolio.

FIGURE 12 | Total Retail Loans by Gender



Geographical Distribution of ATMs and Branches

Concerning ATM infrastructure, UB’s focus has been on modernization and expansion, aligning with our commitment to enhance user experience and operational efficiency while embracing sustainable practices. We have maintained a steady presence across various locations with 225 ATMs in 2021–2023. Our geographical expansion can be attributed to strategic initiatives such as replacing 152 old ATMs with the latest technology between 2022 and 2023.

This deliberate move ensures the reliability and security of our services and reflects our dedication to staying at the forefront of technological advancements. Our decision to upgrade ATM software further shows our proactive approach to digital evolution. Geographically, our ATM placement strategy prioritizes prime locations such as major malls and high-traffic sites like subway and train stations and chain sites, including Vodafone stores. This strategic placement of ATMs ensures accessibility and convenience for our customers and highlights our commitment to delivering seamless banking experiences.

225
ATMs Across
Egypt

As for our branches, UB has 66 branches across different governorates, with 25 being Islamic branches and 17 being diamond branches, thereby ensuring geographical accessibility.



Accessibility for People with Disabilities

Our sustained efforts have been recognized through collaborative initiatives with the Central Bank of Egypt to expand ATM accessibility across Egypt. The deployment of 24 ATMs specifically catering to people with disabilities and 14 ATMs offsite as of 2023 highlights our dedication to serving customers with diverse needs. These ATMs and branches are strategically located and equipped with facilities tailored to meet the needs of individuals with disabilities, ensuring accessibility and inclusivity in our banking services per CBE regulations.

ATMs for People with Disabilities



Branches for People with Disabilities



Digital Transformation Initiatives

UB implemented a series of transformative digital initiatives aimed at enhancing both customer experience and operational efficiency. These initiatives, implemented across 2021, 2022, and 2023, mark significant milestones in UB's journey toward sustainable banking practices.

2021

Streamlining Operations and Enhancing Security:

In 2021, UB prioritized efficiency and security by discontinuing the printing of passwords for various services. We transitioned to a more secure method of password delivery via text message. This initiative not only bolstered security measures but also aligned with our environmental stewardship strategy by reducing paper usage.

2022

Empowering Customers with Seamless Online Banking:

Building upon the foundation laid in 2021, UB further empowered customers by enabling direct product requests through our online banking platform. From debit cards to mortgage loans, customers were enabled to seamlessly initiate requests without the need for branch visits, thereby streamlining processes and increasing convenience.

2023

Accessibility and International Transactions:

In 2023, UB took significant strides toward accessibility and global connectivity. We introduced self-registration features for online and mobile banking services, eliminating dependency on branch assistance. Additionally, the activation of international bank account numbers (IBAN) facilitated seamless international transactions, contributing to a more interconnected banking landscape.

Constant Innovation and Accessibility

UB's commitment to innovation extends beyond digital platforms. The launch of the UB mobile app on the HUAWEI store expanded accessibility to a wider demographic, ensuring inclusivity in our digital services. Moreover, the modernization of our SWIFT transfer system to facilitate instant payments exemplifies our dedication to providing efficient and timely solutions to our customers.

Tracking Progress and Risk Mitigation

To track and benchmark our digital progress, we rely on three main KPIs: channel registrations, financial transactions, and time-to-market for new products.



Mitigating risks associated with technology integration, data security, and cultural adaptation through comprehensive training programs ensures the resilience of our digital infrastructure.

Looking Toward the Future

As we move ahead, UB remains persistent in the pursuit of internal and external technological advancement. Our future initiatives include, among others, the adoption of WhatsApp Business, biometric login for customer onboarding, and the rollout of Wallet V3 compliant with CBE mandates.

Islamic Retail Banking

At UB, our Islamic banking practices are underpinned by specific principles grounded in Islamic finance. These principles encompass profit-sharing, the distribution of returns under the account, and conducting settlements based on actual activity results. We operate according to Sharia principles with the esteemed guidance of Al-Azhar Al-Sharif. Moreover, UB’s Sharia Compliance Supervisory Board, comprised of scholars from Al-Azhar, ensures that the Bank’s operations adhere to Islamic financial standards set by organizations like the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

UB offers a diverse range of Islamic banking products and services that strictly adhere to and comply with Sharia principles, including the following:

Avoiding interest (Riba): In Islam, lending with interest payments is considered exploitative, favoring the lender over the borrower. Therefore, we refrain from any practices involving interest charges or payments.

Mitigating uncertainty and risk (Gharar): Islamic finance prohibits participation in contracts with excessive uncertainty or risk. We adhere to this principle by carefully evaluating investments to avoid speculative or uncertain ventures, such as derivative contracts and short selling.

Prohibiting speculation (Maisir): Sharia law strictly prohibits speculation and gambling. Accordingly, UB does not engage in contracts where ownership of goods relies on uncertain future events, ensuring a commitment to ethical and responsible financial practices.

Avoiding investment in prohibited activities:

Our banking practices are guided by a set of exclusion criteria that includes abstaining from investments in businesses involved in prohibited activities.

These activities encompass the production or trade of weapons, alcoholic beverages, and any involvement in exploitative forms of labor.

In retail, Islamic banking constitutes a significant portion of our financial offerings, amounting to EGP 15.6M.

We provide Islamic financing options for various needs, including car loans and Hajj and Umrah financing, following the principles of Murabaha.

At UB, Islamic banking transactions are seamlessly integrated across various business lines to cater to the diverse financial needs of our clients.

We offer a wide range of Islamic financial products and services tailored to our customers, including the following:

- Accounts:** We provide a variety of Islamic banking accounts, including current, savings, and investment accounts, denominated in both local currency and USD.
- Deposits:** Our deposit products include Annual, Term, and Dollar Wealth deposits, offering competitive returns to our customers.
- Certificates:** We offer a diverse range of Islamic certificates, including ten types of certificates and the exclusive millionaire certificate.
- Financing:** Our Murabaha-based financing solutions cover various needs, such as personal financing, car financing, and Hajj and Umrah financing. We are also in the process of developing the Islamic Profitable Microfinance product.
- Cards:** The Rakhaa Islamic card allows our customers to conduct convenient and Sharia-compliant banking transactions.
- Packages:** Our Islamic banking packages, including Ajyal, Diamond, Financial Inclusion, and For Her, cater to the unique financial requirements of different customers.
- Profit Sharing:** We adhere to the principles of profit-sharing and distribute returns under Sharia guidelines. Our financing activities are directed toward purchasing goods, services, and commodities.

UB adheres to strict exclusion criteria when granting loans, refraining from profit-sharing in Sharia-prohibited items such as gold, alcohol, and cigarettes.

Our dedication to social responsibility and ethical behavior is evident in our transparent disclosure of Sharia-compliant investment areas, clear contract terms, and active promotion of financial literacy through initiatives like ethical banking work booklets.

Additionally, we actively support financial inclusion through initiatives aimed at providing access to Islamic banking services for women, youth, and marginalized communities through our Islamic Financial Inclusion Package and Generation Packages, which aim to promote financial inclusivity and support charitable investment through initiatives like the Ethar sector support and Charity Investment Account.



Environmental Operational Efforts and Sustainable Finance

- Environmental Operational Efforts
- Sustainable Finance Efforts

Environmental Operational Efforts

Carbon Footprint Reduction Initiatives

UB has been actively engaged in comprehensive initiatives aimed at reducing its carbon footprint, initiating quantifying and measurement practices in 2021 across Scopes 1, 2, and 3. This evaluation encompassed organizational and operational aspects to provide a comprehensive understanding of UB's emissions. The organizational boundary is defined by financial or operational control; UB employed the operational control approach, encompassing specific buildings including Cairo Center, Al-Misaha, and Abd El-Moneam Riyad. The operational boundaries, in line with the GHG Protocol Corporate Standard and the CBE mandate, only need to include Scope 1 and Scope 2 emissions. However, the Bank chose to extend its carbon footprint assessment to include Scope 3 emissions. UB's 2021 assessment included the following activities:

Scope 1

Direct Emissions:

Stationary combustion, mobile combustion, and fugitive emissions.

Scope 2

Indirect Emissions:

Purchased electricity.

Scope 3

Other Indirect Emissions:

Purchased goods and services including office supplies, fuel, and energy-related activities (not included in Scopes 1 and 2), including fuel-burning diesel generators, fuel-burning owned vehicles, water usage, wastewater treatment, waste generated in operations including solid waste disposal, and employee commuting, including commuting and well-to-tank (WTT).



Carbon Footprint Summary

Our combined sustainability efforts across all three Scopes resulted in an overall reduction in emissions. UB's total 2021 emissions totaled 3,911 mtCO₂e, where Scopes 1, 2, and 3 made up 28%, 41%, and 31% of the total emissions, respectively. The emissions breakdown is reported below.

Scope 1 – Direct Emissions in 2021			
Emission Source		Emission Amount	Emission Percentage
Stationary combustion		4 mtCO ₂ e	1%
Mobile combustion		175 mtCO ₂ e	16%
Fugitive emissions		914 mtCO ₂ e	83%
Total Scope 1		1094 mtCO ₂ e	100%

Scope 2 – Indirect Emissions in 2021			
Emission Source		Emission Amount	Emission Percentage
Purchased energy		1604 mtCO ₂ e	100%
Total Scope 2		1604 mtCO ₂ e	100%

Scope 3 – Indirect Emissions in 2021			
Emission Source		Emission Amount	Emission Percentage
Purchased goods and services	Office supplies	6 mtCO ₂ e	1%
	Diesel generators	1 mtCO ₂ e	0.08%
	Owned vehicles	45 mtCO ₂ e	4%
Fuel and energy-related activities (not included in Scopes 1 and 2)	Water usage and wastewater treatment	10 mtCO ₂ e	1%
	Solid waste disposal	0.4 mtCO ₂ e	0.04%
Employee commuting	Commuting + WTT	1,151 mtCO ₂ e	94%
Total Scope 3		1214 mtCO ₂ e	100%

Decarbonization Plan

After conducting a comprehensive measurement of our carbon footprint, we developed a decarbonization plan to lower the Bank's resource consumption with the aim of reducing its carbon footprint. To produce a decarbonization plan tailored to the unique needs of the Bank, a comprehensive carbon audit visit was conducted to evaluate the environmental performance of the building.

Resource Efficiency

UB focused on resource efficiency initiatives, covering various aspects such as water consumption and waste management. In terms of water management, UB implemented robust water management programs and initiatives to enhance resource efficiency.

Our initiatives include the installation of low-flow and auto shut-off faucets, as well as low single-flush or dual-flush toilets to minimize water consumption. The Bank is also introducing irrigation sprinklers with timers to be implemented at the HQ located in the New Administrative Capital.

Energy Efficiency

In the realm of energy efficiency, UB has taken significant steps to reduce its energy consumption and increase its reliance on renewable energy. In 2021, the Bank's total energy consumption reached 768,190.8 kWh, followed by 806,600.34 kWh in 2022, and 645,280.27 kWh in 2023. The 5% increase in energy consumption in 2022 was attributed to the expansion in the number of UB branches. However, in 2023, energy consumption decreased by 10% compared to 2021, which serves as the base year for measuring progress. In 2023, UB achieved an energy intensity of 381.16 kWh per employee. These initiatives, combined with the reduction of our direct and indirect emissions, showcase the Bank's dedication to a more sustainable and environmentally conscious operation. The new Capital building will include solar panels, tools (sensors), and sun breakers to increase building efficiency performance and reduce the building's HVAC energy consumption and cost.

Water Efficiency Audit

UB conducted water efficiency audits across all facilities to reduce its water usage and consumption. Conducting water efficiency audits across all facilities is a proactive initiative by UB to assess and improve the utilization of water resources. The process typically involves a comprehensive review and analysis of water consumption patterns, infrastructure, and practices in each facility. During a water efficiency audit, experts examine various aspects, including the efficiency of water fixtures and appliances, potential leaks, irrigation systems, and overall water consumption patterns. The goal is to identify areas where water usage can be optimized and to implement practical measures that lead to reduced water consumption. By conducting these audits, UB gains valuable insights into its water usage patterns and can implement targeted measures to enhance efficiency. This includes identifying and repairing leaks, optimizing irrigation schedules, and upgrading water fixtures to more water-efficient alternatives. Additionally, the audit results allow the Bank to develop tailored strategies for sustainable water management in line with its dedication to environmental sustainability and

responsible resource stewardship. Ultimately, these water efficiency audits serve as a proactive tool for UB to continuously monitor and improve its water management practices, contributing to the Bank's broader commitment to sustainability and resource conservation.

While the Bank currently does not directly assess and address water-related impacts, it plans to implement water consumption management measures, such as installing infrared faucets and valves to decrease water usage at the HQ in the New Administrative Capital.

In 2021, the Bank's total water consumption was 0.16 mtCO_{2e}, reflecting its conscientious efforts to monitor and control water usage. The total water discharge in 2021 was estimated at 40,000 cubic meters; the Bank's total water consumption during the same period was 56,352 cubic meters.

Waste Management

Waste generation and disposal have been addressed by UB, with a focus on minimizing environmental impacts. In 2021, the Bank generated 0.945 metric tons of waste, including 1.151 metric tons of plastic waste. In 2023, the total waste generated decreased by 5% compared to 2021, amounting to 0.898 metric tons. Additionally, the total waste directed to disposal was reduced to 0.4 mtCO_{2e}. The Bank is committed to transferring its waste to recycling companies. To reduce paper consumption, UB has implemented several initiatives. The Bank uses electronic invoices (e-invoicing) to minimize paper usage and assist the government in tracking vendor transactions through a digitalized system.

UB's Building Management System

UB implemented building management systems (BMS), which are intelligent microprocessor-based systems designed to monitor and control the technical systems and services of a building. These systems manage air conditioning, ventilation, and lighting to ensure optimal performance and energy efficiency. By utilizing BMS, UB enhances the operational efficiency of its facilities, reduces energy consumption, and maintains a comfortable and safe environment for employees and customers.

Employee Awareness

Employees are encouraged to use electronic documents and reduce paper usage by minimizing printing and photocopying, only printing necessary pages, and using emails instead of paper documents. Photocopiers are set by default to print double-sided and in black and white. Additionally, draft papers are used for printing when applicable to avoid using new paper unnecessarily. Personal printing footprints are tracked with monitoring software, and employees receive annual summary reports of their printed activity to encourage a reduction in future years.

UB has a facility management team responsible for tracking and ensuring the functionality and safety of all buildings and branches. This team guarantees that all facilities adhere to proper safety standards and cleaning procedures while minimizing energy consumption costs and waste. They also work on improving indoor quality. Additionally, the team supervises facilities and communicates with external contractors and vendors to ensure that all facilities are operating efficiently and effectively.

Sustainable Finance Efforts

Green and Social Finance

Green Projects

At UB, our commitment to sustainability and environmental stewardship is demonstrated through significant financing in various environmental projects. We have financed a total of EGP 92.535M across seven initiatives aimed at reducing our ecological footprint and fostering sustainable development.

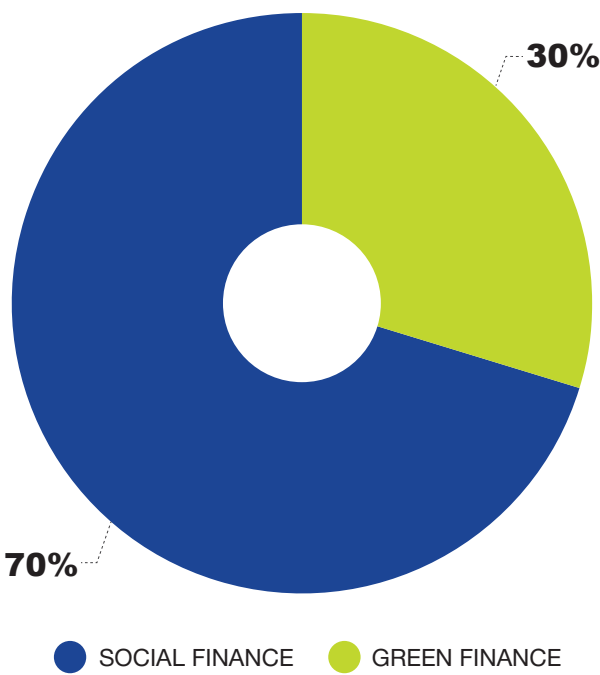
Key projects include financing 120 taxis and minibuses as part of the Taxi Initiative with financing amounting of EGP 47M to support sustainable transportation and reduce urban pollution. Additionally, we have supported an industrial wastewater treatment plant with an EGP 40.073M financing to enhance wastewater management and environmental protection. Furthermore, we have allocated EGP 5.465M to five waste management projects focused on recycling and reuse activities.

Social Projects

Our dedication to social responsibility is reflected in a substantial financing of EGP 108,307.365M in various social initiatives aimed at improving community well-being and supporting economic development. These efforts span ten key projects. In infrastructure development, we have financed EGP 33.524M in designing and implementing a water treatment plant to improve water quality and EGP 3.2M in renewing sewage lines to upgrade essential infrastructure.

Microfinance and SME support are critical components of our social projects. We have allocated EGP 74.71M in financing and refinancing micro-enterprise activities and EGP 149.07M in medium-term loans for micro and small enterprises. Additionally, we have allocated EGP 107.77M for refinancing small enterprises through loans. Other notable financings include EGP 36.01M for providing liquidity for microfinance activities, EGP 188.9M for financing clients' portfolios in microfinance services, EGP 24.89M for medium enterprises, and EGP 8.71M for financing leasing contracts.

FIGURE 14 | Social & Green Finance



A photograph of several hands of different skin tones holding small green seedlings with soil in a grassy field. The image is split vertically: the left half is in natural color, and the right half is overlaid with a semi-transparent blue filter. The title text is positioned on the right side, over the blue overlay.

Social Responsibility and Community Engagement

- Financial Inclusion
- Our Employees
- Our CSR Efforts and Social Impact
- Our Marketing and Communication Approach
- Our Ethical Procurement

Financial Inclusion

Our Financial Inclusion Strategy

UB embarked on its financial inclusion journey in 2020, opening a comprehensive strategy built on five pillars: fintech products and services, raising financial inclusion and awareness, empowering SMEs and microfinance, Islamic finance, and mortgage customers. At the heart of this strategy is a vision to facilitate greater financial access and usage in Egypt for the unbanked and underbanked while enhancing fintech solutions.

Bridging the Digital Divide

The Bank's commitment to inclusivity is illustrated by its strategic investments in digital transformation. Leveraging technology, UB has introduced a suite of fintech products and services, including mobile banking, Internet banking, digital branches, and digital payment solutions. These advancements have facilitated access to financial services, even in remote areas, empowering individuals to utilize mobile phones and digital wallets.

The Bank's journey to digital innovation extends to ongoing efforts to prevent cybersecurity attacks, maintain consumer privacy, and foster a digitization culture. Self-enrollment through an online application, emphasis on e-payments and transactions.

Raising Awareness: Collaborative Initiatives

Raising financial inclusion awareness is a key pillar of UB's strategy. Collaborating with NGOs, the Bank actively participates in initiatives like Hayah Karima to provide financial opportunities for individuals and SMEs in targeted areas. The Bank extends its collaboration to civil society institutions, tailoring suitable banking products and microfinance solutions.

Throughout 2022, UB, in partnership with Hayah Karima, successfully conducted a series of impactful awareness sessions, leaving a positive imprint on various locations across Egypt. The following sessions exemplify the tangible outcomes of this partnership.



Location

- **Bani Suef Governorate**, Nasser Center, and the village of Bani Adi
- **Qalyubia Governorate**, Shubin Al Qanatir Center, and the village of Tahanooob.
- **Dakahlia Governorate**, Sherbin Center, and the village of Kafr Al-Wakala
- **Damietta Governorate**, Kafr Saad Center, and the village of Kafr Al-Munazla
- **Minya Governorate**, Maghagha Center, Shem El-Bahr Village
- **Minya Governorate**, Mallawi Center, Al-Rawda Village
- **Gharbia Governorate**, Zifta Center
- **Kafr El-Sheikh Governorate**, Metoubas Center, Al-Jazira Al-Khadra Village
- **Beni Suef Governorate**, Biba Center, Bani Malo Village
- **Damietta Governorate**, Kafr Saad Center
- **Alexandria Governorate**, Borg El Arab Center



In 2021 and 2022, UB extended its efforts to both remote and urban areas of Egypt, reaching previously inaccessible communities across various governorates to achieve its financial inclusion goals and raise awareness. This ensured that essential banking services were made accessible to different segments, including women, youth, people with disabilities, and farmers. To broaden its impact and reach, UB strategically collaborated with different institutions, including, but not limited to:

- The Better Life for Development and Training Association
- Mansoura University
- The Al-Araby School for Applied Technology
- Trainers in Gharbia Governorate
- Sadat City Universities
- Atwad Foundation for People with Disabilities



UB - The Best Bank in Terms of Financial Inclusion

UB was recognized for its leadership in promoting financial inclusion, winning the prestigious award for “The Best Bank in Terms of Financial Inclusion” from the International Union of Arab Bankers in 2021. This recognition reflected UB’s strong commitment to increasing financial accessibility across Egypt.

UB carried out numerous initiatives, particularly focusing on underserved areas such as Upper Egypt. These efforts, executed with the CBE, aimed to reach unbanked segments of society and promote financial inclusion.



In 2023, UB continued its efforts to promote financial inclusion by offering banking solutions tailored to the specific needs of different beneficiaries. The Bank collaborated with various civil society institutions to raise awareness, introduce its products and services, and increase financial literacy across different governorates. UB extended its reach to diverse segments across the country through the following partnerships:

- Tanta University
- Mansoura University
- Zagazig University
- The Fursan Alhadeedy Foundation
- Delta University of Science and Technology
- Horus University
- Various villages in Dakahlia, Giza, and Sharqia Governorates



The overall outcome of these initiatives was increased financial inclusion and digital transformation awareness from the financial awareness sessions provided by the Bank, which also presented the Bank's products and services.

Reaching the Unreached

Beyond digital innovation and awareness campaigns, UB is expanding its physical presence in targeted areas. The Bank's efforts extend to rural and remote regions, particularly in Upper Egypt, where it is deploying ATMs to fortify the financial sector infrastructure.

The Bank's services encompass essential financial offerings, such as savings and investment accounts, payment services (Meeza, debit, prepaid cards), and digital services (wallets, Internet banking, mobile banking). By providing these services, UB enables individuals to participate in the formal financial system, contributing to economic growth.

Empowering the Underprivileged

UB's policies reflect its commitment to supporting the unbanked and underprivileged in line with its FI efforts, including:

Simplified Account Opening: The Bank is reducing documentation requirements, providing financial inclusion accounts with simplified KYC, and removing barriers that individuals face when opening accounts or requesting services so that they only need their national ID.

Low-Cost or No-Fee: The Bank offers a Financial Inclusion account with low prices and other services related to this account (debit, prepaid, Meeza, and digital services) for free.

Financial Education and Partnership: The Bank provides financial education programs and seminars to unbanked and underprivileged individuals in urban and semi-urban areas through Hayat karma initiatives.

Commitment to Accessibility

Recognizing the diverse needs of the population, UB actively includes people with disabilities in its financial inclusion efforts, including the following.

1. Accessible Banking Facilities:

The Bank provides physical branches and ATMs accessible to individuals with disabilities. This includes providing ramps, elevators, wide doorways, and braille solutions.

2. Assistive Technologies:

The Bank provides assistive technologies such as screen readers, magnifiers, and adaptive keyboards to enable individuals with visual impairments or motor disabilities to access banking services through digital channels.

3. Accessible Websites and Mobile Apps:

The Bank offers accessible websites and mobile applications that comply with accessibility guidelines.

4. Specialized Accounts:

The Bank offers specialized accounts tailored to the needs of people with disabilities and provides all services with reasonable prices and braille applications.

5. Accessible Communication:

The Bank ensures that its customer communication channels are accessible to individuals with disabilities. This includes providing customer support through multiple channels, such as text messages and emails.

6. Training for Bank Staff:

The Bank provides training to their staff to raise awareness and sensitivity toward the needs of customers with disabilities. This training helps Bank employees provide better assistance and support to individuals with disabilities.

Training for Financial Technology Adoption

In line with its commitment, UB empowers its employees through extensive training. Staff members are equipped with the skills to communicate effectively with customers who have various disabilities.

The training covers alternative communication methods and an understanding of technologies available to customers with disabilities.

Building the capacity of UB’s employees is pivotal for the success of its financial inclusion initiatives.

Training programs employ remote technologies, such as Cisco WebEx meetings, to ensure seamless communication between trainers and employees, especially considering the additional challenges recently posed by the COVID-19 pandemic.

These training sessions focus on using financial technology to highlight the Bank’s financial transactions through digital services.

The curriculum covers a comprehensive understanding of financial inclusion, its importance, and its impact on the economy.

Real-world examples from countries that have successfully implemented financial inclusion are incorporated, providing context and inspiration for UB employees.

The Bank’s vision, mission, and key aspects of its financial inclusion implementation are integral components of the training.

The sessions serve as a platform to illustrate the Bank’s commitment to inclusivity, sustainability, and economic development.

In essence, UB’s commitment to financial inclusion is not only reflected in its services and policies but is deeply ingrained in the very fabric of its employee community.

Through comprehensive training and technological adaptation, the Bank is actively shaping a future where financial inclusion is not just a strategy but a way of life.

Our Employees

Diversity and Inclusion

Diversity of Employees

Our workforce structure is composed of 70% male employees and 30% female employees in 2023.

The younger age range under-30 is close to gender parity, with 72 females and 74 males.

Conversely, there is a noticeable disparity in the prime working age range 30-50, with 337 females and 563 males.

The gap widens in the older age group above-50, where there are 96 females and 551 males.

The disparity persists when considering all age groups, totaling 505 females and 1,188 males. With a workforce of 1,693 employees, 100% of UB's senior management consists of local talent.

FIGURE 15 | Percentage of Total Male and Female Employees in 2023

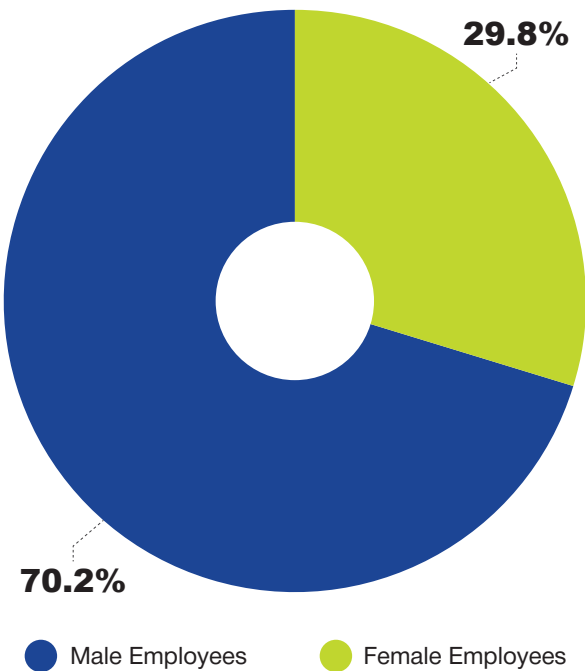
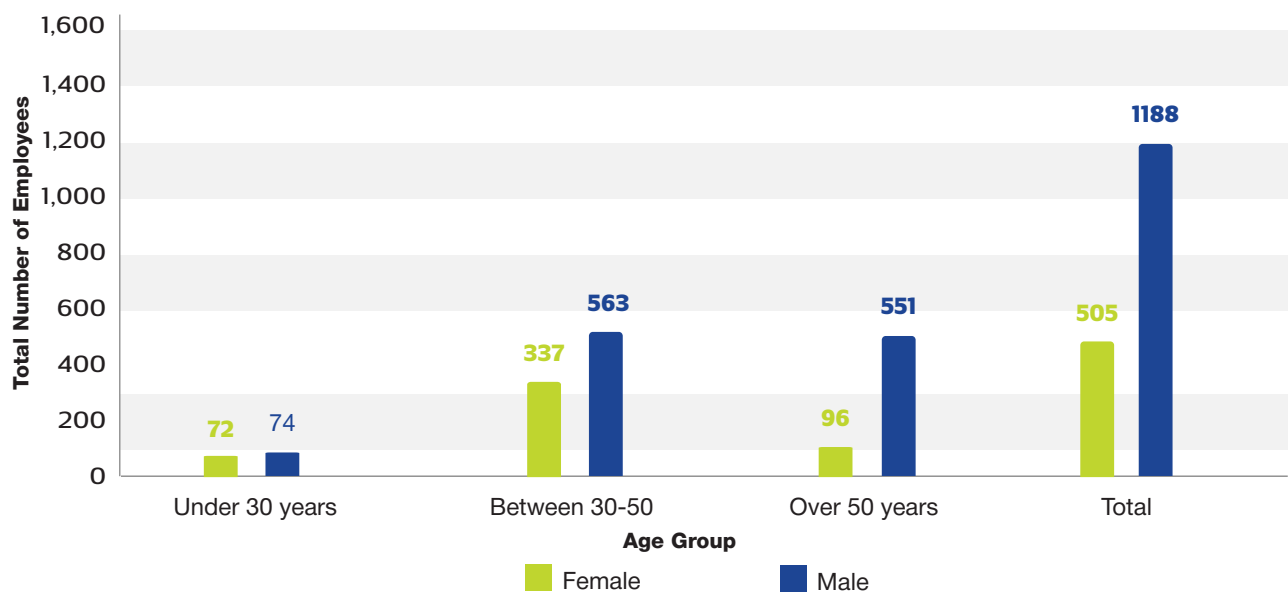


FIGURE 16 | Total Number of Employees by Age and Gender

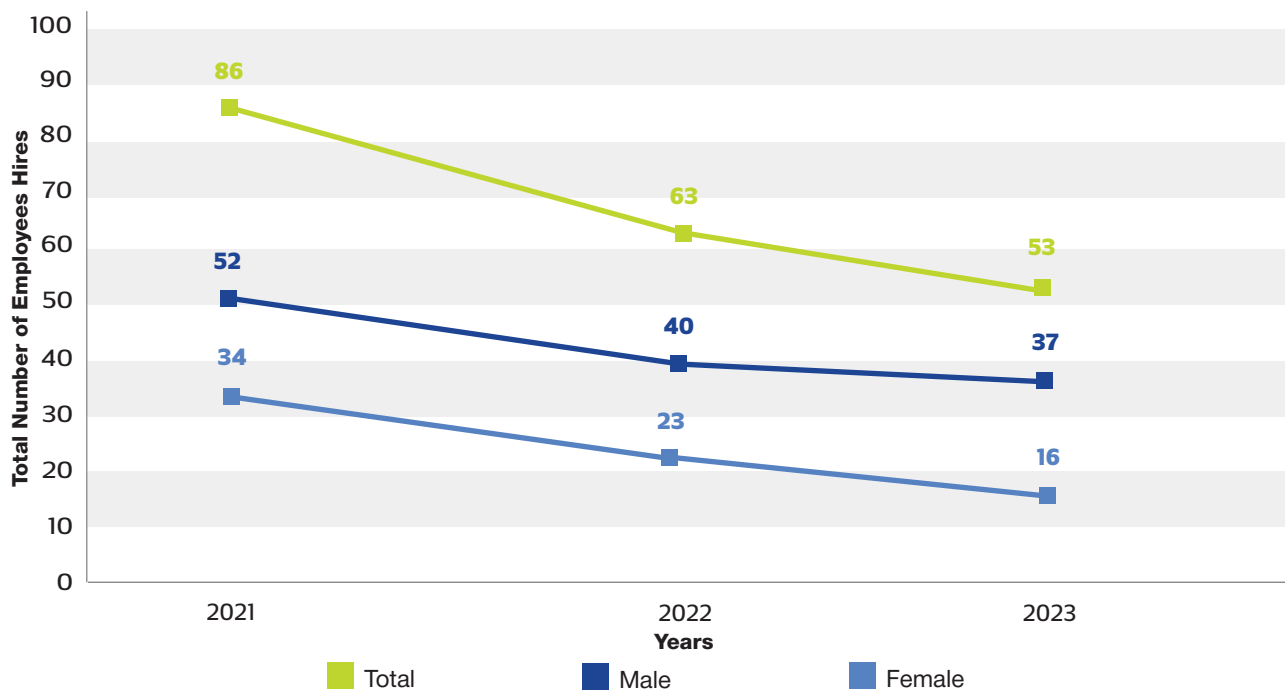


New Hires and Turnover

From 2021 to 2023, the total number of new hires decreased from 86 to 53, respectively, which could be indicative of various factors. In all three years, there were more male hires than female hires. In 2021, there were 52 male hires and 34 female hires. There was a notable decrease in

both male and female hires from 2021 to 2023, which respectively dropped from 52 to 37 and from 34 to 16. UB's goal is to recruit the most suitable candidates for the available positions.

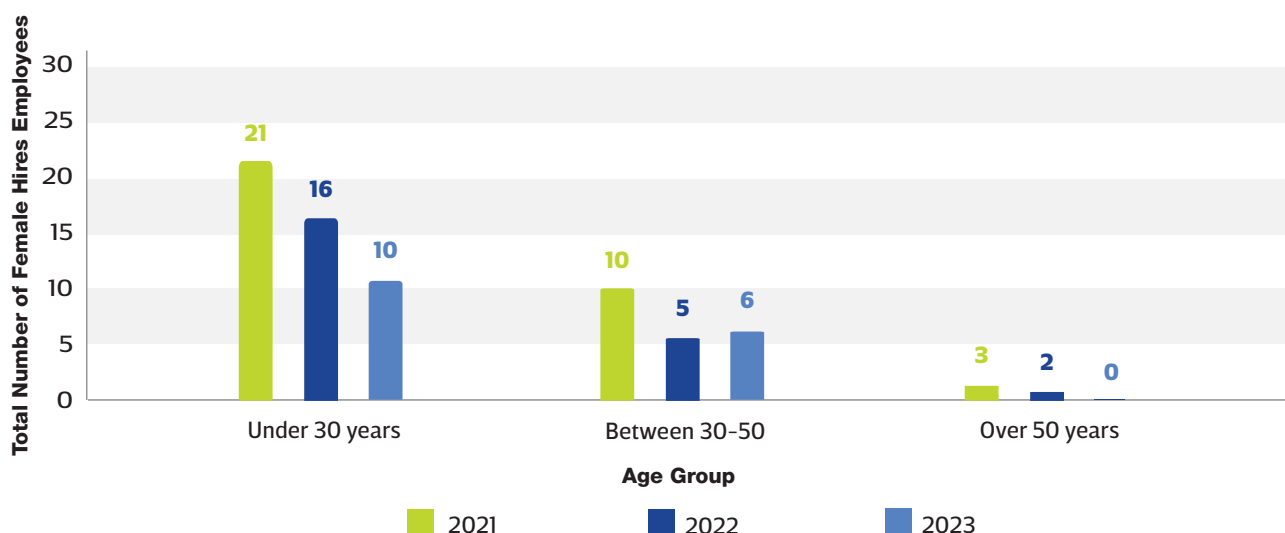
FIGURE 17 | New Employee Hires By Gender



Focusing on new female hires by age group, it is evident that between 2021 and 2023, most new female hires were below the age of 30, while the over-50 age group was the least represented. Specifically, in 2021, UB hired 21 females under-30, ten females aged 30-50, and three females over the age of 50.

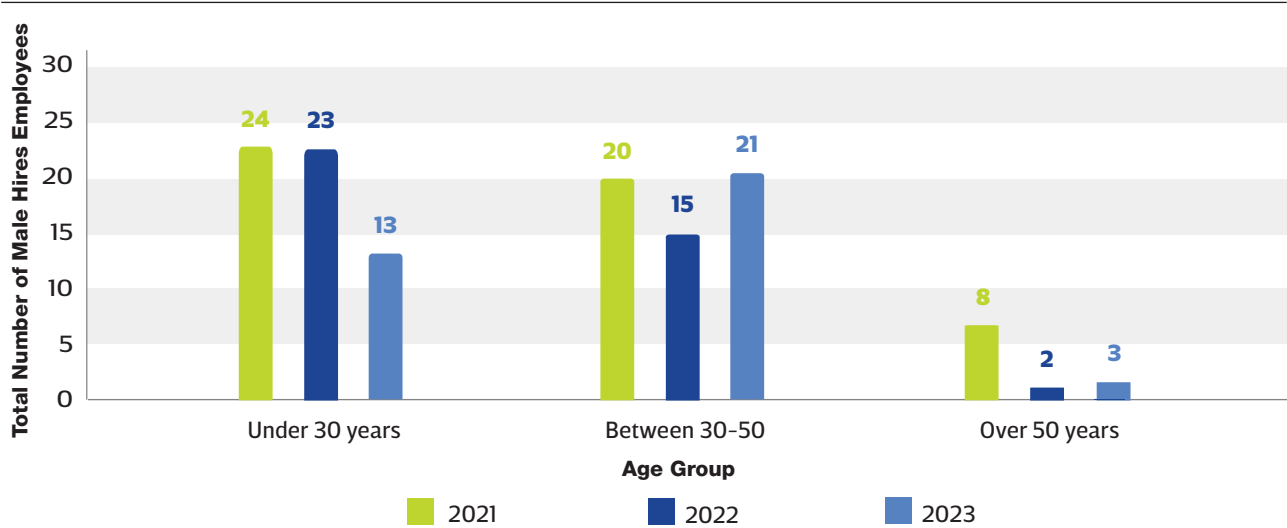
In the subsequent years, a consistent decline is observed in all age brackets. In 2023, new female hires decreased to ten in the age group of under-30, six in the age group 30-50, and zero in the age group above-50. Similarly, most new hires in 2021 and 2022 were under-30; however, most new hires in 2023 were aged 30-50.

FIGURE 18 | New Female Hires by Age



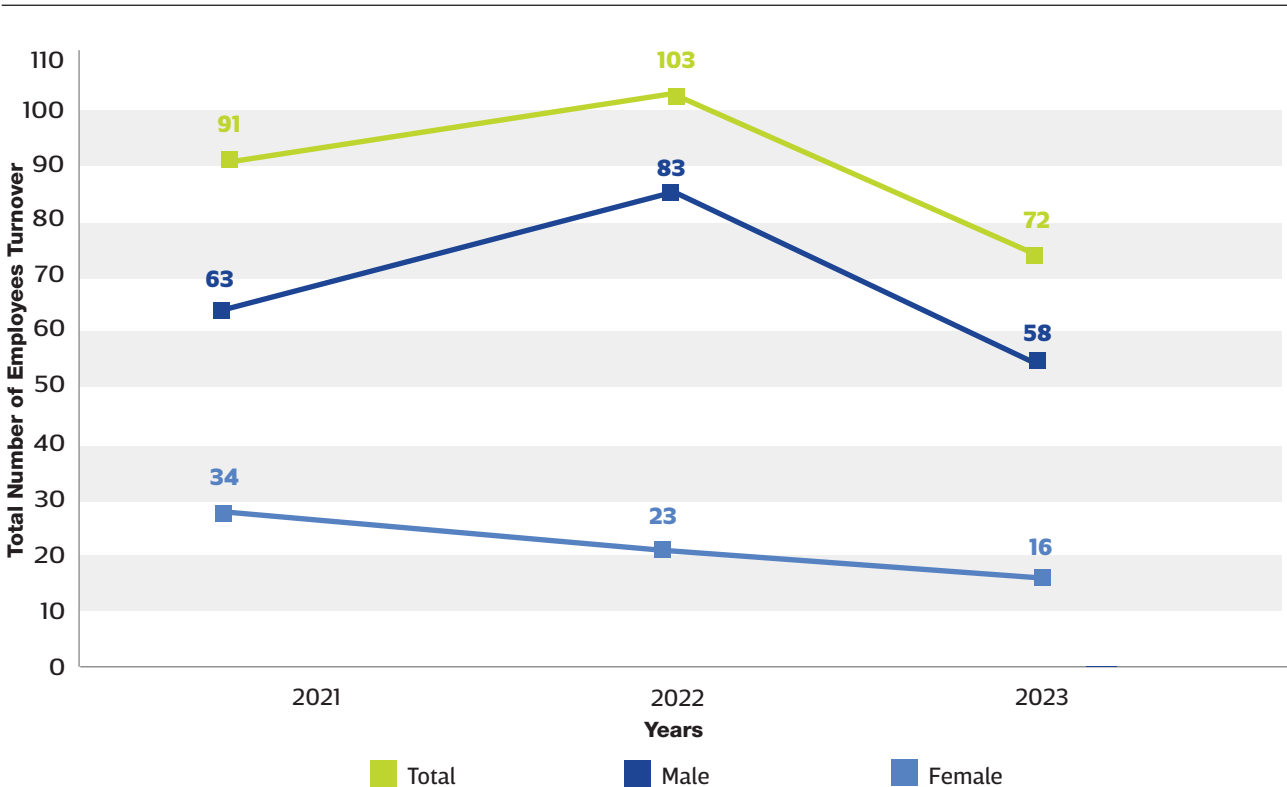
In 2021, UB hired 24 males under-30, 20 males aged 30-50, and eight hires above- 50. In 2022, there was a notable decrease in new male hires across the age groups: 23 hires aged under-30, 15 hires aged 30–50, and two hires aged above-50. In 2023, this trend was partly reversed. The number of hires aged under-30 further decreased to 13, whereas hires aged 30–50 increased to 21 and hires above-50 increased to three.

FIGURE 19 | New Male Hires by Age



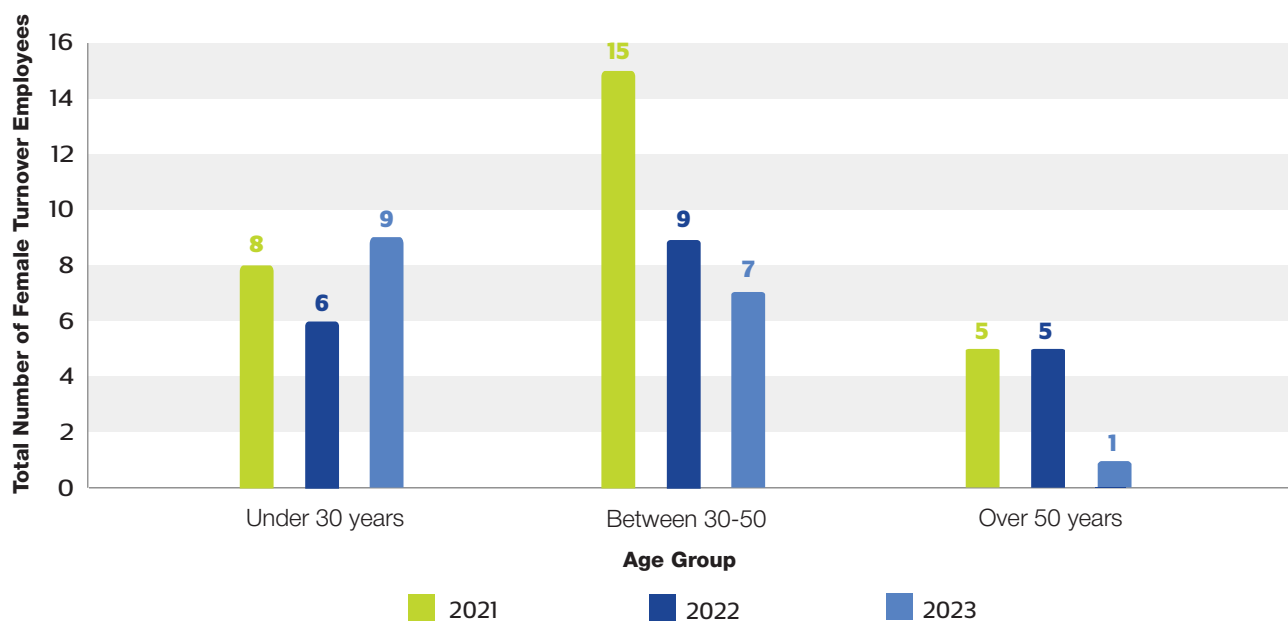
By analyzing the turnover rates at UB in 2021, 2022, and 2023 by gender, a distinct trend emerges. There was an increase in total turnover from 91 in 2021 to 103 in 2022, followed by a decrease to 75 in 2023. The rise in turnover in 2022 is attributed to the increase in male turnover, as female turnover decreased from 28 to 20. The overall decreases in turnover reflects the growing loyalty of UB employees.

FIGURE 20 | Total Turnover by Gender



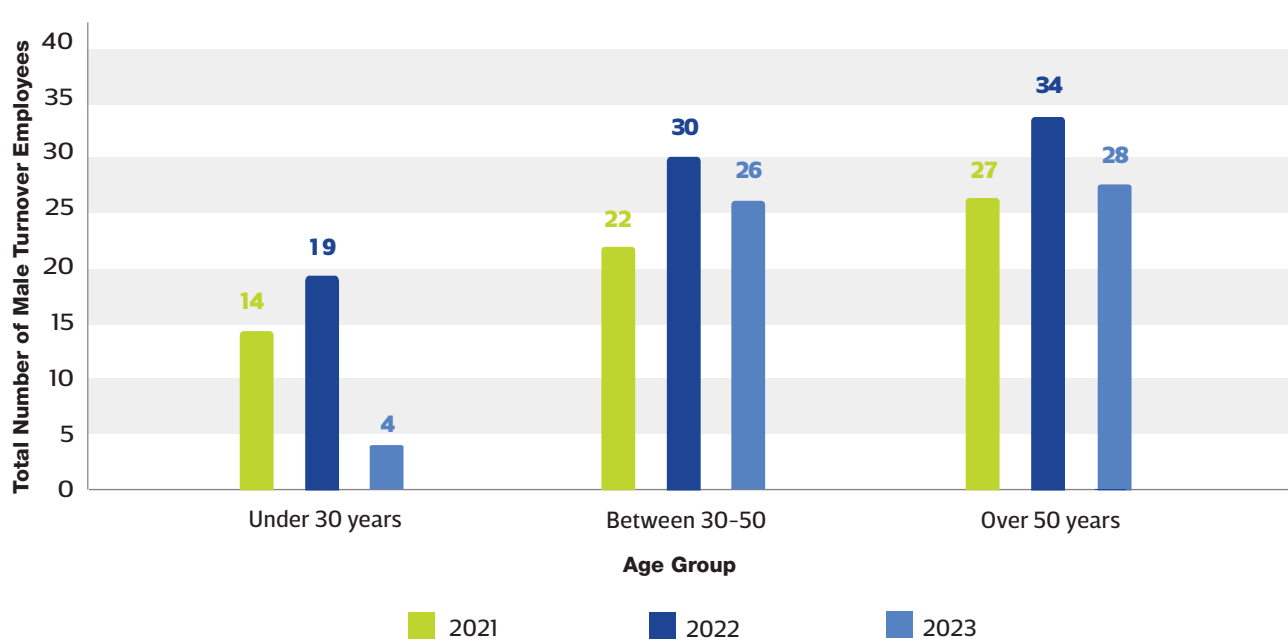
As for the turnover employees count, there were fluctuations in each age group over the three years. While the turnover among females under-30 increased from eight in 2021 to nine in 2023, turnover among females between 30-50 decreased from 15 to seven during the same period. Moreover, there is a notable decrease in turnover among females above-50 from five in 2021 to just one in 2023.

FIGURE 21 | Female Turnover by Age



The turnover among males under-30 decreased from 14 in 2021 to four in 2023; turnover among males aged 30-50 increased from 22 in 2021 to 30 in 2022, then dropped to 26 in 2023. Notably, turnover among male employees aged above-50 remained relatively high across all three years, with slight fluctuations.

FIGURE 22 | Male Turnover by Age



When UB employees resign, the Human Resources team conducts an exit interview with them. Through this process, they fill out a form where they explain the reasons behind the resignation. If the departing employee holds a position deemed critical to risk management, our HR team initiates retention efforts.

Nurturing Employee Well-Being

Remuneration and Compensation

UB adheres to the Egyptian Labor Law, therefore the local minimum wage is met at the entry level, regardless of gender. Moreover, the remuneration ratio between women and men varies based on the nature of work and job roles. In addition, to annual increases in wages, UB diligently conducts comprehensive financial analyses to compare wage levels, guaranteeing that every worker earns compensation above the minimum wage threshold. This assessment ensures that fair remuneration practices are upheld across all levels of employment. Other incentives for outstanding employees include medical insurance, annual profit sharing, and transportation allowance.

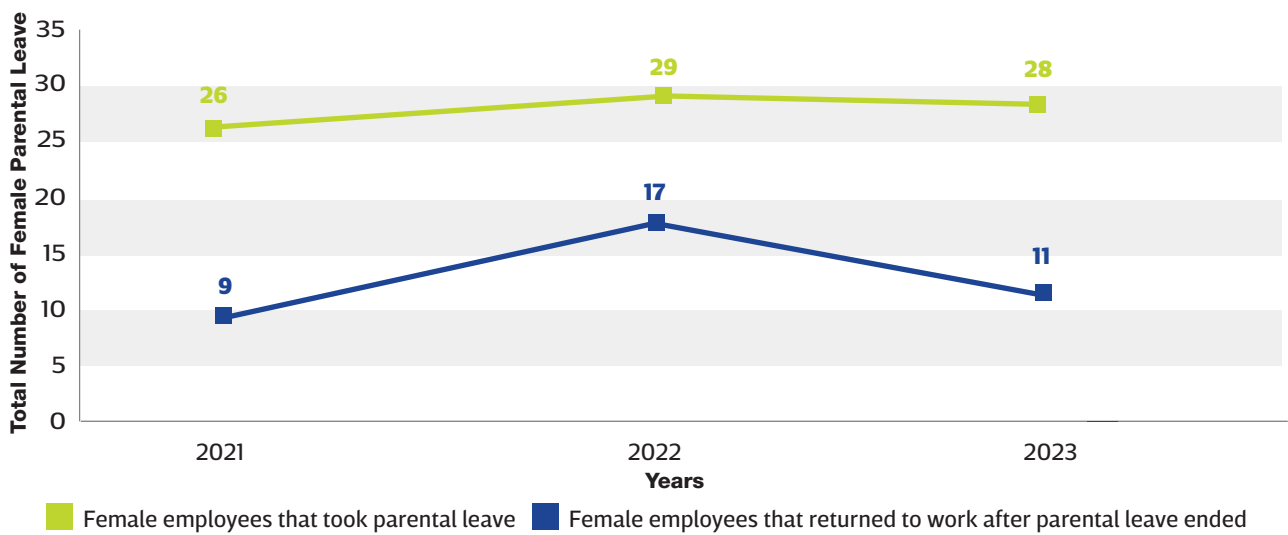
Retirement Plan

UB prioritizes its employees’ financial security in retirement through the operation of a pension fund. With employees contributing 11% of their salary, this fund is invested to ensure future financial stability. This contribution is integral to the comprehensive remuneration package, underscoring UB’s dedication to fostering employee well-being and long-term financial planning.

Parental Leave

Nurturing employee well-being is a cornerstone of a thriving workplace culture, and one key aspect of this is supporting employees through life transitions such as becoming parents. By offering parental leave to our female employees, we show commitment to their welfare, providing time off and financial stability. This promotes mental and emotional health, reduces stress, and helps employees balance work and family. In 2023, 28 of our female employees took parental leave, and 11 of them returned to work after it ended.

FIGURE 23 | Female Parental Leave



Health and Safety

UB has a set of health and safety standards in all its premises and offers occupational health and safety training programs to its worker. The training covers a range of topics, including generic issues and specific work-related hazards like firefighting, evacuation procedures, and defensive driving techniques. In addition, UB facilitates workers' access to non-occupational medical and healthcare services through a dedicated medical application and regular updates via the network to all employees. Moreover, we ensure that our outsourced security personnel are trained to ethically deal with individuals at any of the Bank's premises.

Grievance Mechanism

In our pursuit of transparency and accountability, UB affirms its dedication to providing a grievance mechanism for all employees. Our approach to identifying and resolving grievances is structured around the responsibilities of a dedicated committee, ensuring that concerns are handled with diligence and fairness. Every employee has the right to communicate their grievances via email to a designated HR group. The HR Committee reviews these details and presents them to the Grievance Committee for appropriate action. It is noted that there was no incidents of discriminations in 2023.

Continuous Learning and Development

UB is committed to enhancing employee skills to contribute to organizational growth. To achieve this, the Bank focuses on building a robust organizational culture, enriching human capital competencies, and meeting employees' learning and development needs through technical, managerial, and soft skills training programs. UB has also implemented a structured process for measuring all employees performance and developing career paths to support professional growth and development.

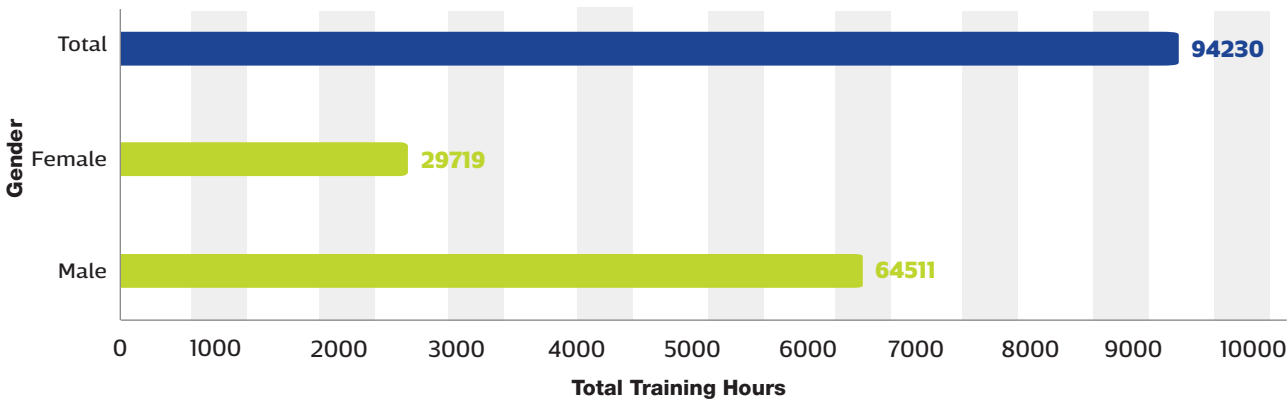
UB is committed to providing comprehensive training opportunities to its employees, ensuring they are equipped with the knowledge and skills to contribute to sustainable practices and initiatives. Through collaborations with esteemed partners like EBI and UNIDO, UB offers training sessions such as Renewable Energy-Solar Heating Training to foster expertise in renewable energy solutions.

Additionally, events like Green Finance Week and seminars on the current state of sustainable finance provide insights into the intersection of finance and environmental responsibility. Employees also benefit from e-learning sustainability bundles, in-house awareness sessions, and forums focused on sustainability and sustainable finance, emphasizing UB's dedication to raising awareness at all levels. From specialized programs like Climate Risk and Sustainable Finance to broader initiatives like Principles of Responsible Banking, UB ensures its workforce remains at the forefront of sustainable practices. With training courses covering areas such as climate finance, environmental risk analysis, and sustainability reporting, UB empowers its employees to drive positive change across the Bank and in the broader community.

UB’s employees collectively engaged in 94,230 hours of training, with female employees totaling 29,719 hours and male employees totaling 64,511 hours.

In 2023, the average training hours per female employee were 28 hours, while the average training hours per male employee were 20 hours.

FIGURE 24 | Total Training Hours by Gender



The Average Training Hours Per Employee by Gender:



Driving Employee Engagement

UB coordinates with the Communications Department to provide employee engagement programs and activities. These initiatives aim to cultivate a sense of involvement and dedication among employees, encouraging their active participation in various community-related endeavors. Additionally, the Bank supports collective bargaining to ensure that employees' voices are heard and their interests are represented.

Our Corporate Social Responsibility Efforts and Social Impact

Driving Positive Change: Our Corporate Social Responsibility Plan

UB’s Corporate Social Responsibility (CSR) policy reflects the Bank’s dedication to societal well-being through strategic initiatives, focusing on social development and environmental sustainability. The policy entails a well-defined annual CSR plan, collaboratively prepared with relevant departments, such as Administrative Affairs and Human Resources, and branches. UB has intensified its commitment to sustainable social responsibility by establishing the Ethar Division, which is dedicated to operationalizing social responsibility concepts and promoting sustainable economic growth and societal development. The Ethar Division oversees CSR and sustainability, ensuring periodic compliance monitoring and routine reviews of CSR documents, which are approved by the Bank’s Executive Committee. Despite the absence of a dedicated CSR Committee, either department works on the annual CSR plan and presents it to the Executive Committee for review and strategic guidance and then to the Board of Directors for approval. We believe this integrated approach ensures a thorough and transparent evaluation of our CSR endeavors, aligning them with UB’s goals and values. Our CSR initiatives are also subject to approval by the CBE, ensuring alignment with national goals and strategies.

The following key elements are taken into consideration:

- Socially and Environmentally Responsible Investments:** UB is actively investing in initiatives that have a positive impact internally and externally, focusing on social and environmental responsibility.
- Contribution to Sustainable Development:** UB is dedicated to contributing to sustainable development efforts, aligning its activities with the needs of society while spreading awareness about environmental conservation.
- Internal Cost Reduction and Environmental Awareness:** UB is committed to community development principles internally, striving to reduce costs through the efficient use of energy and resources like prints and copy paper, thereby minimizing its environmental footprint.
- Customer Base Expansion Through Philanthropy:** UB aims to attract a wider customer base, directing contributions toward institutions addressing societal needs by encouraging zakat and donations.

5.Integration of Sustainable Development Principles into Business Strategy: UB is actively working to embed sustainable community development principles into its overarching business strategy, ensuring a cohesive approach to development both inside and outside the Bank.

6.Employee Participation in Sustainable Development: UB promotes active employee involvement in sustainable community development initiatives, fostering a holistic approach to achieving positive and lasting change.

Throughout its CSR initiatives, UB maintains a clear commitment to making a positive impact on Egyptian society. This includes emphasizing partnership and collaboration with civil society institutions to foster responsible and active youth, aligning with both UN SDGs and Egypt Vision 2030. The overall aim is to nurture a generation that is healthy, educated, and empowered. Direct and Indirect Impacts of UB’s CSR Initiatives in Line with UN SDGs and Egypt Vision 2030

UB’s CSR Initiatives Aligned With SDGs and Egypt Vision 2030



UB’s CSR Funding and Community Investments in 2023

UB’s CSR initiative funding is determined by the Board’s committee through a structured decision-making process involving key stakeholders.

UB has made significant corporate and group donations and community investments through registered non-profit organizations. This reflects our commitment to making a tangible difference in the communities we serve.

Our Mission: Empowering Societal Development

UB’s mission is to enhance societal impact through sustainable community development, leveraging zakat and endowment funds within a robust institutional framework. We actively support the youth and women through partnerships focused on empowerment, scientific research, and scholarships.

UB’s CSR Pillars

The main pillars of UB’s CSR strategy are Health, Education, Community Development, Relief, and Medical Convoys. Our CSR activities are tailored to meet specific needs and are strategically linked to Egypt Vision 2030 and UN SDGs.

The Bank envisions leadership in responsibility and community development, supporting progress in cultural, educational, social, health, and environmental aspects. The goal is to make positive contributions to sustainable development initiatives, address societal needs, and strengthen the Bank’s commitment to service-oriented endeavors.

Pillar 1: Empowering Education

UB supports underprivileged and outstanding students to join the University of Zewail City of Science and Technology through full or partial scholarships. Additionally, UB backs the Shell Eco Cairo University Engineering Student Team by aiding in the design and manufacture of environmentally friendly and energy-efficient cars.

Case Study 1: The Holy Quran Competition

Overview:

UB’s annual initiative, the Holy Quran Competition, is a comprehensive program aimed at supporting and sponsoring Quran memorizers across various regions of Egypt. Embracing inclusivity, the program extends its support not only to individuals with Down syndrome but also to those above 18, fostering social integration and educational empowerment.

The competition spans across various regions of Egypt, covering governorates in the Delta, Upper Egypt, Alexandria, Canal, and South Sinai regions.

Objective:

The primary objective of the Holy Quran Competition is to promote Quranic memorization and provide comprehensive support to memorizers. Additionally, the competition seeks to foster inclusivity by accommodating individuals with Down syndrome and those above 18. By organizing the competition across multiple regions, UB aims to engage communities nationwide and reinforce the importance of Quranic education and inclusivity.

Outcome:

UB has successfully created a platform that encourages Quran memorization and provides support to participants from diverse backgrounds. The program has witnessed participation from individuals across age groups and ability levels, showcasing inclusivity and accessibility. Additionally, the competition has contributed to the promotion of social cohesion. A celebration was held to award the winners in the city of Sharm El Sheikh in the South Sinai Governorate, which was attended by the governor of South Sinai and officials from UB.



Impact:

The Holy Quran Competition promotes Quranic education and inclusivity. It has facilitated memorization among participants, fostering personal and spiritual growth. By accommodating individuals with special needs and older participants, it advocates for equal opportunities and social integration. Moreover, it has strengthened the relationship between UB and communities, showcasing UB's commitment to social responsibility.

Case Study 2: Sharm El-Sheikh Handicraft Exhibition

Overview:

The Sharm El Sheikh Handicraft Exhibition showcased local artisans' handicrafts and Bedouin artifacts from Saint Catherine, Mount Sinai, and nearby valleys. The event aimed to empower South Sinai residents, especially women, by highlighting their cultural heritage. The Bank purchased all exhibited items to present as gifts, named Tajalli, at the UB Carnival Exhibition.

Objective:

The exhibition aimed to provide a platform for local artisans, particularly women, to display their traditional crafts and Bedouin artifacts. It sought to inspire cultural preservation and economic empowerment within the South Sinai community.

Outcome:

The event successfully showcased the cultural richness of the South Sinai region, promoting economic empowerment and preserving local heritage.

By purchasing the exhibited items, the Bank ensured ongoing support for artisans and sustainable development in the area.

Case Study 3: Supporting the Asdaa Association For The Advancement Of The Deaf And Hard Of Hearing

Overview:

UB partnered with the Asdaa Association For The Advancement Of The Deaf And Hard Of Hearing to enable their participation in the LEGO Robotics Competition at the Bibliotheca Alexandrina.

This support included scholarships for three teams from the deaf community to study in the United States, where they received specialized training.

Objective:

The initiative aimed to empower individuals in the deaf community by providing opportunities to showcase their talents in the robotics field.

By sponsoring their participation in the competition and offering scholarships for further education, the Bank promoted inclusivity and diversity.

Outcome:

Through the Bank’s support, deaf teams participated in the LEGO Robotics Competition, gaining exposure and recognition for their abilities.

The scholarships provided them with specialized training in the United States, enhancing their skills and fostering personal and professional growth.

Impact:

UB’s initiative had a significant impact on the deaf community, challenging stereotypes and promoting inclusivity.

By offering educational opportunities to deaf individuals and showcasing their talent, the initiative fostered a more inclusive society and empowered individuals to pursue their aspirations.

Case Study 4: Jannat Al-Kholoud Association

Overview:

In alignment with its commitment to fostering educational opportunities, UB partnered with the Jannat Al-Kholoud Association to support kindergarten children aged 3–5 in informal settlements, particularly in the Dawiqqa area.

The Bank’s contribution included providing classrooms for an entire academic year and ensuring access to quality early education for children in the community.

Objective:

The initiative aimed to address the educational needs of kindergarten-aged children in informal settlements, such as Dawiqqa, by creating a conducive learning environment.

By supporting the Jannat Al-Kholoud Association, UB aimed to enhance access to early education, laying a foundation for children’s cognitive, social, and emotional development.

Outcome:

The partnership between the UB and the Jannat Al-Kholoud Association resulted in the provision of classrooms for kindergarten children in Dawiqqa for an entire academic year.

This initiative enabled children from marginalized communities to access early education, promoting school readiness and preparing them for future academic success.

Additionally, the support extended to the association contributed to its capacity to deliver quality educational programs to children in informal settlements.

Impact:

By investing in early education for kindergarten children in Dawiqqa, UB positively impacted the lives of individuals and communities.

The initiative not only provided children with foundational education but also empowered families and promoted social inclusion.

By supporting educational initiatives in informal settlements, the Bank demonstrated its commitment to addressing educational disparities and fostering equitable access to learning opportunities, thereby contributing to the holistic development of children and communities alike.

Case Study 5: Supporting Students in South Sinai Governorate

Overview:

UB annually supports financially disadvantaged students in the basic education stage in South Sinai Governorate by covering their school fees. This initiative aims to alleviate the financial burden on parents and guardians, ensuring that all students have access to education. By providing this support, the Bank encourages students to excel academically, thereby reducing dropout rates.

Objective:

The primary objective of this initiative is to ensure that financially disadvantaged students in the South Sinai Governorate have access to education without facing financial barriers. By covering school fees, UB aims to alleviate the burden on parents and guardians, allowing them to prioritize their children’s education. Additionally, the initiative seeks to motivate students to excel academically, reducing dropout rates and increasing educational attainment in the region.



Outcome:

The initiative has successfully enabled financially disadvantaged students to continue their education without interruption due to the inability to pay school fees. By removing financial barriers, UB has contributed to increased school enrollment and attendance rates in the South Sinai Governorate. Moreover, by encouraging academic excellence, the initiative has likely led to improved educational outcomes among supported students, fostering their personal and professional development.

Impact:

The initiative’s impact extends beyond individual students to benefit families, communities, and the broader society. By ensuring access to education for financially disadvantaged students, UB promotes social inclusion and equal opportunities, contributing to poverty reduction and socioeconomic development in the South Sinai Governorate. Additionally, by reducing dropout rates and encouraging academic success, the initiative cultivates a skilled workforce and strengthens the region’s human capital, laying the foundation for long-term prosperity and progress.

Pillar 2: Promoting Health and Well-Being: Initiatives in Preventive Healthcare and Medical Support

Case Study 1: Combatting Hepatitis -Virus C and Preventive Healthcare with Tahya Misr

Overview:

UB takes proactive measures in preventive healthcare, particularly in addressing Hepatitis Virus C. Through the Long Live Egypt (Tahya Misr) Fund, the Bank conducted a comprehensive medical survey of its workforce, providing treatment for those affected.

Objective:

The objective was to safeguard the health and well-being of UB employees by addressing Hepatitis Virus C through comprehensive medical surveys and treatment. UB aimed to become the first institution free from Hepatitis Virus C.

Impact:

The initiative not only protected the health of UB employees but also set a precedent for proactive healthcare management in institutions. By eliminating the Hepatitis Virus C threat, UB created a safer and healthier work environment, enhancing employee morale and productivity.

Case Study 2: Supporting Schoolchildren and Communities in Border Governorates

Overview:

The objective was to address prevalent health issues among schoolchildren and communities in border governorates through comprehensive health campaigns. UB aimed to raise awareness, provide screenings, and offer education on preventive measures for various health conditions.

Outcome:

UB’s campaigns benefited 60,000 students across 70 schools and raised awareness among communities in border governorates. By addressing health issues early and providing education on preventive measures, the Bank contributed to improving health outcomes and fostering a culture of wellness among schoolchildren and communities.

Impact:

UB reached underserved communities, empowering them with knowledge and resources to prevent and manage various health conditions.

Case Study 3: Our Children in Our Eyes Initiative- Egypt's First School Health Campaign

Overview:

The Our Children in Our Eyes initiative was supported in cooperation with the Sonaa El Kheir Foundation. A tripartite protocol was signed between UB, the Ministry of Education, and the Sonaa El Kheir Foundation under the auspices of the council of ministries and the president. It was implemented in Fayoum, the city of Saint Catherine, Mount Mousa and the surrounding valleys, Halayeb, Shalatin, and Helwan.

A comprehensive survey was conducted of school children on four axes to combat anemia, causes of blindness and diabetes, and skin diseases while raising awareness about personal hygiene and infections. A specialist medical team examined school children and oversaw the necessary analysis and medical operations related to eyes, glasses, and proper nutrition. The outcomes and impact of this initiative will be analyzed after full implementation.



Case Study 4: Supporting Healthcare Institutions and Initiatives

Overview:

UB is committed to supporting various healthcare institutions and initiatives across Egypt. The Bank contributes to Dr. Mohamed Ghoniem’s center in Mansoura City for a stem cell generation project aimed at treating diabetes, and to the National Cancer Institute by providing X-ray diagnostics and radiation devices. Additionally, UB supplies equipment to the Nephrology Center in Mansoura and supports the burns department at El Qasr El Ainy Hospital and the liver center in the Dakahlia Governorate.

UB also provides medical devices to Shefaa El Orman and heart devices to Saint Catherine Hospital. The Bank supports several other institutions, including the Institute of Diabetes and Endocrinology, Abou El Rish Hospital, and Baheya Foundation for Breast Cancer, supplying X-ray and DEXA equipment, as well as a certified IVD digital slide scanning device. Other supported organizations include Ayady El Mostakbal in Alexandria, 57375 Hospital in Cairo and its Tanta branch, El-Sheikh Zayed Hospital, El-Minshawy General Hospital, and Ahl Misr for burns, where the Bank contributes intensive care units and patient beds.

Furthermore, UB actively participates in efforts to eliminate surgery and intervention waiting lists at Ministry of Health hospitals and has been supporting various hospitals across Egypt since 2007.



Objective:

The objective was to enhance healthcare infrastructure, support medical research, and improve access to healthcare services for the community. UB aimed to contribute to the prevention, diagnosis, and treatment of prevalent health conditions through its support for healthcare institutions and initiatives.

Outcome:

UB’s support for healthcare institutions and initiatives facilitated improved access to healthcare services and reduced waiting times for surgeries and interventions. By partnering with reputable organizations and campaigns, the Bank played a significant role in advancing healthcare delivery and addressing critical health needs in the community.

Impact: The Bank’s support led to tangible improvements in healthcare infrastructure and services, resulting in enhanced patient care and outcomes. By actively participating in the elimination of waiting lists, UB helped alleviate the burden on healthcare facilities, ensuring timely access to essential medical treatments for patients.

Case Study 5: Charitable Actions and Community Health Support

Overview:

UB demonstrates its commitment to community health through charitable actions, including blood donation campaigns for the National Cancer Institute and plasma donations for 57357 Hospital. UB also supports the Hepatitis Virus C camp at Sohag University with the Tahya Misr Fund by covering all university students and providing an early detection device for the National Cancer Institute.

Objective:

The objective was to address specific healthcare needs in the community by supporting charitable actions and providing essential medical equipment to healthcare facilities. UB aimed to improve access to healthcare services and enhance medical infrastructure to better serve the community.

Outcome:

UB’s charitable actions and support for healthcare facilities resulted in improved access to healthcare services and enhanced medical infrastructure in various regions. By providing essential medical equipment and supporting charitable initiatives, the Bank made a meaningful impact on community health and well-being.

Impact:

The provision of medical equipment and support for healthcare facilities enhanced their capacity to deliver quality healthcare services to the community. UB’s charitable actions also demonstrated its commitment to addressing societal health issues, fostering community resilience, and improving health outcomes.

Case Study 6: Partnership Initiatives for Vulnerable Groups

Overview:

UB partners with organizations like the Sonaa El Kheir Foundation in initiatives like Orphan’s Day, which involves the detection of eye diseases, anemia, and diabetes

in orphanages and nursing homes. The initiative includes the distribution of medical eyeglasses, medicines, and souvenirs to orphanages and elderly people.

Objective:

The objective was to address the healthcare needs of vulnerable groups, particularly orphans, by providing screenings, medical assistance, and essential supplies. UB aimed to improve the health outcomes and quality of life for orphaned children through targeted healthcare initiatives.

Outcome:

UB's partnership initiatives resulted in the early detection and treatment of health conditions among orphaned children, improving their health outcomes and overall well-being. By providing medical assistance and essential supplies, the Bank demonstrated its commitment to supporting vulnerable groups and promoting community health and welfare.

Impact:

The initiative positively impacted the health and well-being of orphaned children, ensuring they received timely medical attention and support for their healthcare needs. By partnering with organizations like the Good Makers Foundation, UB extended its reach to vulnerable groups, making a significant difference in their lives and fostering a healthier future for the community.

Case Study 7: Misr El Kheir Caravans

Overview:

UB actively participated in the Caravans of Special Needs project across South, Central, and North Sinai, aimed at addressing the needs of individuals with disabilities. Through this initiative, the Bank provided essential support such as compensatory devices, electric wheelchairs, prosthetic limbs, and prescription eyeglasses tailored to the specific requirements of beneficiaries identified during the caravan's implementation. Additionally, the project encompassed medical examinations, tests, surgeries, and the provision of hearing aids, aiming to enhance overall well-being and accessibility for individuals with special needs in the region.

Objective:

The primary objective of the initiative was to improve the quality of life and accessibility for individuals with special needs across South, Central, and North Sinai. By offering a range of specialized equipment and medical services, UB aimed to address the unique challenges faced by this demographic, facilitating their integration into society and enhancing their health and mobility.

Outcome:

Through the Caravans of Special Needs project, UB successfully provided comprehensive support to individuals with disabilities in Sinai. Beneficiaries received

essential equipment such as compensatory devices, wheelchairs, prosthetic limbs, and prescription glasses, enhancing their daily lives and mobility. Moreover, the provision of medical examinations, tests, surgeries, and hearing aids contributed to improved health outcomes and well-being for participants. The fully equipped pharmacy ensured access to necessary medications, further enhancing the effectiveness of the initiative.

Impact:

UB's participation in the Caravans of Special Needs project had a significant impact on individuals with disabilities and the broader community in Sinai. By addressing the diverse needs of beneficiaries, the initiative promoted inclusivity and accessibility, empowering individuals with disabilities to participate fully in social and economic life. Furthermore, the provision of medical services and equipment improved health outcomes and quality of life for participants, fostering a more inclusive and supportive environment for individuals with special needs in the region.

Pillar 3: Ending Hunger and Supporting Marginalized Children

As part of its efforts, UB supported orphaned girls in El Tour, South Sinai Governorate by providing them with essential household items such as; TVs, stoves, and heaters, while also investing in the preparation of collective wedding celebrations.

During Ramadan, the Bank cooperated with institutions such as the Egyptian Food Bank, Misr El Kheir Foundation, Sonaa El Kheir Foundation, and Fael Kheer Organization. UB's employees packaged and distributed food boxes to various regions, including Upper Egypt, South and Central Sinai, Farafra, Luxor, and Helwan. In partnership with the Misr Foundation, UB also supervised a feeding campaign during Ramadan, distributing food boxes to the poorest governorates, including Saint Catherine, Al-Tur, Central Sinai, Luxor, and El Shorouk.

UB extends its support to diverse communities, including those in Luxor Governorate and the poorest areas of Qena, by providing food boxes, juice bottles, and sacks of potatoes to address hunger and nutritional needs comprehensively.

Additionally, UB undertakes various initiatives, such as distributing sweatshirts to children in Halayeb and Shalateen schools, feeding the homeless in downtown Cairo, and implementing sustainability projects in Saint Catherine, Mount Mousa, and surrounding areas. These efforts include providing blankets, school bags, supplies, coloring materials, and T-shirts to students in targeted regions.

Pillar 4: Contributing to Rural and Border Development Projects

Sports Day and Annual Group Iftar at UB

During the blessed month of Ramadan in 2023, a series of events were organized with the active participation of youth working in brick factories, in collaboration with the Misr Bokra Association at Cairo Stadium. Various activities were held, including a highly anticipated match between the Asbaya team from Saint Catherine City and a team made up of UB employees. In 2023, the sports day and group iftar took place under the auspices of the governor of South Sinai in Wadi Mandar, Sharm El Sheikh. To ensure full participation, sports attire and uniforms were provided to all participants across the various competitions. The winners were celebrated with medals, followed by an evening Ramadan gathering.



Turathna Exhibition

UB participated in the Turathna exhibition by showcasing Bedouin products. An agreement was made to support Bedouin women through lectures on marketing Bedouin products and utilizing digital technology for buying and selling.

Development in Saint Catherine

A development plan was outlined for Saint Catherine City to further support its residents and foster community growth in border governorates. The plan focused on promoting local craftsmanship and the production of traditional Bedouin products to enhance community engagement, boost productivity, and align with the state's development policies under the presidential initiative.

Under the sponsorship of the governor of South Sinai, Major General Khaled Fouda, UB supported the following initiatives:

- Agricultural projects
- Handicrafts, traditional crafts, honey, olive oil, almonds, medicinal herbs, and packaging and marketing of such products
- Poultry production by organizing incubation courses and purchasing a chicken egg incubator.



Other Initiatives

1- Relief Efforts for Villages

- Khorsheed Village with Al Orman Foundation (2011–2014): We were the first financial institution to provide relief and reconstruction support for homes in collaboration with the Al Orman Association, establishing Khorsheed Village in Ilnasia Center, Beni Suef Governorate. Several houses and services were rebuilt, including utilities (electricity, water), building fabric (roofs, doors, windows), and distribution of livestock and stalls.
- Najaa Al-Jusur Village, Al Toud Center, and Luxor Governorate with the Goodness Makers Foundation: UB supported Najaa Al-Jusur Village in Al Toud Center. This included demolishing and rebuilding damaged houses with reinforced roofs (including furnishings and electrical appliances), development projects (motorboats, fishing tools), medical caravans for medical check-ups and eye surgeries, distribution of medical glasses, various medication, drops, pediatric examinations, dermatology services, bone-related services, and medical tests for villagers.
- Water Desalination Plant: UB supported the opening of a water desalination plant for residents of the Najaa Saida Village in Luxor Governorate after conducting a series of analyses to examine the suitability of drinking water to ensure the health of the residents.
- Syrian Earthquake Victims Support with the Egyptian Red Crescent: UB supported the Egyptian Red Crescent in providing aid to Syrian earthquake victims in Syrian regions.
- Assistance for Saint Catherine City Flood Victims: UB supported households affected by floods in the Saint Catherine area by providing tarpaulins to cover the roofs of damaged houses.



2- Debtors' Account

In September 2009, during the month of Ramadan, the first account for donations to debtors was opened in collaboration with the Misr El Kheir Foundation. The first advertisement was published in the Al-Ahram newspaper in 2020, announcing “prisons without debtors.” Projects were implemented for them in preparation for the post-release phase.



3- Qurbani Sacrifice Certificates

UB issues marketing Qurbani sacrifice certificates for the Misr El Kheir Foundation, the Egyptian Food Bank, and Goodness Makers for Development Association (Al Orman Association). A campaign was prepared to distribute Qurbani sacrifice certificates through the Bank's branches in all governorates.

4- Support for Youth Volunteers

UB supports its youth volunteers with knowledge management for Ethar management at Abu El Reesh Japanese Hospital. It also provides supplies and medicines for the hospital's pharmacy and Eid clothes and toys for children.

5- Islamic Donations Accounts

- Charitable Investment: This is a charitable endowment account through which the client can make ongoing charitable donations in their name. They can also allocate the returns to any charitable institution they choose from the list provided by Ethar for charitable institutions.
- Ethar List: This comprises accounts for donations available at the Bank in Egyptian pounds and foreign currencies. Through these accounts, clients can fulfill Islamic duties, such as donating and paying zakat, and perform specific Islamic rituals including:
 1. Zakat al-Fitr
 2. Iftar for fasting individuals
 3. Fawd

Our Marketing and Communication Approach

Marketing Strategies

UB's marketing and communication strategies demonstrate a comprehensive and integrated approach toward achieving its internal and external visions. Internally, our efforts are focused on fostering a unified work culture. Externally, the aim is to reinforce media performance, positioning the Bank as a leader in financing SMEs with a commitment to Sharia-compliant provisions.

Committed to integrity and transparency, UB ensures that its procedures for product and service information and labeling are thorough and rigorous.

These protocols mandate the inclusion of vital details, such as the sourcing of components, showcasing our dedication to ethical supply chain practices. UB's dedication to sustainability is also evident in our insistence on disclosing information regarding substances with potential environmental or social impacts, showcasing our responsibility toward the planet and society.

We prioritize consumer safety by providing information on the proper usage of our products and services. We also recognize the importance of educating consumers about product disposal and its potential environmental or social ramifications, even if this does not apply universally to all products.

Each UB product is accompanied by meticulously sourced descriptive text to ensure accuracy and reliability. UB's procedures encompass all significant product and service categories, with each category undergoing rigorous assessment to ensure compliance. UB maintains an unblemished record, with no instances of non-compliance with voluntary codes or regulations on product and service information and labeling.

Moreover, there have been no breaches related to marketing communication regulations, underscoring our unwavering commitment to ethical conduct and adherence to standards. Our commitment to ethical marketing and communication is evidenced by our adherence to international standards and the implementation of internal policies. Regular audits, reporting systems, and risk assessments further underscore the Bank's dedication to upholding high ethical standards in its marketing practices.

In addition to these efforts, UB has adopted a strategy of continuous improvement and enhancement of communication mechanisms, with a special focus on engaging with women as influential drivers in development and improvement processes.

Local campaigns have been launched to reinforce corporate identity, contribute to digital transformation, and strengthen Egyptian citizen welfare, human values, principles of social solidarity, and women and youth empowerment.

Leveraging partnerships with traditional and digital media, as well as social media channels, our Marketing and Communication Department actively contributes to financial inclusion and digital solutions.

Our communication endeavors are manifested through our communication channels, which include the following:

1. Digital and Media Influencing: UB initiated a local awareness campaign utilizing cutting-edge applications, harnessing the influence of digital and media influencers to deepen communication between the Bank and its target audience across social media platforms.

2. Messaging for Local Advertising: Several local campaigns have been launched for UB products, crafting a series of tailored messages linked to various events and occasions throughout the year, designed to resonate both rationally and emotionally with the targeted audience.

Participation in National Events

At UB, we recognize the importance of actively engaging in national events and initiatives that shape our society and contribute to its development. Here are some notable national events where UB has played a significant role:

1. World Youth Forum (WYF) 2022

UB's participation in the WYF is an annual tradition to engage in local and international events. This tradition stems from a strong belief in the importance of empowering the youth for future leadership.

For the first time, UB launched an interactive and virtual booth through the WYF platform in 2022. Available in three languages—Arabic, English, and French—the booth operates under the slogan “Join Us.” It provides the public with the opportunity to participate remotely from all around the world. Additionally, it offers real-time interaction and the ability to explore a unique package of digital solutions and exceptional youth banking services through audio and video content available in all three languages.



2. COP27 Climate Conference in Sharm El Sheikh

UB provided support and assistance to the South Sinai Governorate as part of the process of transforming the city into a green city in preparation for hosting the 27th Conference of the Parties (COP) Climate Conference. In addition, the Bank participated in various green and awareness activities as part of the governorate's campaign.



3. Sponsorship of the 58th African Development Bank Annual Meeting

UB's sponsorship of the 58th annual meeting of the African Development Bank in May 2023 at Sharm El Sheikh, Egypt, highlighted its commitment to African economic growth and sustainability.

Other Campaigns and Initiatives

At UB, we believe in the power of strategic campaigns to drive positive change and address pressing societal issues. Through targeted initiatives, we aim to empower diverse demographics, foster innovation, and contribute to the sustainable development of our communities. UB's impactful campaigns launched to address key challenges and opportunities include the following:

1. Agyal Campaign: Targeting the youth with tailored local messages is a great way to engage this demographic, especially if the messages are modern and relevant to their interests and concerns. It is crucial to keep these messages fresh and updated to maintain engagement.



2.Laky Forum: Focusing on developing women's competencies and promoting their leadership roles is essential for achieving gender balance and fostering innovation. The forum's emphasis on societal dialogue and knowledge exchange can lead to tangible outcomes in women's participation in various sectors.



3.Campaign for SME Funding:

Supporting SMEs is vital for economic growth and job creation. This campaign involves providing financial resources, training, and mentorship to SMEs to help them thrive and contribute to the economy.

4.Go Green Campaign:

Encouraging the conversion to natural gas vehicles aligns with SDGs and can help reduce carbon emissions. Linking this campaign with the Climate Forum demonstrates a commitment to addressing environmental challenges.

5.Kon-Hazeran Awareness Campaign:

Cybersecurity and fraud prevention are increasingly important in the digital age. Educating customers about these risks and providing secure applications can help protect their data and investments, fostering trust in digital transactions.

6.Financial Inclusion Awareness Campaigns:

Promoting financial inclusion is essential for ensuring that everyone has access to financial services and opportunities. These campaigns involve raising awareness about banking services, savings, and investment options for underserved communities.

Ethical Procurement

UB adheres to Egyptian labor laws, ensuring that its suppliers strictly comply with prohibitions against child labor, forced labor, and any form of compulsory work. To guarantee these standards are upheld, UB requires suppliers to provide government-issued documentation verifying compliance with labor regulations. The Bank also takes proactive steps by conducting regular internal and external audits, ensuring consistent monitoring of labor practices within the supply chain. In addition, UB has engaged reputable third-party auditors to independently assess and verify labor standards.

The geographic location of UB suppliers varies based on the Bank's policy and the approved list of suppliers. When selecting suppliers, UB follows a thorough process that aligns with its procurement policy. This process involves assessing supplier qualifications, capabilities, and adherence to regulatory requirements.

Suppliers are evaluated based on factors such as reputation, quality of products or services, pricing, and compliance with ethical standards. Once selected, suppliers are added to the approved list. This approach ensures that only reputable and reliable suppliers are engaged. UB actively seeks to engage local suppliers, with 100% of its suppliers being local in 2023.

In terms of communication, UB effectively communicates policies and procedures to its business partners and suppliers.

This communication primarily involves sharing purchase orders and contracts when necessary, ensuring that all parties understand the expectations and standards for ethical conduct.





National and International Commitments

- Egypt Vision 2030 and UN SDGs
- CBE Sustainable Finance Guidelines

UB aims to align its efforts with Egypt Vision 2030 and the UN Sustainable Development Goals, ensuring sustainable growth and development in line with national and global goals.



- Implement social responsibility programs targeting poverty alleviation for vulnerable groups.
- Implement “Ethar List” for donations to support poverty reduction initiatives.
- Engage in charitable investments aimed at poverty reduction and community upliftment.



- Launch and support programs dedicated to ending hunger and ensuring food security in underserved areas.
- Encourage donations through “Ethar List” targeting hunger eradication.



- Develop and fund health-related CSR initiatives to improve community health outcomes and provide access to medical services.



- Offer regular training sessions for employees on sustainability and its importance.
- Invest in educational institutions and programs to enhance access to quality education and skill development.
- Support students and children in achieving their educational goals.



- Implement strict non-discrimination practices and promote gender equality within the Bank.
- Engage in initiatives that empower women through education, training, and leadership opportunities.



- Engage in CSR projects that provide clean water and improved sanitation facilities to communities in need.



- Establish a dedicated Sustainability Department
- Formulate a comprehensive Sustainability Policy
- Enhance financial inclusion by expanding access to financial services for all segments of society and promotion of electronic payment systems.
- UB's Investment Department has implemented strategic initiative aimed at optimizing investment performance and supporting sustainable economic development
- Issue comprehensive SOPs to ensure standardized, efficient, and sustainable processes across the bank.
- Foster entrepreneurship, create jobs, and stimulate economic growth by supporting small and medium-sized enterprises (SMEs).



- Commit to responsible banking, ethical standards, promoting social inclusivity, and community contribution.
- Implement initiatives to empower people with disabilities.
- Provide support and relief efforts for villages.



- Information division protects critical information, ensuring privacy and security of data.
- Adopting advanced tools
- By investing in SMEs, UB helps build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.
- Enhancing digital banking solutions drives technological innovation and builds resilient infrastructure
- Increasing transaction volumes and profitability through e-channels contributes to economic growth and productivity.



- Invest in projects that develop rural and border areas, improving living conditions and infrastructure.



- Ensure responsible financial practices by complying with Anti-Money Laundering (AML) regulations.
- Reduce paper usage and demonstrate commitment to sustainability through electronic documentation.
- Prohibit investments in industries involved in harmful or exploitative labor practices and those causing environmental damage.
- Integrate ESG criteria into credit assessment and decision-making processes in 2023.



- Guide lending and investment towards positive environmental and social outcomes with a dedicated sustainable finance policy.
- Assess environmental and social risks associated with potential borrowers and projects.
- Provide training for employees on “Climate Change and Transition to Sustainability” and other sustainability topics for different department levels.
- Offer external training programs covering sustainable development, green economy, principles of entrepreneurship, and digital banking services.

CBE Sustainable Finance Guidelines	UB's Efforts	Section
Principle 1: Capacity-Building and Necessary Knowledge	UB is committed to enhancing the skills and knowledge of its employees and stakeholders by providing continuous training and educational programs focused on sustainability and sustainable finance principles.	Strategic Sustainability Internal and External Training Focus Our Approach- ESG
Principle 2: Enhancing Sustainable Finance	UB actively promotes and integrates sustainable finance practices, encouraging investments in projects that have positive environmental and social impacts.	Environmental Efforts and Sustainable Finance
Principle 3: Involvement of the Stakeholders	UB aims to cooperate and engage with different external entities such as ministries, NGOs and international financial organizations.	Throughout the Report In progress
Principle 4: Managing Climate Change Risks	UB is dedicated to identifying, assessing, and managing climate change-related risks within its operations and financial activities, developing strategies to mitigate these risks effectively.	In progress
Principle 5: Applying the Principles of Sustainability to the Bank's Internal Activities and Operations	UB strives to integrate sustainability principles into its internal operations, focusing on reducing its environmental footprint, promoting resource efficiency, and fostering a culture of sustainability among employees.	Environmental Efforts and Sustainable Finance
Principle 6: Reporting	UB is committed to transparent and comprehensive reporting on its sustainability initiatives and performance, adhering to recognized standards and frameworks to provide stakeholders with accurate and timely information.	About the Report



Indices and Assurance Letter

- GRI Index
- Assurance Letter

GRI Index

Statement of use	The United Bank has reported the information cited in this GRI content index for the period January 1st 2023 till December 31st 2023 in accordance to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 2: General Disclosures 2021	2-1 Organizational details	Glimpse on The United Bank		10
	2-2 Entities included in the organization's sustainability reporting	About the Report		2
	2-3 Reporting period, frequency and contact point	About the Report		2
	2-4 Restatements of information	Not applicable, no restatements of information.		
	2-5 External assurance			
	2-6 Activities, value chain and other business relationships	Glimpse on The United Bank		10
	2-7 Employees	Our Employees		94
	2-8 Workers who are not employees	Our Employees		94
	2-9 Governance structure and composition	Corporate Governance Structure		27
	2-10 Nomination and selection of the highest governance body	Governance and Nomination Committee		32
	2-11 Chair of the highest governance body	Corporate Governance Structure		27
	2-12 Role of the highest governance body in overseeing the management of impacts		Information unavailable/incomplete	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Structure		27
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Structure		27
	2-15 Conflicts of interest	Conflict of Interest Policy		34

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Grievance Mechanism		99
	2-17 Collective knowledge of the highest governance body	Board Composition and Diversity		27
	2-18 Evaluation of the performance of the highest governance body	Evaluation of the Board of Directors		31
	2-19 Remuneration policies	Compensation and Remuneration Committee		32
	2-20 Process to determine remuneration		Confidentiality constraints	
	2-21 Annual total compensation ratio		Confidentiality constraints	
	2-22 Statement on sustainable development strategy	Our Sustainability Approach		18
	2-23 Policy commitments	Building Integrity, Trust, and Cybersecurity		33
	2-24 Embedding policy commitments	Throughout the Report		Throughout the Report
	2-25 Processes to remediate negative impacts	Grievance Mechanism		99
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Mechanism		99
	2-27 Compliance with laws and regulations	Building Integrity, Trust, and Cybersecurity		33
	2-28 Membership associations	Glimpse on The United Bank		10
	2-29 Approach to stakeholder engagement	Stakeholder Engagement		22
	2-30 Collective bargaining agreements	Driving Employee Engagement		100

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 3:Material Topics 2021	3-1 Process to determine material topics	Stakeholder Engagement and Materiality Assessment		21
	3-2 List of material topics	Materiality Assessment		23-25
	3-3 Management of material topics	Material Topics Management Approach		23-24
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed		Confidentiality constraints	
	201-2 Financial implications and other risks and opportunities due to climate change		Information unavailable/incomplete	
	201-3 Defined benefit plan obligations and other retirement plans	Retirement Plan		98
	201-4 Financial assistance received from government		Not applicable	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Nurturing Employee Wellbeing		98
	202-2 Proportion of senior management hired from the local community	Diversity of Employees		94
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Our CSR Efforts and Social Impact		101
	203-2 Significant indirect economic impacts	Our CSR Efforts and Social Impact		101
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Ethical Procurement		122
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Risk Management		47

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Building Integrity, Trust, and Cybersecurity		33
	205-3 Confirmed incidents of corruption and actions taken	Risk Management		47
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Confidentiality constraints	
GRI 207: Tax 2019	207-1 Approach to tax		Not applicable	
	207-2 Tax governance, control, and risk management		Not applicable	
	207-3 Stakeholder engagement and management of concerns related to tax		Not applicable	
	207-4 Country-by-country reporting		Not applicable	
GRI 301: Materials 2016	301-1 Materials used by weight or volume		Information unavailable/incomplete	
	301-2 Recycled input materials used		Information unavailable/incomplete	
	301-3 Reclaimed products and their packaging materials		Not applicable	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Efficiency		85
	302-2 Energy consumption outside of the organization		Not applicable	
	302-3 Energy intensity	Energy Efficiency		85
	302-4 Reduction of energy consumption	Energy Efficiency		85
	302-5 Reductions in energy requirements of products and services		Not applicable	

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		Not applicable	
	303-2 Management of water discharge-related impacts	Water Efficiency Audit		85
	303-3 Water withdrawal	Water Efficiency Audit		85
	303-4 Water discharge	Water Efficiency Audit		85
	303-5 Water consumption	Water Efficiency Audit		85
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Not applicable	
	304-2 Significant impacts of activities, products and services on biodiversity		Not applicable	
	304-3 Habitats protected or restored		Not applicable	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not applicable	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Carbon Footprint Summary		84
	305-2 Energy indirect (Scope 2) GHG emissions	Carbon Footprint Summary		84
	305-3 Other indirect (Scope 3) GHG emissions	Carbon Footprint Summary		84
	305-4 GHG emissions intensity	Carbon Footprint Summary		84
	305-5 Reduction of GHG emissions	Carbon Footprint Summary		84
	305-6 Emissions of ozone-depleting substances (ODS)		Not applicable	

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Not applicable	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		Information unavailable/incomplete	
	306-2 Management of significant waste-related impacts	Waste Management		86
	306-3 Waste generated	Waste Management		86
	306-4 Waste diverted from disposal	Waste Management		86
	306-5 Waste directed to disposal	Waste Management		86
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		Information unavailable/incomplete	
	308-2 Negative environmental impacts in the supply chain and actions taken		Information unavailable/incomplete	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	New Hires and Turnovers		94
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Nurturing Employee Wellbeing		98
	401-3 Parental leave	Parental Leave		98
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes		Information unavailable/incomplete	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety		99

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation		Not applicable	
	403-3 Occupational health services		Not applicable	
	403-4 Worker participation, consultation, and communication on occupational health and safety		Not applicable	
	403-5 Worker training on occupational health and safety	Health and Safety		99
	403-6 Promotion of worker health	Health and Safety		99
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not applicable	
	403-8 Workers covered by an occupational health and safety management system		Not applicable	
	403-9 Work-related injuries		Not applicable	
	403-10 Work-related ill health		Not applicable	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Continuous Learning and Development		99
	404-2 Programs for upgrading employee skills and transition assistance programs	Internal and External ESG Training		19
	404-3 Percentage of employees receiving regular performance and career development reviews	Continuous Learning and Development		99

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board Composition and Diversity		27
	405-2 Ratio of basic salary and remuneration of women to men	Nurturing Employee Wellbeing		98
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Grievance Mechanism		99
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable/incomplete	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Our Ethical Procurement		122
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Our Ethical Procurement		122
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Health and Safety		99
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples		Not applicable	

GRI Standard	Disclosure	Section	Reason for Omission	Pg. No.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Our CSR Efforts and Social Impact		101
	413-2 Operations with significant actual and potential negative impacts on local communities		Information unavailable/incomplete	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Our Ethical Procurement		122
	414-2 Negative social impacts in the supply chain and actions taken		Information unavailable/incomplete	
GRI 415: Public Policy 2016	415-1 Political contributions		Not applicable	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		Not applicable	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		Not applicable	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling		Not applicable	
	417-2 Incidents of non-compliance concerning product and service information and labeling		Not applicable	
	417-3 Incidents of non-compliance concerning marketing communications		Information unavailable/incomplete	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Rights Protection		39

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